



TATA STEEL (THAILAND)

TATA STEEL



TATA TISCON

FINISH WORK QUICKLY, CONFIDENT IN EVERY PROJECT
BECAUSE IT HAS PASSED EVERY QUALITY TEST.

PLACE ORDER

OUR PRODUCTS



DEFORMED BAR

SELECT

55.50-222.00



WIRE RODS

SELECT

222.00-1,893.00

INTEGRATED ANNUAL REPORT 2021-22
(FORM 56-1 ONE REPORT)

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED



OUR COMMITMENT



QUALITY
BEST IN CLASS
RELIABLE
AND HIGH
STANDARD
PRODUCTS



SERVICES
BY QUALIFIED
PROFESSIONALS





AVAILABILITY
COMPLETE RANGE,
AVAILABLE
THROUGHOUT
THE COUNTRY





TATA STEEL (THAILAND)





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CONSOLIDATED FINANCIAL HIGHLIGHTS

Unit : Million Baht

| Financial Statements | FY22 | FY21 | FY20 | FY19 | FY18 |
|---|--------|--------|--------|--------|--------|
| Statement of Income | | | | | |
| Revenue from sales and related services | 32,590 | 22,017 | 20,125 | 22,222 | 22,246 |
| Gross Profit | 3,483 | 1,484 | 746 | 603 | 1,572 |
| EBITDA | 3,188 | 1,320 | 719 | 448 | 1,256 |
| Profit (loss) before income tax expense | 2,600 | 688 | 111 | (148) | 585 |
| *Profit (loss) for the year | 2,606 | 632 | 47 | (189) | 454 |
| Statement of Financial Position | | | | | |
| Total Assets | 15,493 | 13,000 | 10,864 | 12,150 | 12,673 |
| Total Liabilities | 2,913 | 3,120 | 1,805 | 3,115 | 3,446 |
| Total Shareholders' Equity | 12,580 | 9,880 | 9,059 | 9,035 | 9,227 |
| Issued and Fully Paid of Share Capital | 8,422 | 8,422 | 8,422 | 8,422 | 8,422 |

Note

* Profit (loss) for the year is after the adjustment of one-off items as below:

FY22 Provision for impairment of MBF assets 81 MB.

FY21 Provision for impairment of MBF assets 117 MB.

FY20 Provision for employee benefit for change in labour law in relation to severance pay 68 MB.

FY18 Provision for impairment of non-current asset classified as held-for-sale of 61 MB.

| Financial Ratios | FY22 | FY21 | FY20 | FY19 | FY18 |
|---------------------------------------|-------|-------|-------|--------|-------|
| 1. Current Ratio | 4.34 | 2.63 | 2.72 | 1.73 | 1.78 |
| 2. Fixed Asset Turnover Ratio | 13.06 | 8.03 | 6.63 | 6.87 | 6.38 |
| 3. Total Asset Turnover Ratio | 2.29 | 1.86 | 1.76 | 1.80 | 1.74 |
| 4. Accounts Receivable Turnover Ratio | 18.52 | 25.34 | 31.53 | 23.81 | 20.49 |
| 5. Average Collection Period (Days) | 19.71 | 14.40 | 11.58 | 15.33 | 17.81 |
| 6. Inventory Turnover Ratio | 7.37 | 6.87 | 6.80 | 6.49 | 6.27 |
| 7. Debt to Assets Ratio (%) | 18.80 | 24.00 | 16.61 | 25.64 | 27.19 |
| 8. Debt to Equity Ratio | 0.23 | 0.32 | 0.20 | 0.34 | 0.37 |
| 9. EBITDA Coverage Ratio | 90.95 | 30.67 | 13.77 | 5.63 | 15.13 |
| 10. Earnings (Loss) per Share (Baht) | 0.31 | 0.07 | 0.01 | (0.02) | 0.05 |
| 11. Net Profit Margin (%) | 7.98 | 2.85 | 0.23 | (0.85) | 2.04 |
| 12. Return on Asset (%) | 18.29 | 5.29 | 0.41 | (1.52) | 3.55 |
| 13. Return on Equity (%) | 23.18 | 6.66 | 0.52 | (2.07) | 5.04 |

1. Current Ratio : Current Assets / Current Liabilities

2. Fixed Asset Turnover Ratio : Total Revenues / Net Fixed Assets (average) [Total Revenues : Revenue from sales and related services + Other income] [Net Fixed Assets : Property, plant and equipment + Intangible]

3. Total Asset Turnover Ratio : Total Revenues / Total Assets (average)

4. Accounts Receivable Turnover Ratio : Turnover / Trade Receivable (average) [Turnover : Revenue from sales]

5. Average Collection Period : 365 days / Accounts Receivable Turnover Ratio

6. Inventory Turnover Ratio : Cost of sales and related services / Inventory (average)

7. Debt to Assets Ratio : Total Liabilities / Total Assets

8. Debt to Equity Ratio : Total Liabilities / Total Attributions to Owners of the Parent Company

9. EBITDA Coverage Ratio : EBITDA / Finance costs [EBITDA : Profit before Finance Costs, Income Tax Expense, Depreciation, Amortization and Exceptional Items]

10. Earnings (Loss) per Share : Profit (Loss) after tax / Weighted average number of ordinary shares

11. Net Profit Margin : Profit (Loss) after tax / Total Revenues

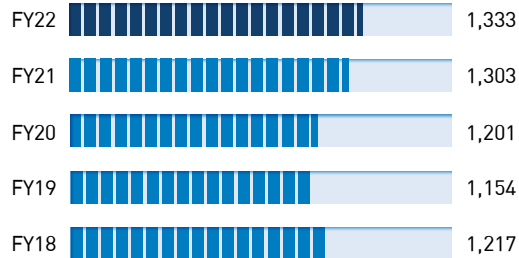
12. Return on Asset : Profit (Loss) after tax / Total Assets (average)

13. Return on Equity : Profit (Loss) after tax / Total Attributions to Owners of the Parent Company (average)



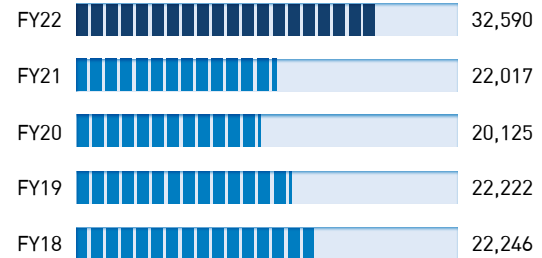
SALES VOLUME

(Thousand Ton)



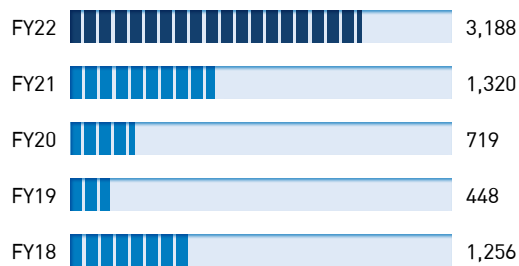
REVENUE FROM SALES AND RELATED SERVICES

(Million Baht)



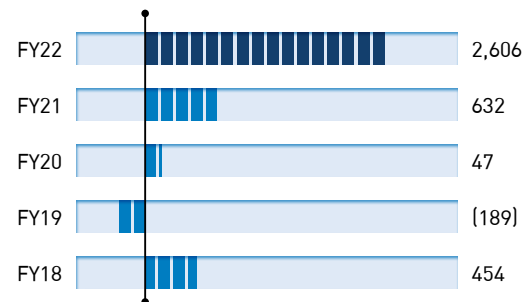
EBITDA

(Million Baht)



*PROFIT (LOSS) FOR THE YEAR

(Million Baht)

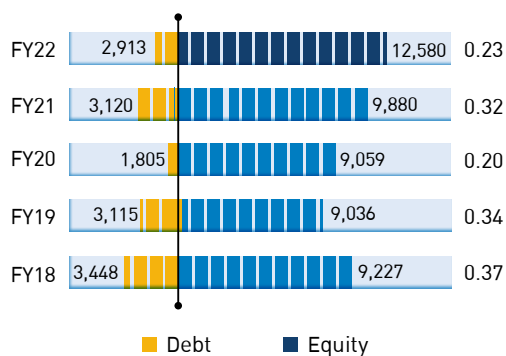


*FY22 Provision for impairment of MBF assets 81 MB.
FY21 Provision for impairment of MBF assets 117 MB.
FY20 Provision for employee benefit for change in labour law in relation to severance pay 68 MB.
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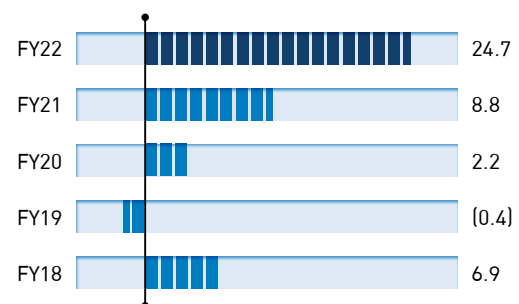
DEBT TO EQUITY

(Times)



RETURN ON INVESTED CAPITAL

(%)





AWARDS AND RECOGNITIONS



Thailand Sustainability Investment Award (THSI) 2021

TSTH received Thailand Sustainability Investment Award (THSI) for 2021 from The Stock Exchange of Thailand (SET)



Sustainability Disclosure Award for 2021

TSTH received Sustainability Disclosure Award for the year 2021 from Thaipat Institute. All information provided in the Sustainability Report of TSTH was assessed that reflected the organisation's operations towards sustainable development for the environment, society and governance: ESG.



The Thai Chamber of Commerce Business Ethics Standard Test Awards 2021

TSTH received The Thai Chamber of Commerce Business Ethics Standard Test Awards 2021 from The Thai Chamber of Commerce as an organisation that manages ethics according to Code of Ethics of The Thai Chamber of Commerce.



CSR – DPIM Continuous Award 2021

TSMT – NTS Plant received Corporate Social Responsibility – Department of Primary Industries and Mines (CSR-DPIM) Continuous Award for the fourth consecutive years, SISCO Plant received it for the third consecutive years, and SCSC Plant received it for the first year in the category of Metallurgy plant from Department of Primary Industries and Mines, Ministry of Industry.



CSR – DIW Continuous Award 2021

TSMT – SISCO Plant, SCSC Plant and NTS Plant received Corporate Social Responsibility – Department of Industrial Works (CSR-DIW) Continuous Award 2021 from Department of Industrial Works, Ministry of Industry. These awards were granted to the plants that are continuously committed to social responsibility.





Thailand Labour Management Excellence Award 2021

TSMT – SCSC Plant and SISCO Plant received Thailand Labour Management Excellence Award 2021 for the Excellent Practices Establishment on Occupational Safety & Health in “National Level”, and SISCO Plant received Excellence Department of OSH from Department of Labour Protection and Welfare, Ministry of Labour.



Carbon Footprint for Organization (CFO) Certification 2021

TSMT – SISCO Plant received the certificate of Carbon Footprint for Organization for 2021 for the fifth consecutive years, from Thailand Greenhouse Gas Management Organisation (Public Organization). The award is given to organizations that are involved in reducing greenhouse gas emission of the country and giving importance to the environment seriously.



Green Mining Award 2021

TSMT – NTS Plant and SCSC Plant received the Green Mining Award for the fourth consecutive year in 2021 and SISCO Plant received it for the first year from Department of Primary Industries and Mines, Ministry of Industry for improving and enhancing the environmental friendly business. Their social responsibilities have been well accepted that are able to live with the communities smoothly and build sustainable economics, society and country development.

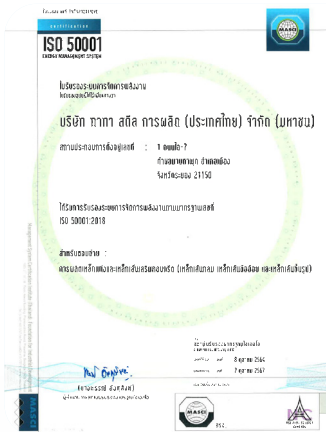
Green Star Award 2021

TSMT – NTS Plant and SCSC Plant received Green Star Award from Industrial Estate Authority of Thailand (IEAT). This award is given to the company that has excellent level assessment in environmental and safety management.



Eco Factory – Environment Award 2021

TSMT – NTS Plant and SCSC Plant received the Gold Plus prize (highest level) of Eco Factory – Environment Award 2021 from Department of Industrial Works (DIW), Ministry of Industry.



ISO 50001:2018 Energy Management System Certification

TSMT - SCSC Plant received ISO 50001:2018 Energy Management System Certification for production of billet and rebar.





MESSAGE OF THE BOARD OF DIRECTORS



Dear Shareholders,

It is a privilege to write to you as the Chairman of the board of Tata Steel (Thailand) Plc. and I am happy to present to you the report for the financial year 2021-2022.

World economy grew by 6.1% in 2021 after a challenging 2020. The growth was led by advanced economies supported by availability of vaccines to prevent the spread of Covid 19. However, the recovery has been uneven and bumpy with new variants of the virus surfacing from time to time and late availability of vaccines in many parts of the world. Most countries in ASEAN enforced strict border controls during the year and could manage vaccines only in the second half of the year. As a result, GDP grew by 3.1% over 2020 in the region, lower than the global average.

As per World Steel Association, global crude steel production reached 1,950 million tonnes (Mt) for the year 2021, up by 3.7% as compared to 2020. Top 3 steel producing countries were China, India and Japan. Chinese steel industry is undergoing structural changes to align with government's focus on lower carbon emissions and prudent exports. As a result, Chinese crude steel production declined by 3% over previous year to reach 1,033 Mt in 2021 and steel exports stood at 67 Mt.

Pent up demand coupled with supply chain disruptions resulted in global steel prices at an elevated level for most part of 2021. As international freight rates jumped up and availability of vessels was erratic, Customers preferred to source material from domestic manufacturers. Challenges have aggravated since February 2022 since Russia and Ukraine are significant exporters of steel and raw material for manufacturing steel. There is an unprecedented surge in raw material, energy and finished steel prices due to the ongoing Russia-Ukraine conflict.

Thailand economy

Thailand managed to control the spread of Covid very well in 2020. However new variants and late availability of vaccines resulted in a surge during 2021. Construction sites in and around Bangkok were placed under lockdown during June-August 2021. The country was practically closed for foreign tourists for most part of the year. All these adversely impacted the economy. As a result, Thailand GDP growth rate was only 1.6% in 2021 supported by recovery in exports, public investment and consumption.

As per Iron & Steel Institute of Thailand, apparent steel consumption in the country grew by 13% in 2021 year-on-year, after a steep decline in 2020. The recovery was steeper in flat products. Long products which are predominantly used in construction sector, the growth was mere 2.2%. There is a cost push in the steel industry as the price of raw materials like graphite electrodes, ferro-alloys and refractories went up in the international market. New entrants and capacity enhancements by induction furnace route players added to the challenge of overcapacity in the domestic rebar market. On the other hand, domestic wire rods players benefited from low imports from China and supply chain disruptions in the international market.

Company performance highlights

Over the years, your company has taken many initiatives across the value chain to strengthen its competitive position. This year, the market provided tail wind support in terms of high steel prices. As a result, the company finished the year with 2nd highest ever sales volume and profit in last fifteen years. I am delighted to report that the company has cleared accumulated losses in the consolidated financial statements.

Wire rods sales volume grew significantly over last year along with improvement in the product mix. Focus in rebar market was to develop and supply differentiated and value added products. The company expanded its export footprint by selling rebars into Canada for the first time. A new e-commerce website www.BaanClickBuild.com was launched during the year to facilitate selling products online.

To support robust demand, manufacturing plants operated On-peak for most part of the year. Strengthened condition monitoring and process improvements helped to enhance reliability of the operations. The company supported the employees and the contractors with Covid vaccines. This coupled with flexible working policy ensured well-being of the people and business continuity. Procurement function successfully managed to feed raw material on time in a volatile and uncertain business environment. Many digital initiatives like E-RFX in Procurement, HR Easy connect in Human Resources and E-Invoicing in Finance & Accounts were launched during the year to enhance organisational agility.

As part of long term sustainability, the company took focused initiatives to reduce its energy consumption, thereby achieving lowest carbon dioxide emissions in last many years. Aligned to Tata Group philosophy about care for community, 100% of the employees participated in at least one corporate social responsibility program. Corporate Governance score for 2021 as given by the Thai Institute of Directors (IOD) in collaboration with The Stock Exchange of Thailand was highest ever. Your company maintains its position in the 'Excellent' category on this aspect.

All these were made possible by the relentless efforts and commitment of the employees. The company won many awards during the year. Notable are 'Thailand Sustainability Investment 2021' from The Stock Exchange of Thailand, Gold Plus level of 'Eco Factory – Environment Award 2021' to NTS and SCSC plants from Ministry of Industry and 'Green Mining Award 2021' to all three plants from Department of Primary Industries and Mines.

FY 2022-23 outlook

World economy continues to get disrupted by geo-political issues, supply chain bottlenecks and new variants of Covid. In 2022, growth forecast for the world economy is 3.6% and for global steel demand is 0.4%. However, a prolonged conflict between Russia and Ukraine pose serious threat to this. China is expected to maintain its push for lower carbon emissions in the country, possibly leading to 'no increase' in steel production in 2022 over previous year. With improved vaccinations, ASEAN countries are expected to open the borders fully. This should support boosting of much needed revenue from tourism in second half of the year.

Inflationary pressures from high energy cost are likely to stay for some time. This will have an adverse impact on the cost of production across the sectors. A key aspect to be closely watched will be impact of high cost of material on the consumer demand. On the positive side, lower carbon emissions due to scrap based operations of the company are likely to generate more demand from environment conscious Customers. Government of Thailand continues to promote infrastructure strengthening projects in the country. With improved business sentiment, demand of steel in the country is expected to improve. Overall the business environment remains conducive for the company.

I would like to thank all the shareholders for reposing faith in the company over time. I would also like to thank various government departments, customers, suppliers, lenders and other stakeholders for their continued support to the Company. The employees, unions and the management team have worked hard under challenging business conditions and I would like to thank them for their deep commitment to the Company.

I look forward to your continued and valuable support going ahead.

Yours Sincerely

Peeyush Gupta

Chairman of the Board of Directors



1

Business Operation and Performance

Organisational structure and
operation of the group
of companies



BUSINESS DESCRIPTION OF THE COMPANY



Tata Steel (Thailand) Public Company Limited (TSTH) was formerly known as Millennium Steel Public Company Limited. Millennium Steel Public Company Limited was established by merging the businesses of N.T.S. Steel Group Plc., (NTS) whose shares were held by Horrungrueng Group and Siam Iron and Steel (2001) Co., Ltd (SISCO) and Siam Construction Steel Co., Ltd (SCSC), whose shares were held by Siam Cement Holding Limited. In 2006, Tata Steel Limited (TSL), through its wholly owned subsidiary Tata Steel Global Holdings Pte. Ltd. ("TSGH"), acquired the majority stake in Millennium Steel Public Company Limited. Subsequently, the company changed its name from Millennium Steel Public Company Limited to Tata Steel (Thailand) Public Company Limited (TSTH).

The Company's major shareholder, Tata Steel Global Holdings Pte. Ltd. ("TSGH"), is a wholly owned subsidiary of Tata Steel Limited ("TSL") and operates its business as an investment company with its corporate office at Singapore. TSL is a registered company incorporated under Indian Laws and is among the

largest integrated steel producers in India. TSL (Indian operations) is in the same industry as the Thailand based Company. However, TSL's product range is much more diversified and the company caters to a wider group of customers. TSL extends support to TSTH in the business operations by providing assistance in technology knowhow; treasury & finance; training & development of people; occupational safety, health & environment; and Information technology through its network of manufacturing plants and offices around the world. TSL drives the long products strategy in India & SE Asia in an integrated manner.

TSTH operates its business as a holding company with Tata Steel Manufacturing (Thailand) Public Company Limited (TSMT) as its operating subsidiary. TSMT operates with three manufacturing units NTS Plant, SCSC Plant and SISCO Plant and manufactures Reinforcement bars (Rebars) including ready to use cut & bend products, Wire Rods, Small Sections and Special Bar Quality steel in state of the art facilities and led by an experienced and knowledgeable management team.



VISION

Best in class in ASEAN in Value Creation for stakeholders and Corporate Citizenship



MISSION

To develop and supply value added steel and build long term relationship with stakeholders based on trust and care.



OUR VALUES

INTEGRITY

Do the right thing and align with Tata Code of Conduct.

RESPONSIBILITY

Treat environment and society as integral parts of our business.

UNITY

Invest in employees and partners and build strong relationships.

PIONEERING

Be bold and be first, develop innovative solutions.

EXCELLENCE

Achieve highest standards of quality in whatever we do.



OBJECTIVES

Tata Steel (Thailand) Public Company Limited (TSTH) systematically revisits its corporate vision, mission and direction annually for alignment and long-term trends. It aspires to become a leader in three aspects as follow:

BUSINESS GROWTH

TSTH is committed to maintain rebar portfolio with differentiated product & service offerings, expand wire rods basket also intensified its efforts in the export markets to protect its market share, especially to the ASEAN countries as additional measure to mitigate the volatility in domestic steel demand.

RETURN ON INVESTMENT

TSTH is committed to achieving profitable growth remains the bedrock of sustainability.

SUSTAINABILITY

TSTH is committed to conserving natural resources while ensuring sustainable growth and fostering strong relationships with communities.





Goals 2027

- EBITDA over 2 Billion THB
- Value Added & Customized Product > 50%
- Capacity Utilization > 90%
- CO₂ emission < 0.611 t/tcs

Corporate Strategies

Strategic Objectives

1. Industry leadership

Achieve scale to meet the growing steel demand in Thailand and ASEAN in selected segments and also be the most respected and preferred choice of discerning customers.

2. Shareholder return

To build a portfolio of products and services that can provide an increasing trend of revenues and profitability.

3. Cost leadership

We aspire to be a regional benchmark in operational efficiency in the industry segment, ensure raw material security and strengthen our logistics network.

4. Industry Leader in CSR, Safety Health Environment & Corporate Governance

We aspire to be a leader in sustainable business practices. We are committed to operating our business conforming to the highest moral and ethical standard. As a responsible organisation, we are committed towards creating and providing a safe working environment for our people, carrying out environment-friendly business operations and improving the quality of life of the communities we operate in.

Strategic Enablers

5. Higher capacity utilization

Utilization of the manufacturing capacity to turn out high value products while maximizing profit and optimization of the resources being utilized at any given time.

6. Happy and Engaged workforce with improvement orientation

People are key for an organisation. As a significant aspect of our strategy, the Company aspires to strengthen enthusiasm, encourages to maintain good health and provides welfare to remain an employer of choice.

7. Strong ecosystem of suppliers and dealers

We leverage our in-house potential and build external ecosystems through carefully curated collaborations and partnerships.

8. Cutting edge processes

It is essential to focus on creating the right organisational culture that encourages agility and innovation. Utilize up to date suitable technology for the benefit for our stakeholders.





SIGNIFICANT DEVELOPMENTS

Previous significant profile and developments as follows:

2002

- The Company was established as a Public Company Limited named "Millennium Steel Public Company Limited" (MS).
- Acquired the businesses of NTS, SISCO and SCSC, last two of which were subsidiaries of Cementhai Holding Company Limited (CHC).
- Company listed on SET under the sector of "REHABCO" (Rehabilitation Plan).



2004

- The SET reclassified the Company securities in the sector of "CONMAT" (Construction and Furnishing Material).

2005

- CHC agreed to sell all MS shares pursuant to the Blinding Offer from Tata Steel.

2006

- Tata Steel Groups submitted their voluntary tender offer to all Company's shareholders.
- The Company's major shareholders changed from "CHC" to "Tata Steel Group"
- The Company's name changed from "Millennium Steel Public Company Limited" to "Tata Steel (Thailand) Public Company Limited".
- Trading stock symbol on SET changed from "MS" to "TSTH".



2008

- The Company paid annual dividend for the year 2007-2008 to all preferred and ordinary shareholders at the rate of Baht 0.076 per share (20% of its net profit).

2007

- The Company paid annual dividend for the year 2006 to all preferred and ordinary shareholders at the rate of Baht 0.03 per share (38% of its net profit).

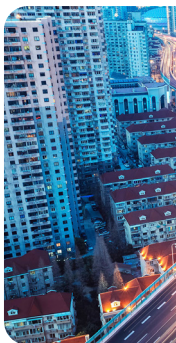


2009

- The Mini Blast Furnace (MBF) steel production project using iron ore as raw material was completed. This was considered first of its kind project in Southeast Asia.

2013

- The Company was recognized by the SET for CSRI Recognition Award.
- NTS was awarded Prime Minister's Industry Award - Safety Management.



2011

- The SET announced to regroup the Company securities to be under the sector of "STEEL"
- Mini Blast Furnace mothballed in August 2011 due to cost of imported raw materials.
- TATA Tiscon Branded rebar launched in August 2011.

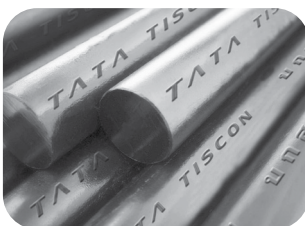


2012

- The Company entered the Special Bar Quality steel market, only producer of this product in Thailand.
- The Company launched seismic resistant rebar for earth quake prone areas, first time in Thailand.

2014

- The Company was recognized by the SET for Outstanding CSR Award and CSR Recognition award.
- NTS was awarded Prime Minister's Industry Award - Quality Management.





2021

- TSTH received Thailand Sustainability Investment Award (THSI) 2021 from The Stock Exchange of Thailand (SET) and Sustainability Disclosure Award 2021 from Thaipat Institute.
- TSTH received The Thai Chamber of Commerce Business Ethics Standard Test Awards 2021 from The Thai Chamber of Commerce as an organization that manages ethics according to Code of Ethics of The Thai Chamber of Commerce.
- NTS and SISCO received Corporate Social Responsibility – Department of Primary Industries and Mines (CSR-DPIM Continuous) Award for the fourth and third consecutive years, respectively and SCSC received for the first year in the category of Metallurgy plant from Department of Primary Industries and Mines, Ministry of Industry.
- SISCO, SCSC and NTS received Corporate Social Responsibility – Department of Industrial Works (CSR-DIW Continuous) Award 2021 from Department of Industrial Works, Ministry of Industry.
- SCSC and SISCO received Thailand Labour Management Excellence Award 2021 for the Excellent Practices Establishment on Occupational Safety & Health in "National Level", and SISCO received Excellence Department of OSHE from Department of Labour Protection and Welfare, Ministry of Labour.
- SISCO received the certificate of Carbon Footprint for Organization for the fifth consecutive years, from Thailand Greenhouse Gas Management Organization (Public Organization).
- NTS and SCSC received the Green Mining Award for the fourth consecutive year in 2021 and SISCO received it for the first year from Department of Primary Industries and Mines, Ministry of Industry.
- NTS and SCSC received Green Star Awards 2021 from Industrial Estate Authority of Thailand.
- NTS and SCSC received the Gold Plus prize (highest level) of Eco Factory – Environment Award 2021 from Department of Industrial Works (DIW), Ministry of Industry.
- SCSC received ISO 50001:2018 Energy Management System Certification for production of billet and rebar.

2019

- Certification for Private sector's collective action Coalition Against Corruption (CAC) renewed for TSTH.
- TSTH received Thailand Sustainability Investment Award (THSI) for 2018-19 from SET.
- TSTH received Sustainability Disclosure Award for the year 2019 from Thai Listed Companies Association, The Securities and Exchange Commission and Thaipat Institute.
- SISCO received Corporate Social Responsibility (CSR-DPIM) in the category of Metallurgy plant from Department of Primary Industries and Mines, Ministry of Industry.
- SISCO, SCSC and NTS received Corporate Social Responsibility – Department of Industrial Works (CSR-DIW Continuous) Award 2019 from Department of Industrial Works, Ministry of Industry.
- NTS and SCSC received Thailand Labour Management Excellence Award 2018-19 for the role model of Occupational Safety, Health and Environment Management in "National Level" and SISCO received it in 2019 from Department of Labour Protection and Welfare, Ministry of Labour.
- SISCO received the certificates of Carbon Footprint for Organization for the year 2017, 2018 and 2019 respectively, from Thailand Greenhouse Gas Management Organization (Public Organization).
- TSTH received the Certificate of Global Warming Reduction Party as a company that has cooperated with the Royal Forest Department, Greenhouse Gas Management Organization and Ban Hin Dat Forest Community Committee
- NTS and SCSC received the Green Mining Award for the second consecutive year in 2019 from Department of Primary Industries and Mines, Ministry of Industry.

2020

- N.T.S. Steel Group Plc. changed the company name to Tata Steel Manufacturing (Thailand) Public Company Limited (TSMT)
- SCSC and SISCO has merged the businesses into TSMT by the Entire Business Transfer (EBT) method. SCSC and SISCO are under the dissolution process.
- TSTH received Thailand Sustainability Investment Award (THSI) 2020 from The Stock Exchange of Thailand (SET)
- TSTH received Sustainability Disclosure Award 2020 from Thaipat Institute.
- NTS and SISCO received Corporate Social Responsibility – Department of Primary Industries and Mines (CSR-DPIM Continuous) Award for the third and second consecutive years, respectively in the category of Metallurgy plant from Department of Primary Industries and Mines, Ministry of Industry.
- SISCO, SCSC and NTS received Corporate Social Responsibility – Department of Industrial Works (CSR-DIW Continuous) Award 2020 from Department of Industrial Works, Ministry of Industry.
- NTS received Thailand Labour Management Excellence Award 2020 for the role model of Occupational Safety, Health and Environment Management in "National Level" from Department of Labour Protection and Welfare, Ministry of Labour.
- SISCO received the certificate of Carbon Footprint for Organization for the fourth consecutive years, from Thailand Greenhouse Gas Management Organization (Public Organization).
- NTS and SCSC received the Green Mining Award for the third consecutive year in 2020 from Department of Primary Industries and Mines, Ministry of Industry.
- SCSC received Green Star Awards 2020 from Industrial Estate Authority of Thailand.
- NTS received Silver Award of Innovation Kaizen for Thailand Kaizen Award 2020 from Technology Promotion Association (Thailand-Japan).



2018

- The Company arranged "Tata Steel Mini Marathon 2018 Run for War Veterans".
- Tata Business Excellence Model (TBEM) score improved from "Good Performance" in 2016 to "Emerging Industry Leader".
- The Company received "Thailand Sustainability Investment Award 2018" and "SET Sustainability Award 2018 in Outstanding Category" from SET.
- NTS received "Corporate Social Responsibility - Department of Industrial Works Award" (CSR-DIW), SCSC and SISCO received "Corporate Social Responsibility - Department of Industrial Works Award" (CSR-DIW) - Continuous level.
- SCSC and SISCO received "Carbon Footprint for Organization (CFO)" from Thailand Greenhouse Gas Management Organization.
- NTS and SCSC received "Green Mining Award" from Department of Primary Industries and Mines, Ministry of Industry.
- SISCO received "3Rs Waste Management Award" from Department of Industrial Works, Ministry of Industry.
- NTS received "The Prime Minister's Industry Award 2018 on Quality Management".
- SISCO and SCSC received Happy Workplace Award 2018 from Thai Health Promotion.
- NTS and SCSC received "National Occupational Safety and Health Award (National Level)" from Department of Labour Protection and Welfare, Ministry of Labour.

2015

- The Company listed on Thailand Sustainability Investment 2015 for its outstanding performances in Environment, Social and Governance aspects with potential of giving long-term profit to the investors by the SET.
- The Company was among the first 30 companies in Thailand that joined The Children Sustainability Forum to make a commitment in protecting Children Rights.
- SCSC received 'Green Mining Award 2015' from Department of Primary Industries and Mines, Ministry of Industry.

2016

- SCSC won the Prime Minister's Industry Awards 2016 - Safety Management.
- SCSC received Gold award at ICQCC 2016 (International Convention on Quality Control Circle 2016) held in Thailand.
- SISCO won Corporate Social Responsibility -Department of Industrial Works Award (CSR-DIW).
- SCSC received Green Star Award 2016 from Industrial Estate Authority of Thailand.

2017

- The Company received "Thailand Sustainability Investment Award" and "Sustainability Report Award 2017" from SET.
- NTS received Prime Minister's Industry Award - Safety Management.
- NTS and SCSC received "National Safety award" from Department of Protection Labour and Welfare, Ministry of Labour.
- NTS and SISCO received "Carbon Footprint for Organization" from Thailand Greenhouse Gas Management Organization.
- SCSC received "Green Star Award" from IEAT.
- SCSC received "Green Mining Award" from Department of Primary Industries and Mines (DPIM).
- SCSC received "Corporate Social Responsibility - Department of Industrial Works Award" (CSR-DIW) and SISCO won Corporate Social Responsibility (Continuous level).
- SCSC received "Kaizen Gold Award".

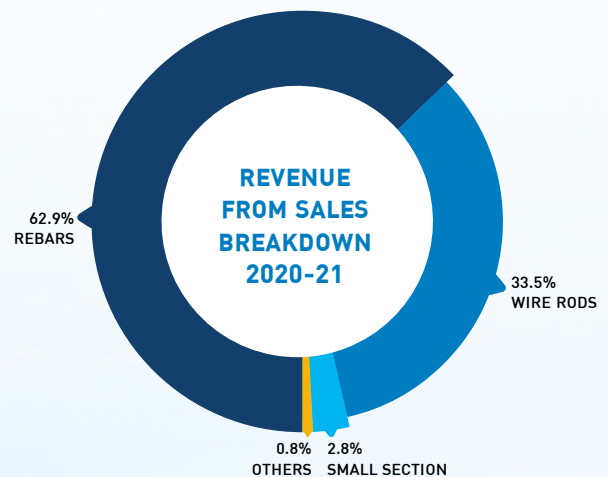
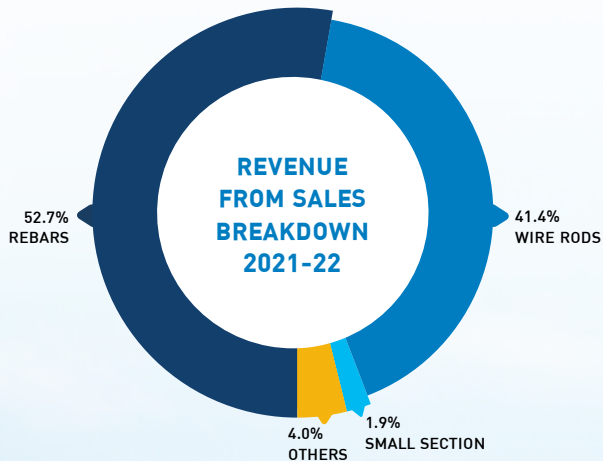


DISTRIBUTION OF REVENUES

The Group's operations involve the single business segment of the manufacture and sales of long steel products. The proportions of the Company's revenue from the sales by product lines, as produced by subsidiaries, are as follows:

| Line of Products | FY22 | | | FY21 | | | FY20 | | |
|---|--------------|---------------|--------------|--------------|---------------|--------------|--------------|---------------|--------------|
| | Thousand Ton | Million Baht | % | Thousand Ton | Million Baht | % | Thousand Ton | Million Baht | % |
| Domestic Market | | | | | | | | | |
| Rebars | 682 | 15,813 | 48.5 | 786 | 12,811 | 58.2 | 729 | 11,864 | 58.9 |
| Wire Rods | 493 | 12,742 | 39.1 | 399 | 7,093 | 32.2 | 317 | 5,605 | 27.8 |
| Small Section | 23 | 621 | 1.9 | 33 | 610 | 2.8 | 32 | 601 | 3.0 |
| Others | 5 | 322 | 1.0 | 6 | 178 | 0.8 | 4 | 52 | 0.3 |
| Total Revenues from Domestic Sales | 1,203 | 29,498 | 90.5 | 1,224 | 20,692 | 94.0 | 1,082 | 18,122 | 90.0 |
| Export Market | | | | | | | | | |
| Rebars | 59 | 1,355 | 4.2 | 63 | 1,033 | 4.7 | 97 | 1,608 | 8.0 |
| Wire Rods | 27 | 768 | 2.3 | 16 | 292 | 1.3 | 22 | 395 | 2.0 |
| Others * | 44 | 969 | 3.0 | - | - | - | - | - | - |
| Total Revenues from Exports Sales | 130 | 3,092 | 9.5 | 79 | 1,325 | 6.0 | 119 | 2,003 | 10.0 |
| Total Revenues from Sales | 1,333 | 32,590 | 100.0 | 1,303 | 22,017 | 100.0 | 1,201 | 20,125 | 100.0 |

* Represent billet exports of 44 thousand ton





NATURE OF PRODUCTS

1. Reinforcing Bars (Rebars)

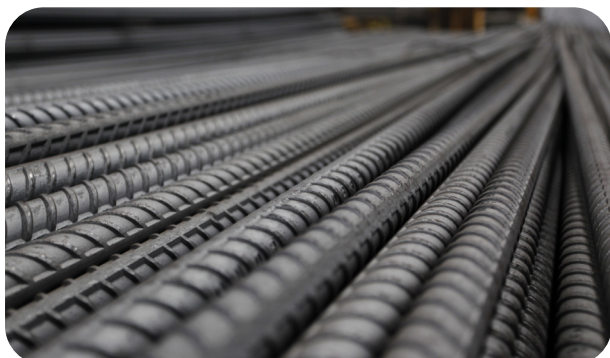
- 1.1 Round Bar in the size range of 6-25 mm. diameters is manufactured in accordance with Thai Industrial Standard (TIS) No. 20-2559, grade SR24.
- 1.2 Deformed Bar in the size range of 8-40 mm. diameters is manufactured in accordance with Thai Industrial Standard (TIS) No. 24-2559, grades SD40 and SD50.

These Rebars are marketed under 'TATA TISCON' trademark. Major usage is in the construction sector in concrete reinforcement such as beams, columns, concrete road, bridges, stadiums, dams, houses and buildings, etc.

In addition, the Company markets special quality Deformed Bars under trademark TATA TISCON BorKorSor S which indicates "BorKorSor S" on the product. These Deformed Bars have special characteristic of high ductility, easy to bend, high bonding strength with cement and withstand the earthquake shock for a longer period of time compared to standard Rebars. These products are available in size range of 10-40 mm. diameter and grade SD 40 and SD 50.

The Thai-Chinese high speed train project use GB Rebar, GB being a Chinese standard that control specific properties like carbon equivalent, fatigue test, etc. The Company has developed this product that conforms to the standard for the Thai-Chinese high speed train project. Consequently, it has reduced the need for import, reduce construction cost and shorten the construction lead time. Additional, the Company's products have passed fatigue test at 5 million rounds without failure which is beyond the Chinese standard that sets fatigue test at 2 million rounds.

The Company is developing next generation of high strength Rebars equivalent to SD 60. This product has already been presented to some designers and developers and they have shown interest to use this product in their future projects. This product has high strength that can bear more load than normal rebar enabling the designer to reduce rebar consumption in their projects that means reduce construction cost and increase variety of their design too.



2. Wire Rod

Major types of products in this category are:

- 2.1 Low Carbon Wire Rod: These are produced in the size range 5.5-17 mm. diameter, conforming to SWRM 6-22 grade and in accordance with Thai Industrial Standards (TIS) No. 348-2559. Major applications of wires made from Low Carbon wire rods include binding wire, nail, wire mesh, galvanized wire, barbed wire, numeral wire and chain, etc. In addition, the Company develops low carbon wire rod products suitable for specific customer production process who use it to manufacture specific finished goods like Chromium coated wire for appliances.
- 2.2 Carbon Wire Rod for Cold Heading Quality: These conform to SWRCH 6A-22A grade and are produced in the size range of 5.5-17 mm in diameter. The wire rods are manufactured in accordance with Thai Industrial Standards (TIS) No. 2243-2548 and end application of wires includes nut, bolt and screw, etc.
- 2.3 Wire Rod for Welding Electrode Quality: These comply with SWRY11 grade, are produced in size range of 5.5-17 mm diameter and in accordance with Thai Industrial Standards (TIS) No. 2244-2548. Wires from these wire rods are used for producing stick welding electrodes. In addition, the Company has also developed wire rod grade LB52 which is used for producing CO₂ welding electrodes.
- 2.4 High Carbon Wire Rod: These are produced in the size range of 5.5-17 mm diameter, conforming to SWRH 27-82 grade and manufactured in accordance with Thai Industrial Standards (TIS) No. 349-2561. These wire rods serve as raw material for manufacturing pre-stressed concrete wire, strand wire, compression spring, binding spring, torsion spring, tire cord, bead wire and sling, etc. In addition, the Company develops high carbon wire rod products that is suitable for specific customer production process that use for produce specific finished good like wire for auto industrials, wire rope for lift, etc.



3. Small Section Structural Steel

This product range consists of angle and channel steel complying to SM400-570 and SS400-540 grade and is manufactured in accordance with Thai Industrial Standard (TIS) No. 1227-2558 under trademark 'BorKorSor'. Small section finds extensive usage in general engineering, signboards, support for roofs, transmission line towers etc.



4. Carbon Steel Round Bar

Carbon steel round bar with SS 400-540 quality class and 19-47 mm diameter is manufactured in accordance with JIS G3101 (2004) grade for general use and with S10C-S50C grade in 19-40 mm diameter is manufactured in accordance with JIS G4051 (2009) grade for application in automobile and general engineering sector.

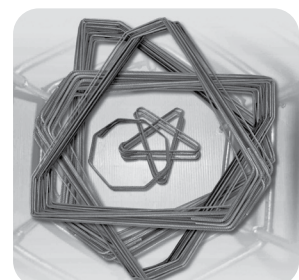


5. Cut and Bend

These consist of ready to use Rebars at the construction site. Conventional Rebars are produced in straight length or in coil form and then cut to required shape and size at construction sites. Use of Cut and Bend results in avoiding generation of waste at the site and the customers do not need space or skilled manpower to produce the required shapes and sizes. Cut and Bend Rebars are produced using automatic machinery at the plant and transported just in time to the construction site. As construction practices mature, space and availability of skilled workforce becomes a constraint, proportion of using Cut and Bend Rebars is expected to increase.

In response to future trends in construction that is likely to face challenges like shortage of skilled labor, speedy construction, and more flexibility, the Company continues to develop ready to use products like;

- 5.1 Stirrups under the trademark 'Tiscon Superlink' has been launched and are used during the construction of beam and column.
- 5.2 Dowel under the trademark 'Tata Tiscon', for application in road construction and concrete yards.
- 5.3 Footing under the trademark 'Tiscon Superbase' is the new ready-to-use product which has been launched in the market for usage during the construction of foundations. This product will make the construction easier and faster.





PRODUCTION CAPACITY OF TATA STEEL (THAILAND)

| Capacity (tons per annum) | NTS | SISCO | SCSC | Total |
|---------------------------|----------------|----------------|----------------|------------------|
| - Rebars | 500,000 | - | 500,000 | 1,000,000 |
| - Wire rod | 300,000 | 300,000 | - | 600,000 |
| - Small Section | - | 100,000 | - | 100,000 |
| Total capacity | 800,000 | 400,000 | 500,000 | 1,700,000 |

With the total finished goods production of 1.29 Million Tons, the capacity utilization for the financial year ending in March 31, 2022 stood at 76%.





MANAGEMENT STANDARD SYSTEM



The three manufacturing plants of Tata Steel Manufacturing (Thailand) Plc. (TSMT) are located at Chonburi Province, Saraburi Province and Rayong Province. All the three plants have adopted international standards and received certificate of Quality Management System ISO 9001:2015 / TIS 9001-2559 and also received certificate of General requirements for the competence of testing and calibration laboratories ISO/IEC 17025:2017 / TIS 17025-2561

In addition, the Company realizes the importance of the environment control. All the three plants have received ISO 14001:2015 / TIS 14001-2559 certificate for the environmental control. Saraburi Plant has received certificate of Carbon Footprint for Organization (CFO) from Thailand Greenhouse Gas Management Organization (TGO) for the five consecutive years.

The Company accords highest priority to safety and well-being of workmen at the workplace. All the three plants have received certificate of International standard of Occupational Health and Safety Management Systems ISO 45001: 2018 / TIS 45001-2561.

The Company considers the importance of Climate change and the use of energy to be cost-effective and the most efficient. TSMT Rayong Plant is certified with international standards for energy management systems according to ISO 50001:2018.

The Marketing & Sales and Procurement Divisions are also ISO 9001: 2015 / TIS 9001-2559 certified for Quality Management System.



INDUSTRY SITUATION AND COMPETITIVE SCENARIO



Industry Situation

Domestic Market

1. Reinforced Bars

The Company distributes this product through dealers in Bangkok and in every region of the country. It also directly sells to selected construction companies and project owners. The trademark used is TATA TISCON which is widely recognized and accepted in Thailand and neighboring countries. The Company continuously evaluates the need to increase dealers in provinces including business partnership program with retail dealers based on the reach and potential in the respective areas to increase retail base and market share in retail market. Currently, 11 dealers have participated in this program countrywide.

The Company has a market development team for new products such as Seismic Rebar, SD50 High Strength Rebar, SD60 High Strength Rebar, GB grade for Thai-China high speed train, Cut & Bend, Stirrup, Dowel and Footing. This team regularly meets designers, project owners, government agencies, construction work supervisors, construction contractors and dealers to explain the techno-commercial aspects of the new products. In addition, the Company regularly organizes various types of marketing activities for major dealers and modern trade viz. Siam Global House, Thai Watsadu, Mega Home, Home Pro and Do Home.

2. Wire Rod

The Company directly sells this product to the manufacturers of wires and also selectively distributes via traders. The Company has created a sound platform for continuously improving the product and service offerings to the customers through creation of customer service teams which comprise of representatives from Operations, Marketing & Sales, Technology Group and Supply Chain department.

The Company focuses on developing and manufacturing customized products as per customer requirements and end applications. The Company regularly supply wire rods for Tire Cord, Tire Bead and wire ropes that are high end applications.

3. Small Section

The Company distributes this product via dealers in Bangkok and in selected regions. Moreover, the marketing & sales team regularly visits end customers such as tower fabricators and EGAT (Electricity Generating Authority of Thailand) to understand the demand trend and changes expected in product and service offerings that is especially suitable for that project in the future.

4. Special Bar Quality

The Company directly distributes to the manufacturers of bright bar.

5. Cut and Bend

The Company sells this value added product via the dealers in Bangkok and in every region and also directly sells to the construction companies and project owners.

The Company has created a separate project management team to coordinate with the project owners about production plan and delivery schedule to match with each project site's requirements. Moreover, the Company has initiated "CAB web ordering" and "Bar-Cut-List service" to help customers to improve their planning process and reduce work load.

All products are promoted through social media such as Facebook, Line, print media, billboards in Bangkok and provinces. The Company arranges marketing activities in various forms to create a relationship with its customers and distributors.

For services, the Company has developed sales channel through online channel (www.BaanClickBuild.com) to reach out to the end users more, and develop application for dealer and customer to track order status and provide various information.

Export Market

The Company regularly exports Rebars and Wire Rods to countries such as Laos, Cambodia, Malaysia, Vietnam, Indonesia, India and new markets such as Canada, Hong Kong and South Korea. In addition, the Company exported billets last year when domestic sales were impacted from the closure of construction sites in accordance with the COVID-19 control measures. Total exports during the year were around 10% of the total sales.

The Company has been granted manufacturing license in accordance with international standard, including BIS (India) and SIRIM (Malaysia).



Distribution Proportion

| Distribution Channel | Numbers represent (%) | | | | | |
|--------------------------------------|-----------------------|------------|------------|------------|------------|------------|
| | 2021-22 | 2020-21 | 2019-20 | 2018-19 | 2017-18 | 2016-17 |
| Direct Sales | 56 | 51 | 43 | 45 | 46 | 39 |
| Regional Agent | 20 | 21 | 22 | 21 | 18 | 18 |
| Agent in Bangkok Metropolitan Region | 24 | 28 | 35 | 34 | 36 | 43 |
| Domestic Total | 100 | 100 | 100 | 100 | 100 | 100 |

Business Environment

According to the Iron and Steel Institute of Thailand, the country's demand for steel in 2021 was 18.64 million tonnes, increased by 13.3% from the previous year. Import volume was 12.4 million tonnes, at 67% of the demand for steel in Thailand, surged by 19.1% year-on-year.

Demand for long product in Thailand was 6.5 million tonnes, went up by 3.1 % year-on-year. Import volume was 2.6 million tonnes, 40.2% of the demand for long product in Thailand, increased by 11.8% year-on-year.

Table showing production/import/export/usage of steel in Thailand

| Year | Production Quantity (Million Ton) | Growth (%) | Import (Million Ton) | Growth (%) | Export (Million Ton) | Growth (%) | Usage Requirement (Million Ton) | Growth (%) | Import (% of Usage Requirement) |
|------|-----------------------------------|------------|----------------------|------------|----------------------|------------|---------------------------------|------------|---------------------------------|
| 2021 | 7.63 | 6.7 | 12.40 | 19.1 | 1.39 | 25.6 | 18.64 | 13.3 | 66.5 |
| 2020 | 7.16 | -8.2 | 10.40 | -15.0 | 1.11 | -19.6 | 16.45 | -11.7 | 63.3 |
| 2019 | 7.80 | -13.7 | 12.23 | 1.4 | 1.38 | -21.1 | 18.64 | -3.6 | 65.6 |
| 2018 | 9.03 | -3.1 | 12.05 | 6.54 | 1.75 | 12.9 | 19.33 | 1.3 | 62.4 |
| 2017 | 9.32 | -2.4 | 11.33 | -10.2 | 1.55 | 20.0 | 19.10 | -8.5 | 59.3 |
| 2016 | 9.54 | 46.8 | 12.61 | 10.3 | 1.29 | 8.1 | 20.86 | 24.6 | 60.5 |
| 2015 | 6.50 | -3.7 | 11.44 | -3.94 | 1.20 | -11.4 | 16.74 | -3.2 | 68.3 |
| 2014 | 6.75 | -5.2 | 11.90 | -2.9 | 1.35 | -3.1 | 17.35 | -3.7 | 68.8 |
| 2013 | 7.12 | 1.4 | 12.25 | 8.5 | 1.40 | 0.3 | 17.97 | 6.3 | 68.2 |
| 2012 | 7.02 | 1.2 | 11.29 | 23.6 | 1.40 | 9.7 | 16.91 | 14.3 | 66.8 |

Source: Iron and Steel Institute of Thailand

Competitive scenario

Domestic Market

Competitors of the Company can be classified into four categories as below:

1. The manufacturer with Electric Arc Furnace (EAF) using domestic and imported scrap as raw material. They manufacture semi-finished product called billet to produce finished steel products such as Rebar, Wire Rod, Structural steel and Special steel. This method can remove the impurities up to almost 100 %, resulting in consistent quality products. Rebars made through EAF route are marked accordingly to educate the consumers.
2. The manufacturers with Induction Furnace (IF) using domestic scrap as raw material for the production of semi-finished products called billet. This method requires high quality scrap steel and strict production control in the absence of secondary refining. The product quality and consistency is not as good as that produced from EAF route of steel making as there may be some impurities in the product. This billet is used to produce products such as Rebar and Sections. Rebars made through IF route are marked accordingly to educate the consumers.
3. Re-rollers using domestic and imported billet. These producers do not have or run steel making operations. Finished products from these manufacturers include Rebar, Wire Rod, Sections and Special products.
4. Importers of finished products such as Rebar, Wire Rod, Sections and Special products as an user as well as a distributor.

Considering the current capacity of domestic Rebar, Wire Rod and Section, totaling over 15 million tons, compared to the domestic demand for long product in 2021 at 6.5 million tonnes, the remaining capacity is considered sufficient to accommodate future demand and there should not be any need to import.

In 2021, Thai economy had recovered more from previous year. However, the recovery remained subdued due to the continued spread of Covid which affected the business, especially private construction investments. The ongoing pandemic caused spending slowdown in private sector, while private debt remained at high level causing obstacle to the recovery of domestic demand. In this backdrop, government infrastructure projects provided key support to the steel demand in the country. In addition, local producers improved their capability to produce high quality and special grades to supply in the market and to the government projects in particular. Meanwhile, there has been an increase of materials availability including developing product grade for government projects from the new manufacturers in the market through low cost Induction Furnace route.

Progress on vaccination worldwide is paving the way to ease Covid restrictions and reopening of the borders around the world. The economic recovery in many geographies has been better from 2020, especially in the developed countries which allowed a gradual return to normality in major steel-using countries in the first half of 2021. Although the worst of the pandemic is passing, there has been considerable uncertainty from the evolution of the virus and slow progress of vaccinations in parts of the world, withdrawal of supportive fiscal and monetary policies, geopolitics and trade tensions could all affect the recovery of global steel demand. Moreover, the logistics challenges increased the risk in terms of shortage of imported products. Import of wire rods from Vietnam and Malaysia decreased from the condition of the COVID-19 outbreak. In the same time, Chinese exports also dropped due to export tax rebate cancellation for steel products which caused export price surge and competitiveness decreased compared with other countries. However, some of these were replaced by imports from India and United Arab Emirates. The Company continues to closely monitor the imports of Wire Rod into Thailand.

The market share in the past 5 years is below:



Customer Satisfaction

The Company conducts customer satisfaction survey once in two years for every customer group. The survey covers 6 aspects; product quality, product availability, sales team, transportation, finance and marketing activity. Currently, the Company has initiated the customer satisfaction survey 2021 based on third-party assessment. The last survey which was conducted in the year 2020-2021 had shown the customer satisfaction score improved from the previous year from 84 to 86 points where product quality got the highest satisfaction score when compared to the competitors.

Export Market

The Company has focused on exports to countries like Laos, Cambodia, Indonesia and Malaysia in the ASEAN region, and has found new markets to distribute products such as Canada, South Korea and Hong Kong. Major competition in Lao and Cambodia is from Vietnam steel manufacturers and China is the dominant player in Myanmar. However, 'Made in Thailand' and 'Tata Tiscon' enjoys good reputation in the neighboring countries and are recognized for their superior quality. Accordingly, the Company has been working to strengthen the network in these countries. Moreover, the Company had also exported Billet to balance domestic sales during the closure of construction sites in the country as a Covid control measure.

Trend of Industry in 2022

World economic growth in 2022 is projected at 3.6%, as compared to 6.1% in 2021. Prolonged Russia-Ukraine conflict, rising energy price and continued supply shortages have resulted in higher and more broad-based inflation than expected, particularly in the United States and in many emerging markets and developing economies. In addition, China's real estate sector has continued to deteriorate and private consumption have been slower than expected recovery. China estimated economic growth in 2022 at around 5.5%, decline from 8.1% in 2021. As economic situation softens, the central banks have started taking hawkish approach on fiscal policies, local governments have expedited infrastructure spending and tax reliefs.



According to forecasts of the National Economic and Social Development Council (NESDC), in 2022, the Thai economy is expected to grow in the range of 3.5-4.5%, from 1.9% in the previous year. The majority of factors to support are the regaining in domestic demand from the ongoing relaxation of measures to control the spread of COVID-19 along with progress in the vaccination process in the country, the recovery of domestic tourism after the reopening of the country's borders, continual expansion of export of goods and the support from public expenditure and investment including the progress of the infrastructure investment projects.

World Steel Association estimates world steel demand will increase by 0.4% in 2022 from previous year. China's demand for steel is expected to remain flat in 2022, with the real estate sector continue to remain sluggish in line with the government policy about rebalancing and environmental protection which orders to cut production and reduce CO₂ emission including interfering with the price not to be higher than the government's regulations affect steel demand in country.



In Thailand, Iron and Steel Institute of Thailand expects the steel demand in the country to increase by 4.9% to 18.9-20.2 million tons in 2022. The main factors are the expansion of the downstream industry, such as construction sector from public projects; especially infrastructure projects in the Eastern Economic Corridor (EEC) zone, Thai-China high speed train, MRTA projects and motorway, automotive sector including other industrial sectors which have started to recover from demand both in domestic and international markets. However, COVID-19 situation in country may affect to construction delay and labor shortage in the market.



PROCUREMENT

Tata Steel (Thailand) Plc. determines to carry out sustainable procurement by developing the coverage policy to the various dimensions such as environment, social and corporate governance other than economic dimensions alone. In order to accomplish sustainable procurement and a systematically integrated strategy of supply chain management, the aforesaid policies have been promoted to business partners to apply for their businesses.

Procurement division's scope includes sourcing of steel scrap, billet, raw materials and production supplies, MRO goods, consumable, services, inbound & outbound logistics and supply management. The division plans its sourcing strategy of both goods and services with an aim to maximize value in use, deliver required quantity on time aligned to the organisation working capital requirement and to support production plan so as to ensure that finished steel is delivered to end Customers on time in full.

Procurement strategy and sourcing processes are aligned with the Tata Steel Group's overall procurement strategy through regular interactions, periodic sharing of information and using common vendors.

During the year, 83% of the sourcing, in volume terms, was from the domestic and 17% from overseas sources. The division faced significant challenges with respect to the desired quantity to be delivered on time from (1) Mutation of Coronavirus (COVID-19) (2) Shortage of Shipping container (3) Russia – Ukraine conflict. These challenges are adversely impacting world-wide supply chain, country lockdown restrictions including port congestions, sharp increase in ocean freight rate, raw-material shortage as Russia and Ukraine are the main exporters of raw-material for the steel industry. A robust risk management process and organisational agility helped the Company to overcome these situations.

Integrating technology into Procurement management

Applying technology into business has inevitably become the new normal. To enhance efficiency and bring competitive advantage to the operations, Procurement division has implemented e-RFX interface for the sourcing function.

e-RFX is an e-procurement system, acronym for Electronic Request For [x], where x represents Proposal (RFP), Quotation (RFQ), Information (RFI) or Tender (RFT) via electronic media. This brings transparency in the process, improves agility, streamlines and bring consistency in communication to all stakeholders, both internally and externally. E-auction or online bidding system inculcates an environment of healthy competition, transparency and fairness. This has also helped to reduce the cycle time in the procurement process thereby improving organisational agility. The process of price survey and price negotiation now consumes up to 40% less time thereby improving effectiveness of the Procurement function. E-auction has also helped to bring down the cost of raw materials.

Steel scrap and Billet sourcing

The Company makes steel through Electric Arc Furnace (EAF) where major raw material is steel scrap. Majority of steel scrap used in the company is sourced locally. During the year, scrap sourcing environment in the country was high competitive as steel demand grew along with few new entrants in the steelmaking industry. The Company follows a detailed analytical tool called Value in Use whereby alternate types of scrap are tried to give an optimum output in the steel making operation. To increase the volume of domestic scrap, the division expanded sourcing to new yards across the country and neighboring countries. Moreover, the Company regularly evaluates the option of sourcing billets from the market when on-peak cost appears uncompetitive. This has helped the company to optimize the total cost of operations and provided flexibility in the system.

Raw Materials sourcing and Production Supplies sourcing

In the backdrop of supply chain disruption across the world due to aforesaid crisis, the Company considered and focused on distributing order among multiple sources across different countries to mitigate the risk of disruption in the supplies due to lockdown restrictions. Inventory was constantly reviewed and maintained to ensure smooth operations. During the year, the Company implemented E-auction for sourcing high-value raw materials.

Services sourcing

The Company initiated and implemented Service Code mechanism to clearly define and standardize each service job in order to create a data base of services across the locations. This is expected to facilitate in data analytics and future job improvement and The Company also gives priority on health issues by booking vaccination for contractors' employees by its own cost.

Environmental Impact

Tata Steel (Thailand) Plc. proceeds an environmental-friendly from procurement process by realizing that environmental impacts from sourcing raw-material of business partners such as air emission, waste management and is a significant consumer of energy. With its focus on sustainability, the Company and its business partners ensure that all processes comply with environmental laws in the country. There has not been any legal dispute or lawsuits relating to environment issues during the year.

The Company is focused on energy conservation to ensure the competitiveness of the industry and to minimize environmental impact, such as greenhouse gas emissions. It is in discussion with business partners to set up solar power technology in all its three plants as an alternative source of energy to reduce the greenhouse gas emissions (GHGs) and mitigate future damage to the environment.



OPERATING ASSETS

Property, plant and equipment used in business activities for the Company and its subsidiaries

As of March 31, 2022, property, plant and equipment used in business activities can be summarized as below:

| Type of Asset | Proprietary right/ ownership | Book Value (Million Baht) | Obligation |
|--|---------------------------------|------------------------------|------------|
| 1. Land | Ownership | 802.31 | - None - |
| 2. Land improvement, buildings and structures | Ownership | 316.44 | - None - |
| 3. Machinery and equipment | Ownership | 1,086.08 | - None - |
| 4. Furniture, Fixtures, equipment and Vehicles | Ownership | 42.05 | - None - |
| 5. Work in progress | Ownership | 130.98 | - None - |
| Total | | 2,377.86 | |

Details of operating assets can be categorized by each Company as follows:

Tata Steel (Thailand) Public Company Limited ("TSTH")

| Type of Asset | Proprietary right/ ownership | Book Value (Million Baht) | Obligation |
|--|---------------------------------|------------------------------|------------|
| 1. Building Improvement | Ownership | 0.53 | - None - |
| 2. Furniture, Fixtures, equipment and Vehicles | Ownership | 4.69 | - None - |
| Total | | 5.22 | |

Tata Steel Manufacturing (Thailand) Public Company Limited ("TSMT")

| Type of Asset | Proprietary right/ ownership | Book Value (Million Baht) | Obligation |
|--|---------------------------------|------------------------------|------------|
| 1. Land | Ownership | 802.31 | - None - |
| 2. Land improvement, buildings and structures | Ownership | 315.91 | - None - |
| 3. Machinery and equipment | Ownership | 1,086.07 | - None - |
| 4. Furniture, Fixtures, equipment and Vehicles | Ownership | 37.40 | - None - |
| 5. Work in progress | Ownership | 130.98 | - None - |
| Total | | 2,372.67 | |



PRIVILEGES THROUGH THE BOI PROGRAM

The Company can enjoy certain privileges from the BOI and its subsidiary as of March 31, 2022 as follows:

| | Production Volume (tons per annum) | Privileges Received |
|---------------------|---------------------------------------|---|
| TSMT MBF* | 500,000 | <ul style="list-style-type: none"> Tax exemption for 8 years for the net profit from the first income (November 2009 – November 2017) Net loss incurred between 1st – 8th year can be realized against taxable profits during the next 5 years. |

* Mini Blast Furnace Project



SHAREHOLDING STRUCTURE



Tata Steel (Thailand) Public Company Limited has merged the businesses of two of its subsidiaries, The Siam Construction Steel Company Limited and The Siam Iron and Steel (2001) Company Limited into Tata Steel Manufacturing (Thailand) Public Company Limited to form one operating subsidiary using the Entire Business Transfer (EBT) method. The EBT process was completed on December 31, 2020. Consequently, The Siam Construction Steel Company Limited and The Siam Iron and Steel (2001) Company Limited are currently under the dissolution process.



POLICY ON DIVISION OF OPERATION BETWEEN COMPANIES WITHIN THE GROUP

The Company's operations are undertaken in a cohesive manner with the Tata Steel (Thailand) Plc. as the policy making body and the three plants responsible for carrying out the operations according to the prescribed policies with regard to Marketing & Sales, Production, Procurement of raw material and services, Finance, Human Resources Management and other aspects of the business.

The Company has a policy to allocate production at each of its three plants with an objective to maximize the profitability of the Company as a whole. The product mix is derived based on the technical and production capability of each plant, market need and to serve customer specific requirements if any.



SHAREHOLDERS

Top ten major shareholders from 16,157 Shareholders on the book closing date on May 23, 2022 for the right to attend the Annual General Meeting of Shareholders No. 21 are detailed below;

| Name | Ordinary Shares | % |
|--|----------------------|---------------|
| 1. T S Global Holding PTE Limited ^(a) | 5,718,472,083 | 67.90 |
| 2. The Estate of Mr. Veeraphan Theepsuwan | 428,855,000 | 5.09 |
| 3. Bangkok Bank Public Company Limited | 296,050,796 | 3.52 |
| 4. Mr. Viroj Ungpaiboon | 273,002,901 | 3.24 |
| 5. Mr. Theerachai Keeratitechakorn | 118,133,700 | 1.40 |
| 6. Pershing LLC | 95,120,908 | 1.13 |
| 7. Thai NVDR Company Limited ^(b) | 80,516,792 | 0.96 |
| 8. Mr. Ampon Virojvechapand | 65,091,000 | 0.77 |
| 9. Mr. Somwang Mitrasantisuk | 31,400,000 | 0.37 |
| 10. East Fourteen Limited ^(c) | 26,793,600 | 0.32 |
| TOTAL | 7,133,436,780 | 84.70 |
| 11. Other Shareholders <i>(16,139 persons)</i> | 1,288,104,068 | 15.30 |
| GRAND TOTAL | 8,421,540,848 | 100.00 |

Remarks :

- (a) Operates its business as an investment company, a wholly owned subsidiary of Tata Steel Limited. The company was incorporated in 2008 and is based in Singapore. Tata Steel Global Holding Pte. Ltd. holds more than 50% shares of the Company. It may, therefore, be possible for the majority shareholder to control almost all the resolutions in the Shareholders Meeting such as; voting in agenda of appointment of directors or any others voted agenda.
- (b) THAI NVDR COMPANY LIMITED is a subsidiary owned by the Stock Exchange of Thailand. NVDR holders receive the same full financial benefits as they would receive had they invested directly in shares excepted the voting right of shareholders meeting. Further information regarding THAI NVDR COMPANY LIMITED can be found on www.set.or.th
- (c) East Fourteen Limited comprises;
1. EAST FOURTEEN LIMITED-DIMENSIONAL WORLD EX U.S.CORE EQUITY 2 ETF OF DIMENSIONAL ETF TRUST
 2. EAST FOURTEEN LIMITED-DFA EMERG MARKET CORE EQ PORT
 3. EAST FOURTEEN LIMITED-DFA EMERG MKTS SOCIAL CORE PORT
 4. EAST FOURTEEN LIMITED-DIMENSIONAL EMER MKTS VALUE FD
 5. EAST FOURTEEN LIMITED-EMERGING MARKETS SMALL CAP SERIES
 6. EAST FOURTEEN LIMITED-JOHN HANCOCK FUNDS
 7. EAST FOURTEEN LTD-WORLD EX U.S. TARGETED VALUE PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP INC.
 8. EAST FOURTEEN LTD-WORLD EX US CORE EQUITY PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP
 9. EAST FOURTEEN LIMITED-EMERGING MARKETS TARGETED VALUE PORTFOLIO

As of May 23, 2022, TSTH has 16,154 of Non-Strategic Shareholders (Free-Float), is equivalent to 2,273,993,765 of ordinary shares, calculated from the total paid up ordinary shares of 8,421,540,848 or 27%



REGISTERED CAPITAL AND PAID-UP CAPITAL

As of March 31, 2022, the Company's registered share capital was of Baht 8,421,540,848 comprising of 8,421,540,848 ordinary shares at a par value of Baht 1.00 per share. Paid-up capital was Baht 8,421,540,848.

Issuance of other securities

- None -



DIVIDEND PAYMENT POLICY OF THE COMPANY AND ITS SUBSIDIARY

The Company has a policy for the dividend payment to the shareholders from net profit after tax and after deduction of legal reserve by considering the relevant factors which shall not cause significant effects to the Company's business operation. Such factors are such as the operational performance, financial status, Company's solvency, business expansion, obligations to complete the debts service according to the Company's loan agreements including any other factors relevant to the business operation of the Company. The consideration shall be consistent with the concept of maximizing long-term benefit for the shareholders.

Dividend Policy of the subsidiary takes into account its operating results; that is, a dividend will be declared when the subsidiary is able to generate adequate amount of net profit and no retained deficits are reported. In addition, the subsidiary refers the factors mentioned above in consideration of a dividend payment.



HISTORY OF DIVIDEND PAYMENT

The history of dividend payment is as follows:

| Details | Net profit (Million Baht) | Net profit/share (Baht) | Number of shares (Million) | Dividend/ share (Baht) | Dividend payout ratio (Percent) |
|-----------------------------|------------------------------|----------------------------|-------------------------------|---------------------------|------------------------------------|
| FY 2021-2022 ⁽³⁾ | 24 | 0.00 | 8,421.54 | 0.05 | > 100 |
| FY 2020-2021 | 24 | 0.00 | 8,421.54 | 0 | 0 |
| FY 2019-2020 | 70 | 0.01 | 8,421.54 | 0 | 0 |
| FY 2018-2019 | 64 | 0.01 | 8,421.54 | 0 | 0 |
| FY 2017-2018 | 44 | 0.01 | 8,421.54 | 0 | 0 |
| FY 2016-2017 | 528 | 0.06 | 8,421.54 | 0 | 0 |
| FY 2015-2016 | 54 | 0.01 | 8,421.54 | 0 | 0 |
| FY 2014-2015 | 15 | 0.00 | 8,421.54 | 0 | 0 |
| FY 2013-2014 | 130 | 0.00 | 8,421.54 | 0 | 0 |
| FY 2012-2013 | - 3,393 | 0.00 | 8,421.54 | 0 | 0 |
| FY 2011-2012 | 805 | 0.00 | 8,421.54 | 0 | 0 |
| FY 2010-2011 | 35 | 0.00 | 8,421.54 | 0 | 0 |
| FY 2009-2010 | 41 | 0.00 | 8,421.54 | 0 | 0 |
| FY 2008-2009 | 130 | 0.02 | 8,421.54 | 0 | 0 |
| FY 2007-2008 | 3,391 | 0.40 | 8,421.54 | 0.076 | 20 |
| FY 2007 ⁽²⁾ | 44 | 0.01 | 8,421.54 | 0 | 0 |
| FY 2006 ⁽¹⁾ | 708 | 0.09 | 8,421.54 | 0.03 | 38 |

Remarks: (1) Starting from January 1, 2007, TSTH changed its accounting policy for its investment from the Equity Method to Cost Method. This adjustment caused difference in reporting net profit (PAT) between the Separate Financial Statements and the Consolidated Financial Statements
(2) Three-month period of operating performance (January - March)
(3) At the Board of Directors Meeting of the Company on 20 April 2022, the Board of Directors has recommended a dividend of Baht 0.05 per share, totalling to Baht 421 million for the fiscal year 2021- 2022. The dividend is subject to the approval of the Shareholders at the Annual General Meeting scheduled to be held on 21 July 2022



RISKS OF BUSINESS



To ensure business continuity and being able to create shareholder value, TSTH has implemented an Enterprise Risk Management (ERM) process to provide a holistic view of aggregated risk exposures as well as to support decision-making process thereby improving performance. The integrated ERM approach with the framework has evolved and is aligned with Tata Steel (TSL) Group which is based on international standards with inputs drawn from the best practices of leading companies across industries. The Company follows a robust five step Enterprise Risk Management process to address the risks associated with its business in several areas such as commercial, operations, safety, human resources, regulatory and geo-political scenarios.

Risk identification is a two pronged (top-down, bottom-up), iterative process, which is dynamic in nature and has been considered from all known business risk factors with a detailed analysis of business environment and market condition,

accordingly classified based on likelihood of its occurrence and its impact to the business. The Company, also focus on developing sustainable long-term risk management strategies to ensure business continuity and build immunity to deal with potential future risk events. The Enterprise Risk Heat Map are regularly reviewed by senior executives of various functional units, and at the Apex Risk Review Committee chaired by the President & CEO in order to avoid any undue deviations or adverse events by designing and implementing appropriate mitigation plans proactively.

The Risk Review Committee has been constituted to drive the ERM process in the Company which regularly reviews the implementation of mitigation plans. The Audit & Risk Review Committee has been delegated by the Board of Directors to review the risk management system and monitoring of the overall risk management framework of the Company.

Information regarding the Company's key risks and their mitigation strategies are as follows:

| Macroeconomic and steel market risks | |
|---|---|
| <p>Government budget diverted to support income of people impacted by Covid and high inflation leading to lower public spending on infrastructure projects; lower private spending from poor business sentiment and low purchasing power</p> | <p>Mitigation Strategies</p> <p>The Company has increased reach and pocket share in retail market, aggressive approaches in segments of rebar like the non-T rebar, Precast and Bar in coil (BIC) market and kept expanding in the GB rebar market, the ready-use product market like dowel, stirrup and Cut & Bend markets. All of these are value added products and have recorded total sales growth when compared with previous year. The Company has also developed and expanded in the wire rods market by improving the quality of products, product customization to cater to the specific requirements of each customer. Besides, focused actions to create Tata Tiscon brand value through online social media, dealer partnership program and other marketing activities have helped to build relationship with the customers and end users. Implementation of online distribution channel, such as www.BaanClickBuild.com now allows retail customers to easily order company's products online.</p> <p>The Company also intensified its efforts in the export markets, as additional measure to mitigate the volatility in domestic steel demand.</p> |
| Raw material supply risk | |
| <p>The COVID-19 pandemic and the Russia-Ukraine conflict are significant factors adversely impacting the risk of global raw material supplies.</p> <p>Lockdowns in China and their strict zero-Covid policy have impacted many raw material supplies originating from China.</p> <p>Shortage of shipping containers caused significant increase in shipping rates and vessel availability.</p> | <p>Mitigation strategies</p> <p>The Company closely analyzes these external risks through various indexes such raw material price index, freight rate index, global market news and set mitigation plan for risk assessment. Mitigation strategies including maintaining higher inventory, formation of cross functional teams between internal stakeholders to develop alternative sources for raw material supply has been deployed.</p> |

Safety, Health and Environment Risks

Non-compliance/delay in implementation of the provisions of safety, health and environmental laws & regulations, which may lead to stoppage of operations, damage to assets and loss of reputation

Mitigation strategies

Some of the key initiatives taken during the year include deployment of E-Work Permit, continued implementation of Process Safety Management (PSM) and strengthen Contractor Safety Management (CSM). In each quarter, the Company launches a communication on safety campaign. During the year, the safety campaign covered areas like Working at Height, Working in confined space, Beware of Slip Trip and Fall, and Non-routine Work Procedure. The Company focused on tracking lead indicators such as Fatality, Lost Time Injury Frequency (LTIF), Medical Treatment Case (MTC), First Aid Case (FAC) and Property Damage. The employees are motivated to report Near Misses, Safety Observation and Fatal Risk Control Program (FRCPP). These highlight vulnerable areas and thereby help to increase focus on the same.

In the area of health, organisational performance is measured by tracking Health Index. The Company continues to strictly implement Covid-19 prevention measures to minimize the risk of any infection amongst the employees and other stakeholders, has organized Covid-19 vaccination for all employees, their family members and contractor employees, encourages getting vaccine booster dose and taking ATK screening. Company also provides good work environment and regularly monitors industrial hygiene such as dust, noise, chemical and heat. Also, provides physical health check for employees, follows up and supports necessary treatment in case any abnormal result related to work is found.

In the area of environment, Company accords high priority to utilize resources effectively and efficiently with appropriate environmental management regulation to minimize adverse impact to the community. The main raw material used across all three locations is ferrous scrap and is fully recyclable. The Company also emphasizes on environment by monitoring the CO₂ emission to measure and control greenhouse gases, follow up the Environment Impact Assessment (EIA) by monitoring gases such as NO_x, SO_x, CO and dust in all plants by 100% compliance to the regulatory requirements. The Company also effectively utilizes water and applies Zero Discharge principle in water management. For waste management, the Company applies the 3R concept in order to maximize recycle waste by targeting 99% of waste back in process. The Company provides training to increase environment awareness and waste management to the employees and contractors.

Information Security Risk

TSTH has introduced enhanced interactions through digital platforms with customers, suppliers and other stakeholders of the Company, and continues its efforts to secure the IT systems and infrastructure vulnerable to cyber-attacks.

Breach of information security due to cyberattacks, non-compliance to IT legislations & regulations may lead to business disruption and other consequences.

Mitigation strategies

The Company is aware of the risks and take prevention in its IT network seriously. Mechanisms are in place to capture alerts and triggers from external sources and any information security related incidents. In the dynamic cyber security environment, the security paradigm has shifted from protection of our boundary at data center and corporate network to protect the vanishing boundary from Bring-Your-Own-Device (BYOD), cloud-based applications and Internet of Things (IoT). The Company is also enabling secure connectivity over zero trust architecture, Data Leak Prevention (DLP) over internet connections via cloud proxy and Work From Home (WFH).

Significant efforts are made to increase awareness in addition to investments in well-known cloud-based solutions such as GEP Smart Procurement (E-RFX Project) and People Strong System (HR Easy Connect Project). The Company has enacted various policies and procedures to ensure proactive workforce awareness in cyber security, information security, data privacy and compliance with PDPA.

Human resource risks

The COVID-19 pandemic has brought lot of uncertainties since last year and continues to be a major challenge as cases are significantly increasing and widespread in Thailand. Employees at all levels continue to be worried about their own health and the health of the Company.

Prolonged Covid-19 pandemic may impact to business with respect to disruption in plant production, office operation as well as to employees' morale.

Mitigation strategies

HR plays a vital role on rapid response to Covid-19, in keeping the workforce confident. Proactive labour relations and communication both 2 ways and 1 way to employees and contractors are in place. Employees are notified on the business situation, organisational changes, direction and any related policy and measures to regain morale and confidence. The Company constantly takes inputs from the employees and provides frequent 2-way communication through internal news and activities such as Employee Dialogue, Vice President meets employees, etc.

The Company focuses on planning and managing crisis in both preventive and corrective measures. Measures to prevent the spread of Covid-19 have been established and reviewed regularly in accordance with the government directives appropriate to the situation. Vaccines are procured and expedited to cover the employees, contractors' employees including the family of the employees, implementing a Virtual Office Policy or Work From Home which derived from the working group employee's viewpoints to serve future ways of new normal working.

Financial risks

Uncertainty arising from continued pandemic situation around the world and consequent economic slowdown in Thailand. Some financial institutions may have liquidity issues, adversely affecting availability and cost of capital. The Company is also exposed to currency volatility given its import requirements.

Mitigation strategies

The working capital management and cash flow projection have been integrated with business plan with syndication between Finance, Marketing & Sales and Procurement to help in maintaining adequate cash flow and keeping the finance cost under control.

The fluctuation in foreign exchange rates is addressed through an appropriate foreign exchange hedging mechanism in line with structured hedging policies.

Risks Associated with Natural Calamity

Disruption of production and supply chain from natural calamities like flood and draught

Mitigation strategies

The Company's inherent risk to natural calamity is relatively moderate due to its operations spread in three different locations. However, the Company is aware of the risks associated with operating in industrial areas and has emergency handling procedures at all its facilities. Structured periodical mock drills are done to ensure effectiveness of such procedures. Disruption to business operation is effectively addressed by flexible supply chain management and switching operation amongst the three production units. Besides, the Company has taken extensive insurance coverage related to natural calamity and all industrial risks.



DRIVING BUSINESS TOWARDS SUSTAINABILITY

Tata Steel (Thailand) Public Company Limited has published sustainability performance every year to provide information on Policies and Performances of Tata Steel (Thailand) Public Company Limited (“TSTH”) and its subsidiary; Tata Steel Manufacturing (Thailand) Public Company Limited (“TSM”), that comprises of 3 steel plants; NTS Plant, SISCO Plant and SCSC Plant, which related to stakeholders in economic, environmental, and societal dimensions within the scope of information of fiscal year 2022 since April 1, 2021 till March 31, 2022. This report has considered the materiality issues and presented other performances according to international guidelines as follows:



The Sustainability Report has been done according to the framework of Global Reporting Initiative (GRI) Sustainability Reporting Standards and Business Disclosure Guidelines by having the completed information consistent with the regulation of “In accordance” following the key indicators (Core).

The Business Climate Change Performance Report has been applied the CDP Disclosure Programs as a report framework. The information through CDP - Climate Change was disclosed under Tata Steel Company Limited, the parent company. The information of the Tata Steel Group consists of companies from India, Europe, Southeast Asia, and Thailand.

Reporting of operation progress has supported the Sustainable Development Goals of the United Nations by having additional indicators that are in line with the Sustainable Development Guideline of Tata Steel Company Limited. Integrated Annual Report (Form 56-1 One Report) 2021 – 2022 and previous issues of Annual Report can download at <https://www.tatasteelthailand.com/th/investor-relations/#annual-report>, for Sustainability Report previous issues can download at <https://www.tatasteelthailand.com/sustainability/>.

The Sustainability part in this report has been reviewed and approved by the Corporate Social Responsibility and Sustainability Committee and passed the process of data verification related to economics, environment and society to ensure that Tata Steel (Thailand) Public Company Limited has provided the information completely, correctly, and trustworthy.

“ OUR SUSTAINABILITY

is committed towards Stakeholders’ Sustainable Development of Economy, Environment and Society.”



SUSTAINABILITY KEY MATERIAL ISSUES ASSESSMENT

Tata Steel (Thailand) Public Company Limited has conducted the first sustainability key material issues assessment of the business in financial year 2018 and set the procedures and assessments for the second time in financial year 2020, which already finished and implemented in the financial year 2021 onward.

1. MATERIAL ISSUES AND STAKEHOLDERS IDENTIFICATION

The Company has compiled information on material aspects of the sustainability of the business from both internal and external stakeholders through multiple channels and methods suitable for each group of stakeholders, such as meetings, formal and informal interviews, questionnaires, etc. Additionally, the Company has summarized the important issues to its business from the management's opinion based on the vision of Tata Steel, the challenges that the Company confronted during the past year, the Company's long-term plan, the enterprise risks and other external factors that has both positively and negatively impact on the Company's business, the global sustainability trends, standards and other requirements, the government strategic plan, the demands and expectations of the stakeholders. Thus, the Company has also reviewed the issues of the previous year and the scope of importance to stakeholders in each issue.

2. MATERIAL ISSUES PRIORITIZATION

The Sustainability Development Core Committee has considered categorizing and prioritizing the group of business key material issues by rating the levels of impact on operations and value creation for the Company covering the economic, environmental and social issues, including considering the levels of influence on the assessment and the decision-making of stakeholders on various issues, based on the Global Reporting Initiative (GRI) Standards, and then defined in the Materiality Matrix table.

3. MATERIAL ISSUES REVIEW

The management of the Company reviewed the results of the business key materiality to ensure that the issues have been prioritized in order to reflect the important matters to the Company and Stakeholders with well balance before proposing to the Corporate Social Responsibility & Sustainability Committee for acknowledgement.

4. MATERIAL ISSUES ACKNOWLEDGE

The Corporate Social Responsibility & Sustainability Committee reviews and acknowledges key materiality issues that are important to business sustainability and its prioritization. The key performance indicators and essential targets for each issue were defined to use for performance evaluation across the organisational, divisional level and results linked to the performance evaluation of management and related employees.

MATERIALITY MAP OF FINANCIAL YEAR 2022



ECONOMY

- 1 Procurement Practices
- 2 Risk Management
- 3 Customer Satisfaction
- 4 Product and Services Innovation
- 5 Product Brand and Advertising
- 6 Corporate Governance and Promoting Ethical Behaviors
- 7 Regulatory Compliance
- 8 Sustainable Supply Chain

ENVIRONMENT

- 9 Energy Management
- 10 Water Management
- 11 Waste Management (Solid, Effluent, Electronics)
- 12 Air Emission (SO_x, NO_x, CO)

SOCIETY

- 13 Community Engagement
- 14 Labour Management Relations
- 15 Occupational Health and Safety
- 16 Development Capability of People
- 17 Employment Retention

SUPPORTING SUSTAINABLE DEVELOPMENT GOALS

The Company is committed to conducting business on a basis of “Sustainable Development” by defining the strategic direction of the organisation that taking into account various challenges and trends both at international and country level. It has linked and responded to the Sustainable Development Goals: SDGs of the United Nations covering economic, environmental and societal dimensions. In fiscal year 2021 - 22, the Company has considered fifteen essential goals with related objectives as follows:



Goal 1 End poverty in all its forms

OBJECTIVE

- 1.1 Eradicate all forms of severe poverty



Goal 3 Good Health and well – being

OBJECTIVE

- 3.4 Reduce premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being
- 3.5 Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol
- 3.6 Halve the number of global deaths and injuries from road traffic accidents
- 3.8 Achieve universal health coverage, including access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all
- 3.9 Substantially reduce the number of deaths and Contamination by air pollution, water pollution, and soil pollution



Goal 4 Equitable quality education

OBJECTIVE

- 4.6 All youth and a substantial proportion of adults, both men and women, achieve literacy and numeracy



Goal 5 Gender equality

OBJECTIVE

- 5.1 End all forms of discrimination against all women and girls everywhere
- 5.2 Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation
- 5.5 Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision - making



Goal 6 Clean water and sanitation

OBJECTIVE

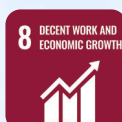
- 6.3 Improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and reuse
- 6.6 Protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers, and lakes



Goal 7 Clean Energy for all

OBJECTIVE

- 7.2 Increase substantially the share of renewable energy in the global energy mix
- 7.3 Increase the global rate of improvement in energy efficiency



Goal 8 Good Jobs and Economic Growth

OBJECTIVE

- 8.1 Sustain per capita economic growth in accordance with national circumstances
- 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added sectors.
- 8.4 Improve progressively, global resources efficiency in consumption and production
- 8.5 Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
- 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including end child labour in all its forms.
- 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment



Goal 9 Innovation and Infrastructure

OBJECTIVE

- 9.1 Develop quality, reliable, sustainable and resilient infrastructure to support economic development and human well-being
- 9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource - use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes



Goal 10 Reduced inequalities

OBJECTIVE

- 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard



Goal 11 Sustainable cities and communities

OBJECTIVE

- 11.1 Ensure access for all to adequate, safe and affordable housing and basic services
- 11.2 Provide access to safe, affordable, accessible and sustainable transport systems for all
- 11.6 Reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and other waste management.
- 11.7 Provide universal access to safe, inclusive and accessible, green and public spaces



Goal 12 Sustainable consumption and production patterns

OBJECTIVE

- 12.2 Achieve the sustainable management and efficient use of natural resources
- 12.4 Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, and significantly reduce their release to air, water and soil
- 12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse
- 12.6 Encourage companies to adopt sustainable practices and to integrate sustainability information into their reporting cycle



Goal 13 Combat the climate change

OBJECTIVE

- 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters
- 13.2 Integrate climate change measures into national policies, strategies and planning
- 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning



Goal 14 Sustainable use of the oceans, seas and marine resources

OBJECTIVE

- 14.2 Sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans



Goal 15 Sustainable use of terrestrial ecosystems

OBJECTIVE

- 15.1 Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands
- 15.2 Promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation



Goal 16 Peaceful societies and justice

OBJECTIVE

- 16.1 End abuse, exploitation, trafficking and all forms of violence against and torture of children
- 16.5 Substantially reduce corruption and bribery in all their forms
- 16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels

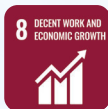


KEY MATERIALITY ISSUES ON BUSINESS SUSTAINABILITY AND SUSTAINABLE DEVELOPMENT GOALS

The Company has analysed materiality issues that have an impact on the business sustainability based on inputs from internal and external stakeholders. These have been considered and reviewed by the Corporate Social Responsibility & Sustainability Committee with focus on five key materiality issues. The action plans for these issues have been implemented according to the key performance indicators and targets. The output can be linked to the Sustainable Development Goals covering economic, environmental and societal dimensions as follow:

ECONOMIC DIMENSION:

CUSTOMER SATISFACTION



- The Company enhances customers' satisfaction by developing and delivering innovative products as per their needs. These include Seismic Rebar that enhances safety in earthquake prone zones, Cut and Bend product that helps reduce the waste of unused steel from cutting and bending at the site, Deformed Bar: Grade SD50 that has higher strength and help reduce consumption as compared to SD40, Readymade Dowel that can replace imports, Readymade Deformed Bar Stirrup that used for the reinforcement of concrete structures and Ready to use Footing produced to allows the foundation work to be easy, convenient, quick and durable. The Company also develop GB rebar for Thai-Chinese High Speed Rail project. The Company supply High Carbon Wire Rod used for manufacturing Tire Cord that help reducing imports and enhance competitive advantage of the customers. The Company is developing super high strength SD60 grade deformed bars that can bear more strength than general deformed bars. This will allow the designers to reduce the amount of deformed bars and the cost of construction.
- Over last 2-3 years, the Company has strengthened its reach across the country through Retail Partnership project. This has helped in building a strong relationship with traditional retail and modern trade channels. For the consumers, it is more convenient with easy access and purchase of our products.
- The Company has determined to conduct the Customer Satisfaction Survey every two years. Base on third party assessment, the latest survey results for the year 2020 - 2021 has shown the customer satisfaction rating improved from the previous year at 84 to 86 points. The quality of the Company's products had received the highest satisfaction rating among its peers.
- The Company uses digital technology to support customer services. Our sales representatives use Line application, e-mail and customer visit report program to contact and listen to customers' feedback for improving and developing the systems to promptly respond to the needs of customers. The Company brings IT technology to enhance service speed like TATA Steel TH connect application to track customer's order, Tag QR code, Certificate Online system, Cut and Bend web ordering. The Company also offers additional online channels to contact with customer via the Company's website, Line Application, Facebook, etc. and increases online sales channel through www.BaanClickBuild.com for customers to access the products more conveniently and quickly.

GOOD CORPORATE GOVERNANCE AND PROMOTING ETHICAL BEHAVIORS



- **Management of Business Ethics:** has been established with Apex Business Ethics Committee and Business Ethics Sub-Committee of headquarter and all three plants including employees and contractor's representative. The structure includes the Ethics Counselor/ Ethics Coordinator in each location which consisted of 2 males and 1 female serving as secretary for each sub-committee. The proportion of Ethics Coordinators to total employees is 1 to 91 while proportion of female Ethics Coordinator to total female employees is 1 to 47.
- **Women Committee:** takes care of each company's women employees including subcontractors to be treated in accordance with Tata Code of Conduct properly. The action plans for taking care of women employees and subcontractors have been set in various matters such as competency and potential development of women employees, seeking ways to eliminate or resolve problems that may obstruct the work, etc.
- **Equal opportunity employer:** The Company provides equal opportunities to all our employees and to all eligible applicants for employment in the Company. We do not unfairly discriminate on any ground, including race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability or any other category protected by applicable law.
- **Human Rights:** The Company clearly defines the Human Rights policy in treating various groups of stakeholders, including the policy not to employ child labour and use of forced labour in any forms. The Company commits to manage employees, business partners and contractors working on behalf of the Company to adhere to the same principles and give importance in bringing the human rights' principles as guidelines for business operations in all aspects.
- **Anti-Bribery and Anti-Corruption and Business Ethics Policies:** The Company has a clear policy on Anti-Bribery and Anti-Corruption in all forms and provided training and communicating to the Board of Directors, Executives and all employees to acknowledge and follow. This includes policies related to promoting ethical behavior such as Providing or Receiving Gift and Hospitality Policy, Policy for providing gifts to government agencies, Whistle Blower Policy, and Policy and Practices for the prevention of sexual harassment at the workplace, etc.
- The Company has been approved as "a certified member" of Thai Private Sector Collective Action against Corruption (CAC) since 2016 and at present has recertified

for the 2nd time in 2019. The Company also invited business partners to submit the Declaration of Intent to join Thai Private Sector Collective Action against Corruption (CAC). In 2022, the Company will recertify the membership for the 3rd time. Moreover, the Company has also been a member of Partnership against Corruption for Thailand (PACT) and signed a declaration to promote children's rights and business principles at "The Children Sustainability Forum", hosted by UNICEF.

ENVIRONMENTAL DIMENSION AIR EMISSION



- The Company has defined the Climate Change Policy and Environmental Policy by focusing on Green process and using technology that created low pollution and using renewable energy/ alternative energy for Greenhouse Gas reduction, for example, replacing fuel oil usage with natural gas, installing 1.4 MWp Solar Roof to replace electric energy from fossil fuel at SCSC Plant which has received a good result. The Company has further implemented Solar Roof technology at all three plants, which plan to be finished in October 2022.
- SCSC plant initiates to implement Energy Management System ISO50001 and passed certified.
- The Company has defined the rate of energy and resources consumption causing CO₂ emission and prepared the action plan to continually improve the production process for less consumption of energy and resources.
- The Company has analyzed the factors causing pollutants resulted from production process and other supporting activities in order to minimize the pollutants. At the same time new researches and technology have been studied and implemented in order to manage the air pollution such as Dust, NO_x, SO_x, and CO, etc.
- The Company has organized reforestation activity around plants area and surrounding communities to increase the green areas to help reducing global warming.
- The Company has controlled Greenhouse Gas emission by setting the target of CO₂ emission not over 0.611 Ton/Ton of crude steel. In fiscal year 2022, Tata Steel (Thailand) Group has successfully controlled CO₂ emission to the atmosphere at 0.606 Ton/Ton of crude steel which was better than the target.

[Remark: Data was adjusted based on World Steel Association (WSA) Methodology changed to user guide 10 versions 25 in the year 2021).

SOCIETAL DIMENSION: COMMUNITY AND SOCIAL ENGAGEMENT



- The Company aims to end poverty, develop prosperity and income for the community together with strengthening the community and able to sustainable self-reliant. The Company develops their local products according to the Thailand Board of Investment promotion program (CSR-BOI) totaling 3 projects. SISCO plant cooperated with Ban Moh Community Enterprise, Ban Moh District, Saraburi Province for Curry Puff product development. The total sales have increased 5% Year on Year. Chinese sausage and egg noodles products development project by NTS Plant cooperated with Noen Kra Bok Community Enterprise, Chonburi Province, and the total sales have increased 59% Year on Year. Another project by SCSC Plant cooperated with Koh Kok Community Enterprise, Rayong Province for Chocolate - covered riceberry snack bar product development Project.
- The Company conducted a survey on the satisfaction of communities nearby the plants towards Corporate Social Responsibility activities, in order to understand the real problems and needs of the community to analyze and develop CSR activity. The community recognizes the benefits and the importance of CSR activity in various dimensions which included generating income for the community, development of public utilities, promoting education, waste management, promoting safety, supporting various community activities, environmental conservation and occupational development. The overall satisfaction results are 87%.
- The Company values the voice of the community and accepts suggestions to improve the Company's performance system and manage public issues. In the past year, there were no complaint from the community.



Occupational Health and Safety



- The Company has a commitment towards the excellence in occupational safety, health and working environment for its employees and contractors. Recognizing its importance, the Company has defined policies to be implemented by management and employees at all levels as the first priority in our business operations.
- The Company has target to reduce Lost Time Injury to be zero and reduce Medical Treatment Case (MTC) / First Aid Case (FAC) to be 50% in each years. In fiscal year 2022, Tata Steel (Thailand) Group has Lost Time Injury Frequency Rate (LTIFR) of 0.63 case Per million Working Man-Hour.





STRATEGY AND LONG TERM GOALS

In fiscal year 2022, the Company has brought key materiality issues that are important to business sustainability in the level of “Focus” and developed the strategy and long term goals (Goals in fiscal year 2026) as following details;

| Key Issues | Important to the Organisation | Long Term Objective (FY26) | KPIs & Targets (FY26) |
|---|--|--|---|
| Customer Satisfaction | To ensure that our quality of products and services meet or surpass a customer’s expectation and feedbacks are received for our improvement to satisfy the customers in the future. | Become a Supplier of Choice | <ul style="list-style-type: none"> Customer Satisfaction Score > 88 No. of Claim per year <10 |
| Corporate Governance (CG) and Promoting Ethical Behaviors | To create a transparent organizations and reduce the risk of corruption that could affect the Company’s business and reputation | Fostering the culture of CG and Ethical Business in all levels of the organisation. | <ul style="list-style-type: none"> No. of Whistle Blower Cases > 10 No. of employees who attended TCoC Training 100% CG score > 93 |
| Air Emission | Due to the nature of steel production produces greenhouse gases and other air pollution Release air emission may affect to the communities and environment. | Global warming mitigation | <ul style="list-style-type: none"> CO2 Emission (Tons / Tons of crude steel) 0.611* Energy Intensity 9.4 GJ/ Tons of crude steel Green Industry Level 5 |
| Community Engagement | To create “License to Operate” that will result in the smooth operation of the Company including creating engagement with the community, especially young people who may be customers, partners or employees of the Company in the future. | Sustain the Communities in the long run by promoting the education of students and other development projects. | <ul style="list-style-type: none"> No. of employees participated in CSR at least 1 program 100% No. of CSR Hours Volunteering/year > 10 hours/employee No. of beneficiaries from CSR Projects > 60,000 |
| Occupational Health and Safety | Its steel industry has the opportunities and risk on injury, incident and health of employees and contractors | Excellence in Occupational Health and Safety Management | <ul style="list-style-type: none"> Loss Time Injuries Frequency 0 Health Index > 12 |




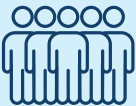

* World Steel Association (WSA) changed Methodology








STAKEHOLDER ENGAGEMENT

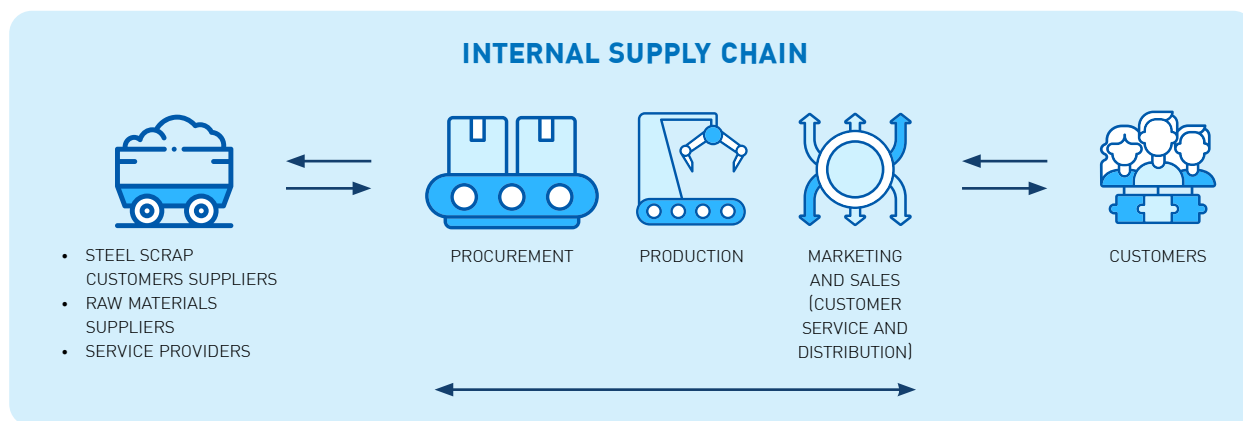
The Company has given an importance to the stakeholders' engagement both internal and external which affected to the business operations by considering the suggestions from stakeholders for improving the processes and taking the assessment that are critical to sustainability. It can be divided the responsibilities for stakeholders who got affected or may be affected by the impacts of the Company's operations into ten groups. Each group will have different types of communication and participation as appropriate.

STAKEHOLDER AND RESPONSE TO THE EXPECTATION OF EACH STAKEHOLDER

| STAKEHOLDER | EXAMPLE OF ENGAGEMENT | EXPECTATION ISSUES |
|--|---|---|
| 1. SHAREHOLDER  | <ul style="list-style-type: none"> Annual General Meeting Plant visit Annual Report Sustainability Report Sustainability issues survey Complaints across multiple channels Direct contact with the Company | <ul style="list-style-type: none"> Return on investment Company growth Transparency and accuracy of information |
| 2. CUSTOMER  | <ul style="list-style-type: none"> Satisfaction Survey Sustainability issues survey Customer meeting Contact via electronic media and telephone Complaints across multiple channels Other activities organized by the Company | <ul style="list-style-type: none"> Products and services satisfaction Receive quality of products and services with reasonable prices |
| 3. PARTNER  | <ul style="list-style-type: none"> Partner meeting Contact via electronic media and telephone Sustainability issues survey Complaints across multiple channels Other activities organized by the Company | <ul style="list-style-type: none"> Receive purchase orders or services with accuracy and completion Get paid on time Maintain good relationship between seller and buyer |
| 4. EMPLOYEE  | <ul style="list-style-type: none"> President & CEO meets employees activity Internal communication Employees engagement survey Sustainability issues survey Suggestion box Complaints across multiple channels Other activities organized by the Company | <ul style="list-style-type: none"> Job security and career advancement Satisfied welfare and benefits Opportunity to learn, develop knowledge and capability Well treated for occupational health, safety and quality of life |
| 5. COMMUNITY AND SOCIETY  | <ul style="list-style-type: none"> Activities with communities Leaders of communities visit Communities visit Sustainability issues survey Complaints across multiple channels | <ul style="list-style-type: none"> Preserve communities environment by refusing the emerging pollutants Support local activities Participate in creating public interest and help local communities increase their income No complaints from the communities Communities satisfaction with the Company's operation |

| STAKEHOLDER | EXAMPLE OF ENGAGEMENT | EXPECTATION ISSUES |
|--|---|---|
| 6. COMPETITOR  | <ul style="list-style-type: none"> • Meeting and discussion • Sustainability issues survey • Complaints across multiple channels | <ul style="list-style-type: none"> • Treat competitors fairly followed by competitive frameworks • Marketing and sales which comply with the law and ethics |
| 7. NON-PROFIT ORGANISATION AND LOCAL GOVERNMENT AGENCY  | <ul style="list-style-type: none"> • Meeting and discussion • Sustainability issues survey • Support local activities • Complaints across multiple channels | <ul style="list-style-type: none"> • Reduce effect from pollution |
| 8. REGULATOR  | <ul style="list-style-type: none"> • Meeting and discussion • Sustainability issues survey • Government agencies report • Support Government activities | <ul style="list-style-type: none"> • Comply with the law and regulations • Reduce effect which may occur with communities and environment |
| 9. PRESS  | <ul style="list-style-type: none"> • Quarterly press conference on business performance • Sustainability issues survey • Complaints across multiple channels • Contact via electronic media and telephone | <ul style="list-style-type: none"> • Disclose with clear, accurate, pertinent information, and keep up to date. |
| 10. CREDITOR  | <ul style="list-style-type: none"> • Quarterly conference on business performance • Sustainability issues survey • Complaints across multiple channels • Contact via electronic media and telephone | <ul style="list-style-type: none"> • Make confidence that creditors will receive full and timely repayment. |

Value Chain



Supply chain of the Company starts with scrap suppliers both domestic and international, raw materials and service providers. Procurement Division will contact with these groups of vendors to procure materials and services to support the production of each plant to produce finished products. Then, the finished goods will be delivered and distributed to customers by the Marketing and Sales Division.

SUSTAINABLE PARTNERSHIP



The Company is a member of EAF Long Steel Product Producers Association, Thai Steel Wire Rods Association, Association of Hot Rolled Structural Steel Manufactures and Standard Long Steel Product Trade Association that is being as the manufacturer's representative for coordinating with the government in various fields such as the preparation of industrial standards etc. by having Mr. Wanlert Kanwiwat, Chief Operating Officer of Tata Steel (Thailand) Plc. as the President of EAF Long Steel Product Producers Association and Standard Long Steel Product Trade Association.

Tata Steel (Thailand) and its subsidiary included all three plants: NTS Plant, SISCO Plant, and SCSC Plant, together with forty-nine steelmaking companies in Thailand signed the ratification not to produce substandard rebars.

Since 2015, the Company has listed as 1 of the first 30 companies that joined UNICEF in Child Friendly Business: "The Children Sustainability Forum" to make a commitment to Child Rights protection.

Since 2016, the Company has certified as a member of Thai Private Sector Collective Action Against Corruption (CAC) and at present the Company was considered for recertification by CAC to be a certified member for the 2nd time that has the completed policy, procedures and practices for preventing corruption within the organisation. The Company has also joined Partnership Against Corruption for Thailand (PACT).

In 2021, the Company joined with The Federation of Thai Industries in requesting for certification of the Company's products as Made in Thailand (MiT) products, which is the collaboration between the government and the Federation of Thai Industries. This campaign aims to drive the use of domestic products in various government projects to reduce imports and push circular economy which will lead to sustainable growth of the country.



ENVIRONMENTAL DIMENSION





ENVIRONMENT AND SUSTAINABLE RESOURCES MANAGEMENT

ENVIRONMENT AND SUSTAINABLE POLICY

With the vision of the Company focusing on the operational excellence with highest standards of good corporate citizenship, the Company has therefore set out the Sustainability Policy, Climate Change Policy and Environmental Policy.

The Strategy, management guideline, operational guideline and implementation plan towards conducting the environmental friendly business are focusing on Green Process, such as resources management, water management, climate change control of carbon dioxide emission, etc.

The Company is well aware of the impact resulted from the Company's decision and its operation on resources consumption (such as the use of electric power, natural gas, scrap and water), plant location, pollution and waste, including an effect to the natural habitat of plants and creatures. Moreover, the Company has managed wastewater treatment and recycling of water to use in operation process and for other usage.

The Company encourages all employees to recognize the importance of energy saving by emphasizing on their participation, in line with their functions, for instance, saving electricity in office building. Knowledge is given and PR media is communicated regularly to raise awareness and conscience on the subject.

AIR POLLUTION MANAGEMENT

The Company has analyzed the factors causing pollutants resulted from production process and other supporting activities to find the root causes and minimize the pollutants. Then the air pollution treatment will be urgently processed before releasing clean air to the atmosphere. At the same time new researches and technology have been studied and implemented in order to manage air pollution such as NO_x , SO_x , CO , etc.

DUST MANAGEMENT

Activities that cause dust in the manufacturing process starting from raw materials handling, transportation, combustion and storage. The Company applies various technologies for treatment depending on type of dust and its properties in relation to particular activities as follows:

- **Dust from combustion in the production process:** High temperature and low humidity dust from furnace in production process will be sent to Fume Plant to start the filtration process. The dust will be captured by a settling chamber to reduce its temperature and filter the large dust. The small dust will be passed through Filter Bag. Dust diffusion in term of Total Suspended Particulate (TSP) can be reduced to be below regulatory standard and it will also be reused as raw materials.

In FY2020-21, the Company has invested in cooler duct development to increase the efficiency of Fume Plant in dedusting. The Company also improved Steel Plant's roof to eliminate leakage and reduce emissions at NTS Plant.

- **Dust from storage:** the Company sets high priority to prevent impacts to surrounding communities and implements various measures such as regularly watering at materials piling areas, arranging canvas covered thoroughly and making net wind installed in appropriate direction. The study has been conducted on wind directions, speed and setting of surrounding communities. Trees have been planted as buffer zone around plant areas to capture dust and to create pleasurable landscape.



CLIMATE CHANGE MITIGATION AND GREENHOUSE GAS (GHG) REDUCTION

The Company alleviates the impacts of climate change related to its operations, products and services in order to reduce Greenhouse Gas emission within controllable boundary of the Company such as using technology creating low pollution, using renewable energy for Greenhouse Gas reduction and providing opportunity for communities to suggest their ideas on Greenhouse Gas reduction. The Company also arranged the activities for planting trees around the plants and communities areas including planting garden trees inside the plants for beautiful surroundings, increasing green areas and reducing the global warming. The Company has defined the use of energy and resources causing CO₂ emission in every form and regularly prepared the action plan for improving production processes to reduce the use of energy and resources.

The Company controls the Greenhouse Gas emission by setting the target of CO₂ emission of the group. In Fiscal Year 2022, Tata Steel (Thailand) Group can successfully control CO₂ emission at the rate of 0.606 Ton/Ton of crude steel compared with last year 0.637 Ton/Ton of crude steel.

Remark: Data was adjusted based on World Steel Association (WSA) Methodology changed to version 25 in the year 2021.

Furthermore, the Company also aims to increase green areas in the plant to reduce greenhouse gas emissions. In FY2022, the Company planted totaling 1,030 trees in all 3 steel plants.

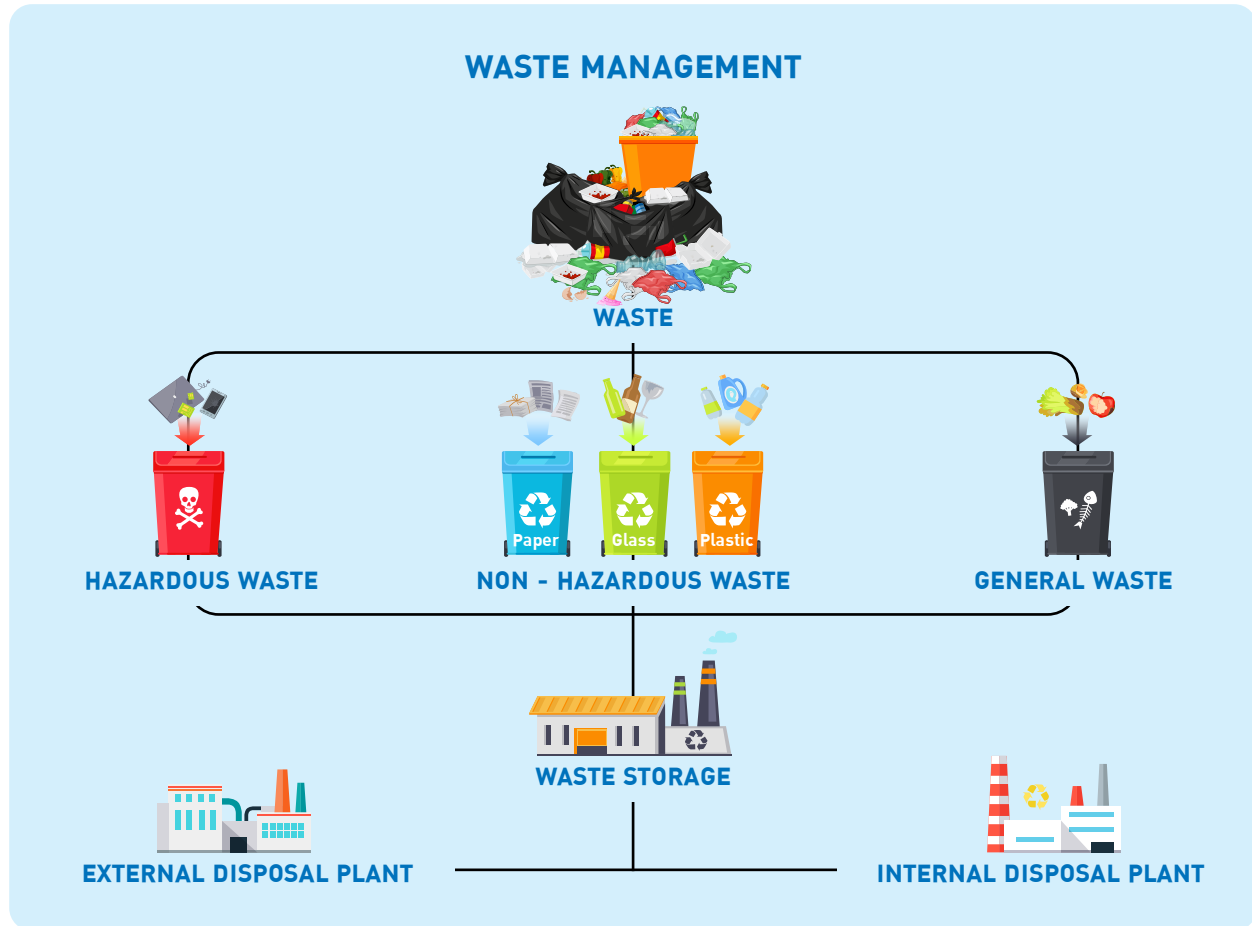
POLLUTION PREVENTION

The Company managed its production by having related environmental risk management, prevention of pollution and waste management comprehensively. This includes handling the environmental complaints, prevention of pollution and waste from the original sources throughout the product life cycle, the permission to take the sewage out of the plant, having an automation system to measure the combustion efficiency continuously, educate and create awareness on the environment and environmental contingency plans in case of unexpected incident happens to the environment to minimize losses which may escalate in the future. There are emergency plan drills, an emergency response, training programs on environment for employees and set the environmental action plan. The related documents are sent to government agencies and the communication of policies also circulated to all relevant groups.



SOLID WASTE POLLUTION MANAGEMENT

The Company manages the unused materials according to Environmental Policy of the Company and in compliance with related environmental laws. All industrial waste must pass the permission from Department of Industrial Works for bringing out the sewage and unused material outside the plants including receiving the license to eliminate the waste as per specified material types and disposal methods. Moreover, the Company arranged training sessions for employees on knowledge related to pollution, waste and right disposal methods. The Company sets target on waste management for recovery at 99% approximately.



WATER MANAGEMENT

The Company uses water efficiently and has proper treatment by using the Zero discharge principle in the production process. Wastewater will be treated and reused so that the business are truly conducted under the clean manufacturing.

RADIOACTIVE MATERIAL MANAGEMENT

The Company provides radioactive detector for any contaminated scraps for using in the production that maybe harmful to consumers. The detection starts from the process of raw materials handling by the truck when entering to the plant and before material receiving.

SUSTAINABLE RESOURCES CONSUMPTION

The Company sets a plan to use the resources efficiently to reduce water and energy consumption and encourage employees to suggest ideas and share knowledge on sustainable resources consumption. There are measurement, records and reports of resources consumption for more efficient use, including use of recycled resources. Local equipment, energy, water, electricity or

local resources will be used for maximum benefits. This results in cost saving since the Company does not have to procure overseas resources. Additionally, the Company also purchases the fabric product made by the local communities.

ENERGY USAGE

The Company has conducted Total Productive Maintenance project to continuously improve, develop and increase more efficiency of energy usage and invested on projects to use high efficiency energy or more environmental friendly such as replacing fuel oil usage with natural gas, production process improvement both at Steel Plant and Rolling Mill Departments, searching for renewable or alternative energy sources by installing Solar Roof 1.4 MW to replace electric energy from fossil at SCSC Plant which has received a good result. The Company has further implemented Solar Roof technology at all three plants, which plan to be finished in October 2022.

SCSC plant initiates to implement Energy Management System ISO 50001 and passed certified.

NATURAL ENVIRONMENT RESTORATION

The Company has measures to restore natural resources, including improving utilization and value of ecological system related to plants, animals, soil and water. Following up and evaluation of restoration measures will be made by monitoring key indicators on Corporate Social Responsibility and environmental activities, such as releasing aquatic animal into the sea, the mangrove reforestation, the environmental camp for children in communities around the plants, to encourage people in the communities to jointly preserve and restore the ecosystem of the forests in communities which are located nearby the plant. This also promotes the awareness among young generation to take care of the forest resources in their own communities, etc.



PARTICIPATION WITH THE GOVERNMENT

In fiscal year 2022, SISCO Plant of Tata Steel (Thailand) Group received a certificate of Carbon Footprint for Organization (CFO) from Thailand Greenhouse Gas Management Organization (TGO). NTS Plant and SCSC Plant received Green Mining Awards from the Department of Primary Industries and Mines, Ministry of Industry.

In addition, NTS Plant and SCSC Plant received Green Star Awards from the Industrial Estate Authority of Thailand (IEAT). The Green Star or Environmental Governance Awards granted to the Company that allowed community representatives to visit and audit the performance of environmental and social responsibility aspects.

All 3 plants received Green Industry Awards Level 4 (Green Culture) from Department of Industrial Works and expected to apply for the highest level, Green Industry Award Level 5 (Green Network) in the future.

LEGAL AND REGULATORY COMPLIANCE

The Company has determined a complete monitoring system that measures and regularly submits environment reports to government authorities i.e. emission rate from fume plant, CO₂ emission and waste disposal. The actual performance is better than the determined standard. The Management has meetings with the communities and neighboring companies to get feedback, complaints, concerns and follow up on regular basis as well as conducted the Environmental Impact Assessment (EIA). Moreover, the Company also invested in improving system e.g. improving dedusting system at fume plant to reduce dust in the area at SISCO Plant, Continuous Emission Monitoring System (CEMS) project at SCSC Plant to alert the Company in case that the pollution exceeded the standard and etc. Energy Management Committee has been constituted in line with the energy policy which has been announced and circulated to employees. The checking and correcting any deficiency, leakages and avoiding unnecessary overuses of the energy have been made by improving machine efficiency through TPM activities. Production plan is aligned to market conditions so as to optimize on energy consumption and cost management.

PREPARATION FOR ENVIRONMENTAL IMPACT ASSESSMENT (EIA)

All three plants have prepared for Environmental Impact Assessment (EIA) report, disclosed environmental impact mitigation data and submitted to the Office of Natural Resources and Environmental Policy and Planning (ONEP). The Company also opens for plant visit for those interested and community representatives. The environmental complaints (if any) were recorded which will be regularly informed to authorities on resolving the measures regularly.

PARTICIPATION FROM EMPLOYEE AND BUSINESS PARTNER

In order to operate safety and occupational health effectively. The Company therefore gives opportunities for employees at all levels to participate in improving working conditions and safe working practices by providing "Committee on Occupational Safety, Health and Environment". This is an important mechanism for executives and employees to jointly formulate policies, goals, plans, as well as measures for safety, occupational health and working environment in each area appropriately. In addition, the Company has hired safety officers to comply with the law and increase the efficiency of occupational safety and health care.

In 2012, the Company has established policies on occupational safety, health and work environment for employees, contractors and related parties to lead to the serious performance of executives and employees at all levels. Employees and contractors who come to work will receive preliminary training related to the environment such as waste sorting, the Company also provides environmental training to create environmental awareness. According to the ISO14001 environmental management system, the Company also encourages business associates to comply with the Company's management policies and standards.



SOCIAL DIMENSION





LABOUR RELATIONS MANAGEMENT

RESPECT FOR HUMAN RIGHTS AND FAIR PRACTICES FOR EMPLOYEES

The Company has determined the Human Rights Policy which clearly states how the Company treats various groups of stakeholders. The policy is available on the Company's website. The Company is well aware that human rights are fundamental rights and freedoms that individuals should have, covering our social, communities as well as business value-chain partners. Respect for human rights is an important principle defined in the Tata Code of Conduct ("TCoC") which represents the organisation's values and important principles underlying the direction of the business conduct of the Company. The Company organises TCoC training to all employees since the first day of their employment. TCoC is reiterated through public relations media, TCoC re-training course for employees and notified to partners and stakeholders. The Company committed that all employees, business partners and contractors working on behalf of the Company to adhere to the same principles and give importance to the implementation of human rights to be a guideline for business operations in all aspects. Also, the Company has policies to against the employment of child labor and forced labor in any form.

All employees will be treated with dignity and respect in which the Company shall create a conducive work environment and respect for individual privacy. The Company does not tolerate any form of harassment whether sexual, physical, verbal or psychological. The Company is not against the setting up of labor union and is ready to accommodate with compliance to all relevant laws. For instance, there was labour union in SCSC Plant which has now changed to be in the form of employees committee to discuss any issues and submit to management. The Company has appointed the Women Committee of each plant and at head office to encourage, support and take care of women employees including subcontractors to be treated in accordance with Tata Code of Conduct properly, completely and stringently.

The principle of equality opportunity employment has been stipulated to focus on recruitment and selection of capable staffs who are "intelligent" and "ethical" to work with the Company. The recruitment of new employees both internally and externally focus on merit system and use various selection tools to ensure that most appropriate persons are selected through an interview committee based on their technical and behavioral competencies and also fit with the organisation culture. The Company shall not unfairly discriminate on any ground, including race, caste, religion, color, ancestry, marital status, gender,



sexual orientation, age, nationality, ethnic origin, disability or any other category protected by applicable law. This includes hiring staffs from local and nearby provinces, hiring four people with disabilities as well as providing appropriate facilities and welfare, proper work space and safety equipment, hiring alien workers in compliance with Thai labor law by providing safety measures, group accident insurance, annual health check-up same as Thai employees and basic utilities for alien workers.

In addition, to ensure fairness to all employees, the Company therefore takes care of employees through the Human Resources Committee (HRC), comprising of senior management and management from various Divisions and Departments to consider, approve, give comments and suggestions regarding to Human Resources Management covering employees at all levels without discriminating against any persons. Furthermore, Welfare Committee is established in the workplace by selecting from employees' representatives to be involved in welfare management for employees of Tata Steel (Thailand) Group in order to truly meet the needs of employees.

The Company has no lay off policy. In case there is need for accommodate excess staff, the Company will allocate them to other units or companies among TSTH Group and will arrange additional training for employee to be able to perform other tasks etc.

In regards to human rights risks in Tata Steel (Thailand) Public Company Limited Group and in our value chain, within the past 5 fiscal years, from 2017 – 2022, the Company has no such risk. However, the Company has determined the guidelines for managing such risks by assigning the Internal Audit Office as an audit operator and designated to be a part of the Committees' responsibilities in various fields, such as Human Resources Committee; (In terms of fair treatment of labor), Apex Safety Council (In terms of safety, working conditions), etc.



OCCUPATIONAL HEALTH AND SAFETY

The Company has adopted the Safety Excellence Journey (SEJ) that supported by Tata Steel Limited (India and South East Asia) as guiding principles for managing occupational health and safety of all employees and contractors working in our premises to prevent injury or accident from work including improving the work environment. Safety Organisation and Structure at the highest level of safety committee is known as Apex Safety Council (ASC) which includes the President & CEO as Chairman and all Vice Presidents as members. There are six Apex Safety Sub-Committee (ASSC) as 1) ASSC-Standard and Procedure, 2) ASSC-Health, Training and Communication, 3) ASSC-Contractor Safety Management 4) ASSC-Safety Observation and Incident Investigation, 5) ASSC-Road Safety and 6) ASSC-Process Safety Management to determine the policy. Plant Implementation Committee (PIC) and Department Implementation Committee (DIC) will bring the policies to be implemented by joining with the Committee of Safety, Occupational Health and Work Environment of each plant/office as per legal requirement. The Company has defined four safety cultures as follows:

1. Safety Pause 3-5 minutes before every business meeting.
2. Holding hand rails while on stairs.
3. Use of appropriate personal protective equipment (PPE) at work site.
4. Compulsory use of Crash helmet for two wheelers and Seat Belt for four wheelers.

The Company provides safety training for employees and contractors before starting work, and encourages for safety communication regularly. The Company provides personal protective equipment (PPE) as mandatory i.e. safety helmet, safety shoes, safety glasses and others related to any risk factors i.e. Fluorescent jacket, hearing protection, respiratory protection, glove, falling protection, etc.



Moreover, the Company provides work environment and welfare equal to or better than the law and also tries to continuously improving the facilities within the plants and office. During the year, the Company invested to improve canteen, toilet and rest areas for all three plants. The Company has the report system by encouraging for reporting of Safety Observation, Fatal Risk Control Program (FRCP) and Near Miss in Safety Excellence system.

Occupational Health and Safety Key Performances in FY22 are as follows:

1. Four Quarterly safety campaigns were deployed: Confined Space, Slip Trip Fall, Non Routine Work and Working at Height.
2. E-Work Permit was implemented.
3. Health: COVID-19 prevention measure, encourage to get vaccination booster dose and Antigen Test Kit (ATK). And health program "We can all be Better than Before" to improve their health index in four factors which are Body Mass Index (BMI), Blood Pressure, Diabetes and Cholesterol.
4. Contractor Safety Management (CSM), the Company has determined contractor evaluation by star rating system and invited contractor owners or representatives to join Annual Contractor Safety Meeting with the management and grant award.
5. Process Safety Management (PSM), the Company implemented Industrial Estate Authority of Thailand (IEAT) requirements at SCSC plant and extend to implement at SISCO and NTS plants.



DEVELOPMENT CAPABILITY OF PEOPLE

The Company gives priority to continuously develop human resources at all levels and takes responsibility for professional development and career growth of its staff by focusing on four areas as follows:-

1. Core foundation knowledge required in all functions, i.e., Safety, Business Ethics, Tata Values, Product Knowledge, Total Quality Management (TQM), Customer Centricity, etc.
2. Functional Development
3. Business Development
4. Leadership Development

People Development is based on 70-20-10 model:

- **The portion of 70** is learning from job related, special assignments, participating in cross functional committee, job rotation.
- **The portion of 20** is learning from others through the coaching from supervisors and knowledge sharing from colleagues in both internal and other departments.
- **The portion of 10** is learning from formal classroom training and outside training which HR Department has been working together with their supervisors for individual development plan by considering from business needs, policy and strategy, job description, training plan and performance evaluation.

The Company not only supported the development of employees to have knowledge and skills directly to perform the job in the portion of 70, but also on manpower productivity improvement to enhance employee's skills for using new technology to improve work processes to be effective and focusing on customer centricity to develop products and services to meet the needs of customers.



KNOWLEDGE SHARING WITHIN ORGANISATION AND LEARNING FROM ANYWHERE

The Company promotes the project "One Dept. One Share" to stimulate knowledge exchange across functions within the organisation by bringing the knowledge and skills from real practices to be shared to people who are interested not only within their own units but also to other functions. The instructors prepared themselves to review knowledge that helped them learning continuously while learners can choose topics they are interested in and desire to learn. In addition, this year the Company focuses on development through E-Learning programs that can be accessed anywhere any time which is as per goal and in respond to the COVID-19 situation. In the year 2021 - 22, the Company organised training sessions for all employees with an average time of 6.8 man-days per person per year, higher than the previous year.



EMPLOYMENT RETENTION

The Company believes that the key to organisation success is our employees who will drive the Company to achieve the business goals. Therefore, the Company encourages employees to work at full capability by building employee engagement. Employee engagement will happen if the organisation makes employees confident that Performance Management policy is fair and transparent, challenging work assignment, appropriate compensation for their capability, an opportunity for development and career growth, listen to the voices of employees, various welfares and benefits to promote employees happiness and have a better quality of life.



PERFORMANCE MANAGEMENT

The Company promotes the overall of Performance Management rather than only evaluating the performance of individual employee. Therefore, there are many linkage perspectives of an element for consideration. The initiating point is to define business operating strategy of TSTH Group included Long-Term Plan and Annual Business Plan which support to Vision and Goals accomplishment of organisation and then deploy to level of Division, Department, Section and Employees. In the fiscal year 2020 – 2021, the Company improves the Performance Evaluation System by incorporating the goals on Sustainability as part of KPIs for all Supervisory and Management employees including the Senior Management.

All Supervisory and Management employees must prepare Performance Contract consisted of KPIs and targets of 3 parts: (1) Key Business Results and Sustain Measures refer to Key Business Results / Significant Improvement jobs cascade from Annual Business Plan and from Job Description, as well as actions taken to achieve a better and more sustainable future in terms of economy, environment, and society, conducted as an inherent part of the regular work to deliver and support organisation sustainability (2) Special Projects / Attitude and Working Behavior and (3) Other jobs according to the Company Policy which refers to duties that employees must cooperate and follow the same direction of the Company.

The Company also promotes continuous self-development or other concerned people development in order to encourage new innovation emerging within the Company. Performance Management System of the Company focuses on two ways communication and cooperation in working for target achievement by having a periodic communication and evaluating including the feedback to be provided covering strength and opportunity for improvement for further setting up the development plan. In this regard, the Company shall consider each individual employee performance of each year to directly link to annual salary increase and variable bonus payment including employee's career advancement, development and training.



WORKFORCE COMPENSATION MANAGEMENT

The Company strives for appropriate and fair compensation management by determining the compensation policy which is in line with Company's performance both for short and long term, by considering on three factors which are Merit Principle within organisation, Merit Principle outside organisation and Individual Merit. Details are as already mentioned in Human Resources Management and Development Policy, page 136.

REWARDS AND RECOGNITIONS

In addition to rewarding performance in the form of annual bonus payment, the Company promotes the importance of rewards and recognition in various forms such as;

1. Recognize and reward the Role Model Employees, Outstanding Employees and Quarterly Diligent Allowance.
2. Recognize the achievements of committees or working groups that have highly impacted to the business such as Prime Minister Awards Committee.
3. Provide Thank You Reward to the employees who are responsible for the jobs of other employees who resign/ take long leave or are responsible for a special assignment that has highly accomplished.
4. Arrange the competition to reward the employees for improvement projects such as Improvement for customer, Promote of Innovation projects competition in Tata group (Tata Innovista), etc.
5. Provide Productivity Incentive Pay for the employees in the departments that can achieve KPIs of each month.
6. Provide "Sustainability Star" Award for employees representing outstanding sustainability performance covering economics, environment, safety and society dimensions.

EMPLOYEE ENGAGEMENT

The Company evaluates level of employee engagement with Company by conducting an employee survey from time to time to evaluate level of satisfaction and engagement. In the fiscal year 2021 – 2022, the Company has conducted Employee Engagement and Satisfaction Pulse Survey. The conclusion and analysis of data from the survey are divided by different target groups in which the improvement plans are divided into two parts. The first part is the corporate level which will be considered by Human Resources Committee - TSTH Group while the second part will be a divisional improvement plan by Human Resources Department together with Line Manager and Engagement Champions who are representatives from various units. This is to ensure that the improvement plan for employees will respond quickly to different needs of each group.

WELFARE AND BENEFITS

From the Company's vision that emphasizes on employee working with happiness, therefore the Company has provided welfare covering all aspects starting from when working with Company, when getting sickness and when leaving the employment contract which is not only for employees but also for their families and parents. The Company also provides services and various supports to employees for helping them when facing with various problems including improving the quality of life of employees. The Company also improves and renovates the working areas, resting areas, toilets, and other facilities constantly. Such improvements derived from both employees' suggestions and before any requests.

One significant policy on providing services and benefits for employees is to listen to their voices through various channels which are an input to understand employees' needs and input

for improvement responding to them for higher satisfaction. The various channels consist of Welfare Committee, Employee Committee, Suggestion Box, Employee Satisfaction Survey, Salary and Welfare Survey, Exit Interview, and feedback from supervisor, Management meets employee's activities, Stay Interview, etc.

EMPLOYEE RELATIONS ACTIVITY

The Company committed to continuously promoting a good relationship with employees and employee's families by giving importance in taking care of employees and their families in every moment of life. For example, congratulate on new employees graduation at the universities, congratulate on the occasion of employee's marriage and child birth, participate in merit-making on the occasion of employees' ordination, visit employees or their families receiving treatment in the hospitals, be present in the employees or their families' funeral, etc. In addition, the Company constantly arranges various activities for employees such as Sport Day, New Year Party, Company trip, doing good things for our society on the employee's birthday activities, health promotion activities; Lets' Walk Program, employee clubs, the Sale Festival, E-Sport Competition, Line Official Account News Channel as well as activities to promote essential knowledge for the future such as saving and investment, health care, etc.

In time of COVID-19 situation, the Company constantly communicates policies and measures related to COVID-19 as well as taking care of employees and contractors in various ways. This is to ensure that good morale is maintained with no negative impact to the business continuity and no disruption in operations. Details of COVID-19 management are highlighted in Human Resources Management and Development Policy, page 134.





COMMUNITY ENGAGEMENT

The Company is committed to conducting its business by being a good corporate citizen on the basis of realization and awareness of its roles and responsibilities to the community, society and the country as well as paying attention to environment conservation continuously. These are considered as the essential mechanisms that drive the Company's business operations together with sustainable social and environmental development.

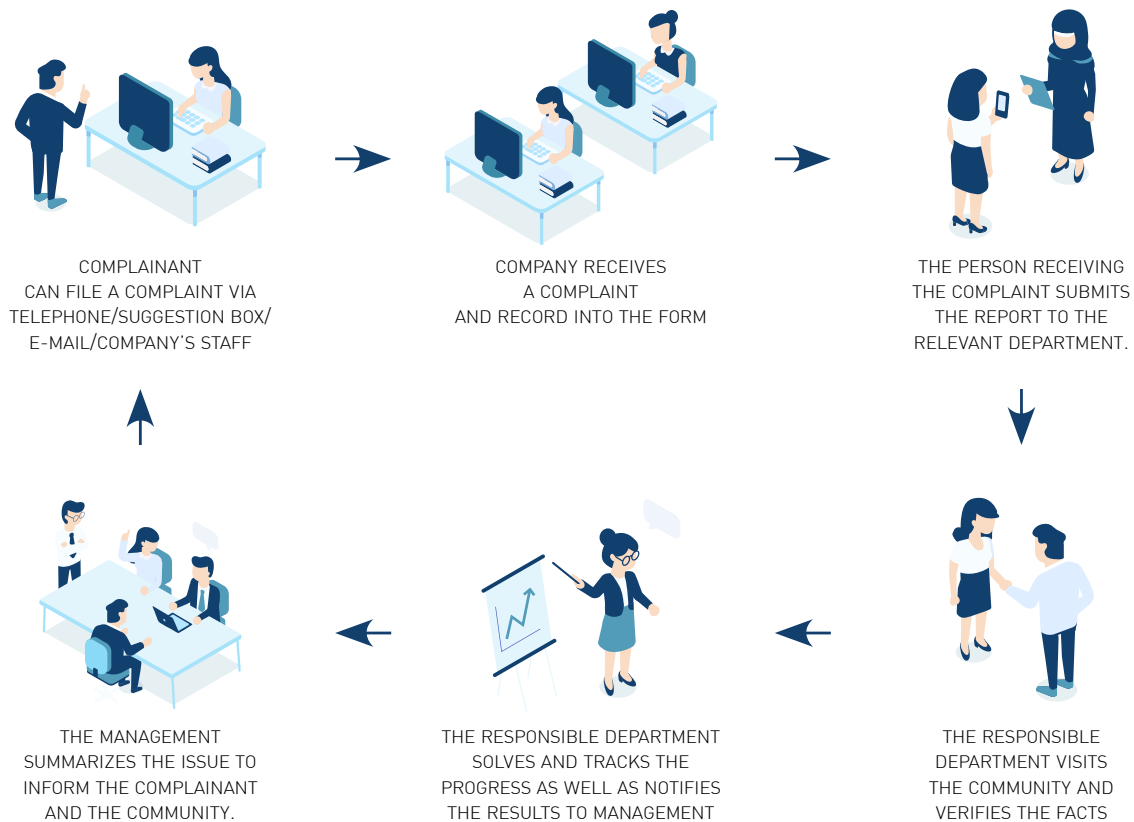
In the fiscal year 2022, the Company reviewed the long-term action plan of social and community engagement. This will ensure that the needs of all stakeholders' groups are included as part of the business plan. The Company has worked closely with the local communities to improve the quality of life through various projects such as supporting community's activities, inheriting local culture, promoting education, supporting

computers for learning, English camp project, environmental conservation and natural resource restoration, training and knowledge sharing about accounting and social networks to people in the community for developing their business, using safety skills to educate the teachers and students at schools nearby the plant, strengthening community's enterprise to create employment and occupation in the community as well as promoting and encouraging the employees to volunteer in social development.

Due to COVID-19 pandemic situation, the Company has adjusted the process of volunteering activities, followed the government's guidelines, and implemented more online activities to emphasize safety for employees and communities who participated in the activities.

ESTABLISHING COMMUNICATION CHANNELS TO RECEIVE SUGGESTIONS AND COMPLAINTS

In case the community has a concern about the impact or complaint, the community can file a complaint directly to the Company via telephone, suggestion box, email, community satisfaction survey, electronic channels or report via community leaders or the Company's staff to allow the Company to investigate any issue that arises and inform to the community for agreeing to corrective and preventive actions after finishing.



CSR MISSION OF FISCAL YEAR 2021 – 22

FRAMEWORK OF CSR MISSION FOR FISCAL YEAR 2021 - 22

The Company has operated its business with a strong philosophy in participation with the community development, corporate social and environmental responsibilities continuously to the society close by (area nearby the Plants) and other areas nationwide with the cooperation and responding to the expectation of community and society. In fiscal year 2022, the Company has determined the framework of the CSR mission as follows:



DEVELOPMENT OF NEARBY COMMUNITY AND SOCIETY: 5 MAIN MISSIONS

Focusing on development and improvement of quality of life of communities nearby the Plants and the workplace

1. Developing a Good Relationship with Communities and Government Agencies
2. Supporting Religion, Culture and Education
3. Promoting Health and Safety
4. Environmental Conservation and Natural Resources Restoration
5. Promoting Community Development and Supporting the Community Enterprise

DEVELOPMENT OF FURTHER COMMUNITIES AND SOCIETIES: 2 MAIN MISSIONS

6. Supporting the Non-Profit Organization and Natural Disaster Victims.
7. Supporting education for children and youth in the remote area under the project "Grow Smart with Tata Steel Book Corner".

CSR KEY PERFORMANCE IN FISCAL YEAR 2022



BUDGET FOR PARTICIPATING IN COMMUNITY AND SOCIETY DEVELOPMENT:

Developing community and society at the area nearby the plant and workplaces and in other areas.

Results 2.8 Million Baht



NO. OF BENEFICIARIES FROM THE COMPANY'S SOCIAL RESPONSIBILITY PROJECTS:

Developing community through their participation in order that the community's members gain the benefits directly from the project.

Results 63,148 Persons



TOTAL MAN-HOUR SPENT ON CSR ACTIVITIES:

Promoting the organization culture of employees' volunteering.

Results 100% of employees participated in CSR activities, totaling 9,660 Hours (8.9 Hours/Person)



COMMUNITY SATISFACTION:

Conducting business without effects to community and community satisfaction on Corporate Social Responsibility Mission

Results- No Complaint and Community Satisfaction 87%

DEVELOPMENT OF NEARBY COMMUNITY AND SOCIETY 5 MAIN MISSIONS

1. DEVELOPING A GOOD RELATIONSHIP WITH COMMUNITIES AND GOVERNMENT

Build cooperation in every sector, government, private and community sector in order to find solutions to support and develop communities without discrimination. There are knowledge exchange and resources sharing, building good relationships with each other to achieve sustainable development goals.

| Enhance relationship by sharing to community project | Impact to community |
|---|--|
|  <p>Trust with the Company is not only from the community but also includes good relationship with government agencies and private sector nearby the Plants area. The Company supports their activities in order to create a cycle of sharing society by considering the whole benefits as the main focus.</p> | <p>Supported fund in various communities' activities, totaling 516,632 Baht.</p> |
| Tata Steel (Thailand) together against COVID-19 | Impact to community |
| <p>Tata Steel (Thailand) Group has provided supports to the community during the crisis of COVID-19 pandemic.</p>  | <ul style="list-style-type: none"> The Company and its employees donated total 400,000 Baht to 4 hospitals in the provinces where the Company's workplaces are located for 100,000 Baht each, which are: <ul style="list-style-type: none"> - King Chulalongkorn Memorial Hospital, - The Thai Red Cross Society, - Rayong Hospital - Queen Savang Vadhana Memorial Hospital - Saraburi Hospital Supported Tata drinking water to communities nearby the plants in all 4 locations to support those affected by COVID-19, totaling 38,590 Bottles. Donated Personal Protective Equipment (PPE) and foot covers to Bowin Sub-district Health Promoting Hospital, Khao Hin Sub-district Health Promoting Hospital, and Khao Khan Song Sub-district Health Promoting Hospital, totaling 946 sets. Donated Personal Protective Equipment (PPE) to Bowin Rescue Point, totaling 350 sets. Donated parcel boxes and paper crates to Thailand Post Co., Ltd. and SCG Packaging Public Company Limited to transform into recycled paper beds for field hospital to support COVID-19 patients, totaling 835 Kilograms, produced into 52 recycled paper field hospital beds. |

2. SUPPORTING RELIGION, CULTURE AND EDUCATION

Continue to keep local good traditions as well as educational development for children and youth including lifelong education in order to use knowledge to help oneself and their families. The Company believes that the education is the basis of long-term social and economic sustainable development.

Inheriting local culture and tradition project



Strengthening community's unity and promoting the preservation of local culture and tradition for lasting by participating in and support activities, such as

- Songkran Festival
- Candle Tradition
- Loy Krathong Festival
- Kathin - Parpa Samaggi Ceremony
- Boon Khao Lam Local Tradition
- National Children's Day

Impact to community

- Unity of community' members totaling **6,256** Persons
- Total budget used **268,294** Baht

Tata scholarship project for educational development



Collaborated with the schools to select children for receiving scholarships. With the aim of children who received funds have better opportunities in education, behavior and academic performance which will be a good role model for other children and youth in their self-developments.

Impact to community

- Supported scholarships of **250,000** baht to Mechai Pattana School, Buriram Province
- Supported **55** scholarship to schools nearby the plants, totaling **42,000** Baht

Paint to fulfill Thai youth's dream project



Arranged the project with the creative process for creating the imagination of children and youth to have the opportunity to show artistic talent, paint the playground and equipment in BBL (Brain-Based Learning) technique to ensure safe playing and skill training.

Impact to community

- Held painting contest in **2** Schools of Saraburi Province: Wat Muang Noi School and Wat Maha Lok School
- The number of students who participated in the contest was **208**.

English language development youth camp project No.10



English is an essential language for communication and is the basis for searching for knowledge from media and digital technology in the new era. The Company brought the employees who have good English skills to help developing English skill for children and teacher through activities that were designed with systematic, enjoyable and easy to understand.

Impact to community

- Have arranged for the **10** consecutive years at Ban Bo Win School (Likhit Rat Bumrung), Bo Win Sub-district, Sriracha District, Chonburi Province.
- Total of **63** teachers participated in the training of English language skills in communication and integrated teachers' learning management between December 22 – 23, 2021 at Garden Sea View Resort, Pattaya, Chonburi Province.

Second hand computers for children project



The Company recognizes educational values from using computers for technology-based learning. Therefore, the Company has a purpose to support computers for schools in need by collaboration with the Mirror Foundation to renovate the Company's second-hand notebook computers to have good quality for school teaching. This project aimed to never-ending learning along with creating new perspectives for children and youth.

Impact to community

- Handed over second-hand computers totaling **40** computers to **2** schools, namely Wat Muang Noi School, Ban Moh District, Saraburi Province and Wat Krok Yai Cha School, Muang Rayong District, Rayong Province.
- **609** Students gained advantages.

3. PROMOTING HEALTH AND SAFETY

Encourage community to realize the importance of health and hygiene by improving the environment to be safe, and observing things around themselves in order to reduce the accident rate, also able to transfer the knowledge gained to their families' members or other people and create a process for participation of people from all sectors.

Blood donation project

Impact to community



Employees and contractors of Tata Steel (Thailand) Group regularly contribute to society through blood donation project in every quarter to the Thai Red Cross Society in order to help save lives.

- 146 Participants in blood donation.
- Total of blood of 51,100 cc.

Tata Steel joined the heart and forces with 'help doctor box', far away from COVID-19

Impact to community



Due to the current situation in Thailand is still experiencing the epidemic of Coronavirus Disease 2019 (COVID-19) in many areas across the country. As a result, the infected case number remains high which causes the frontline medical personnel to work hard and medical equipment used as shields for the operators are shortage and cannot be supplied in time for use. Therefore, we have gathered the Company's employees to be a part of supporting the work of medical personnel and sharing good things with the society through the "Help Doctor Box" project, which produces PPE foot-covers and face shields for medical personnel to support their work during COVID-19 pandemic.

- Donated 9,069 pairs of PPE leg covers and 900 face shields to 5 hospitals, namely Panyananthaphikkhu Chonprathan Medical Center, Saraburi Hospital, Ban Moh Hospital, Rayong Hospital & Queen Savang Vadhana Memorial Hospital, Chonburi Province.



Tata Steel Volunteer to Help Flood Victims

Impact to community



Provide assistance to flood victims nearby the plant, restore the community's environment and safety in the situations where flooding begins to decrease, use the knowledge of electricity to help check the risk of leakage and the condition of electrical appliances to ensure safety in use, including providing necessities for living for the community.

- Electrical system checking and rehabilitating the environment for 2 schools, namely Wat Thalung Lek School and Wat Hua Hin School, Saraburi Province with the number of students who benefited 334.
- Donated 100 cleaning kits and 3,000 bottles of drinking water to 2 communities in Ban Moh District, Saraburi Province and 3 communities in Tha Ruea District, Phra Nakhon Si Ayutthaya Province.



Seven Dangerous Days during the New Year and Songkran Festival



To encourage communities to recognize the importance of safety, health and observation to prevent and reduce road accidents and able to transfer knowledge to family members or other people. This results in participation of people from all sectors in preventing and reducing road accidents during the New Year and Songkran festivals under the concept “Happy, Safe Driving, far away from COVID”. This is because the festival is the time when road accident statistics are higher than normal.

Impact to community

- Donated food and **1,200** bottles of drinking water to the Bowin Provincial Police Station and Sriracha District Office, Bowin area (in front of the PTT gas station Sao Sung).
- Donated **600** bottles of drinking water to the Rescue Squad in Bowin area.

4. ENVIRONMENTAL CONSERVATION AND NATURAL RESOURCES RESTORATION

The Company pays attention to seriously and continuously conserve the environment, the use and restore of natural resources efficiently, encouraging the use of resources with realizing on its value and generate income for the people in the community, including proper environmental management.

“FOREST FOR LIFE FOR OUR BELOVED KING”



Learn about ecosystem and mangrove restoration which is valuable and significant natural resources in economic, social and environmental aspects. It is a living area of economic and aquatic animals and also a natural barrier to help reduce coastal erosion problems under the project “FORrest FOR Life FOR Our Beloved KING” at Khlong Tamru Mangrove Forest Conservation Learning Center, Chonburi Province. The objective is to inherit the royal wish for His Majesty King Bhumibol Adulyadej The Great, and in honor of His Majesty King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua.

Impact to community

- **1,000** Mangrove Trees planted.
- Released **10,000** fishes
- Have arranged for **10** Years and planted mangrove trees in a total of **10,500** Trees.

REFORESTATION PROJECT IN HONOR OF HER MAJESTY QUEEN SIRIKIT, THE QUEEN MOTHER



Brought the theory of Forest Development from Royal Initiative to restore the abundance of nature, to be the nature wall for purify the clean air, and to be the food source and generate income to community from forest’s product to honor Her Majesty Queen Sirikit, The Queen Mother. The project was implemented at Khok Nong Na Model, Village No. 4, Ban Krua Sub-district, Ban Mo District, Saraburi Province where an area affected by the flood caused a lot of damage to plants in the area.

Impact to community

- Planted **1,000** economic trees and fruit trees
- Released **5,000** fishes

5. PROMOTING COMMUNITY DEVELOPMENT AND SUPPORTING THE COMMUNITY ENTERPRISE

The Company aims to develop the community to grow with a better quality of life by bringing the knowledge and business process of the Company merging together with the knowledge of the community through participation of them in economic and social development in order to strengthen the community and able to sustainable self-reliant.

DEVELOPMENT FOR GRASSROOTS ECONOMY PROJECT JOINING WITH BOI

Impact to community



Community enterprise is the heart of job creation that generates income and drives the community economy which directly affects the large economy of the country. The Company participated in the investment promotion project for grassroots economy of the Board of Investment (BOI) to develop the 3 community enterprises around the plants to be strong, able to take care of themselves including increasing income and employment for the community by providing knowledge of management and business processes to assist in production planning, developing of production process, accounting, promoting the development of products and packaging to meet customer's need. Due to the COVID-19 pandemic, the community's products are unable to sell as normal. The Company has collaborated with Lazada Thailand to train e-commerce for new perspectives in the trading world for the community can adapt to the current situation.

- Noen Kra Bok Community Enterprise, Bo Win Sub-district, Si Racha District, Chonburi Province in collaboration with TSMT-NTS Plant has developed Chinese Sausage and Egg Noodle products. The income increased **59%** from the previous year by coordinating with the Industrial Promotion Center Region 9, Chonburi Province to design product packaging and logo.
- Ban Moh Community Enterprise, Ban Moh District, Saraburi Province in collaboration with TSMT-SISCO Plant has developed bite-sized curry puff products. The total sales increased **5%** from the previous year by training the members of community enterprise in frying and to be able to work interchangeably in different positions to reduce the risk of shortage of staff at each point in the production line, helping generate income for youth and unemployed affected by COVID-19.
- Koh Kok Community Enterprise, Noen Phra Sub-District, Muang District, Rayong Province in collaboration with TSMT-SCSC Plant developed chocolate-covered rice berry snack bar product by delivering chocolate coating machines to increase production capacity and better quality products.

THE ODOV (ONE DEPARTMENT ONE VILLAGE) PROJECT

Impact to community



TSMT-SCSC Plant assigned each Department Manager to participate and be the main responsible team to build good relationships with the community directly, also creating projects for community development which is not only responsibility of CSR team.

- The Company and communities have exchanged information closely and friendly.
- Employees have opportunity to participate in the community development continuously.
- Building good relationship between the Company and communities.

- Covered the area nearby TSMT - SCSC plant, Rayong Province **100%** (**38** Communities)
- The community has been closely and continuously informed of Plant news.
- Be able to respond quickly and concretely to the opinions and needs of the community.

6. SUPPORTING OF NON-PROFIT ORGANIZATION

The Company does not just look after and develop the communities nearby the plants but still gives the importance of solving the problems and supporting the activities of non-profit organizations to help creating the opportunities for developing a strong society.

SUPPORTING FOR NON-PROFIT ORGANIZATION PROJECT



Supporting for non-profit organization both in the part of the royal-initiated projects, volunteer camp of university's student in which the Company supports construction steel bars (TATA TISCON) to construct for public benefits and bring employees to participate in the activities and also helping victims of natural disaster, including supporting social underprivileged people.

Impact to community

- Supported rebars for the 50th Youth Engineering Camp, Chulalongkorn University with a total value of 23,460 Baht to install the solar cell system in schools in rural areas at Chinwong Uppatham School, Village No. 6, Maklua Mai Subdistrict, Sung Noen District, Nakhon Ratchasima Province.

TATA Steel volunteer to help victims of natural disasters



Natural disasters are usually unpredictable. The company, therefore, aims to assist natural disasters outside the area nearby the plants or workplaces which covers many aspects, including volunteering to help restore the environment, supporting rescue agencies and government agencies, providing necessities for living for the community or people who have suffered, restoring the mental health of the victims, allocating financial assistance to disaster victims, and assisting in rehabilitation in other aspects.

Impact to community

- Donated 6,360 bottles of TATA drinking water to 525 households, 1,659 people at Wat Taku Community, Bang Ban District, Phra Nakhon Si Ayutthaya Province.

7. SUPPORTING EDUCATION FOR CHILDREN AND YOUTH IN REMOTE AREAS

"GROW SMART WITH TATA STEEL BOOK CORNER" PROJECT



This project aims to encourage learning and self-development for students in remote areas by promoting reading habits, expanding their knowledge, skills and ability to apply lessons learned to assist their families and communities. These will be beneficial to the community and social development in the long run. The Company has created book corners in the schools' libraries and supplied them with books and other learning materials, at first starting with schools located in communities nearby the Company's plants and later extending to schools in rural areas across Thailand country and continue to deliver new additional books for the schools in the project for 5 years.

Impact to community

- Delivered book corner to 308 Schools, covered 61 Provinces.
- Will continue to deliver new additional books for the schools in the project twice a year for 91 Schools for total 171 Sets.



ECONOMIC DIMENSION





GOOD CORPORATE GOVERNANCE AND PROMOTING ETHICAL BEHAVIORS



CORPORATE GOVERNANCE AND REGULATORY COMPLIANCE

The Company provides a report on compliance with the Good Corporate Governance as mentioned in Part 2 Corporate Governance which explains the important issues of Corporate Governance Policy, structure of Committee and Sub-Committee, selection and appointment of the Directors and Senior Management Executives, qualifications of Directors and Independent Directors, guideline and voting procedures, Corporate Governance of subsidiary, use of insider information, auditor remuneration, and compliance with Good Corporate Governance principles in other matters that included shareholder's right, equitable treatment of shareholders, role of stakeholders, disclosure and transparency, and responsibilities of the Board of Directors.

TAX POLICY

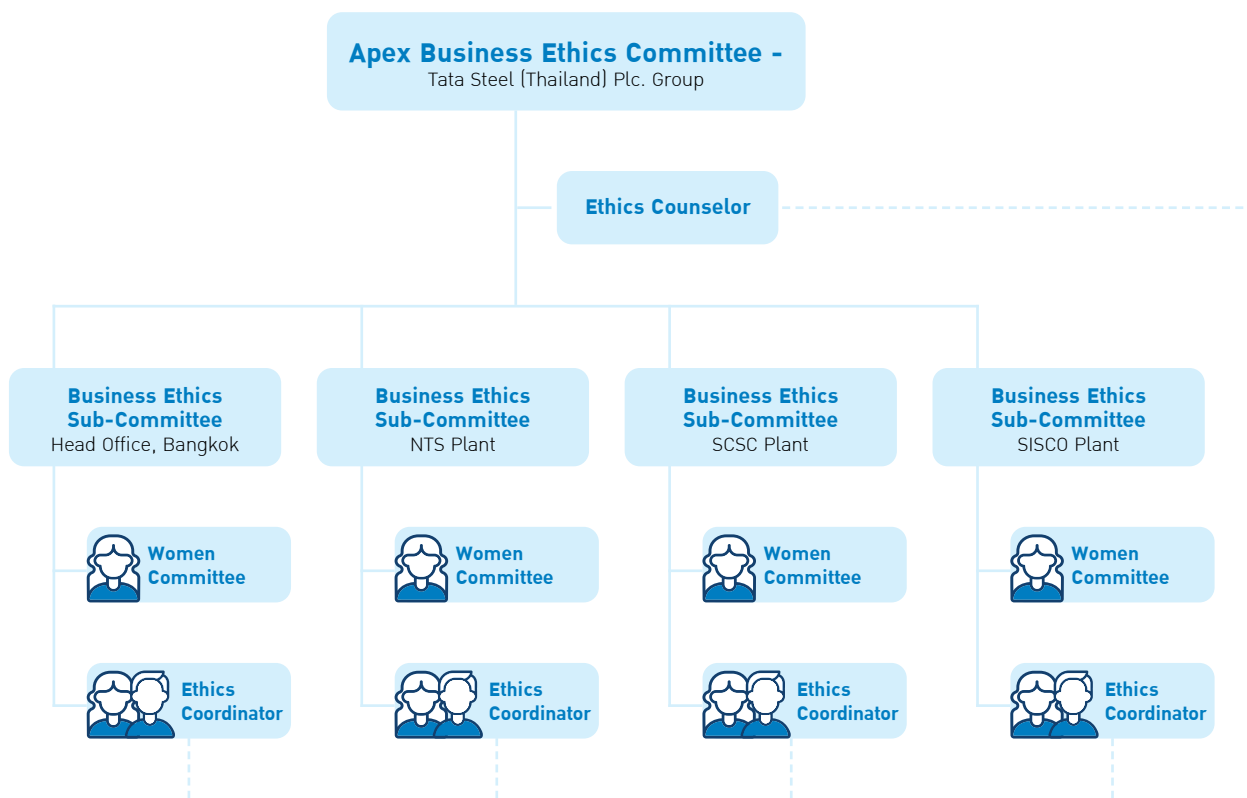
The Company has formulated Tax Policy which demonstrates the commitment of the Company in complying with the law, general accounting standard and other regulations related to tax management, legally usage of tax privileges and tax structure. The strategic risk assessment and tax planning are also integrated to business strategy and regularly reviewed. Tax Policy has been disclosed on the Company's website.

CORPORATE GOVERNANCE REPORT

The Corporate Governance score (CGR) for the year 2021 as given by The Thai Institute of Directors (IOD) in collaboration with The Stock Exchange of Thailand with the rating of "Excellence", at an average score of 93 points that was higher than the average scores of all listed companies rating of "Very good" at score of 84 points.

The Board of Directors has considered and reviewed the Corporate Governance principles which have been defined in all 5 categories that are shareholders' right, equitable treatment of shareholders, role of stakeholders, disclosure and transparency and responsibilities of the Board of Directors have a score of 98, 99, 93, 94 and 89 points, respectively. The Company has improved the annual performance evaluation form for all Board of Directors and Committees both the whole and individual Directors as well as considered and reviewed the corporate governance reports of each category as recommended by the Stock Exchange of Thailand in order to be more stringent in accordance with the principles of Good Corporate Governance.

STRUCTURE OF MANAGEMENT OF BUSINESS ETHICS



The Company has established the Business Ethics Committee since 2008. Each year, there has been a steadily improvement of its structure for business management to be committed as specified in Tata Code of Conduct properly, completely and stringently. Currently, the Company appointed the Apex Business Ethics Committee - Tata Steel (Thailand) Plc. Group chaired by President & CEO and Ethics Counselor appointed by President & CEO as the secretary. To ensure that business ethics behavior is extended to cover all of the subcontractors who work in the Company Group, the Company appointed the additional four Business Ethics Sub-Committees which consist of Vice President of Plants as the Chairman while the Business Ethics Sub-Committee of the headquarters has been chaired by Vice President - Human Resources & Corporate Affairs. The contractors of each location are invited to be members of the Committees.

Furthermore, Women Committees of each Plant and at Headquarter were appointed to encourage, support and take care of women employees and subcontractors including eliminate or resolve problems that may interfere with working. The Company has also appointed Ethics Coordinators of each subsidiary to serve as secretary of the Business Ethics Sub-Committee of each subsidiary. In order to manage and give advices to the employees on the ethical concerns more effectively, the Company appointed Ethics Coordinators totally twelve persons which consist of two males and one female in all plants and headquarter. The recent proportion of Ethics Coordinators to total employees is 1 to 91 while the proportion of female Ethics Coordinator to total female employees is 1 to 47. In the past year, Management of Business Ethics at the Company was rated by Tata Sons as "Advanced Maturity Group" for five consecutive years since the fiscal year 2016.

SCOPE OF DUTIES AND RESPONSIBILITIES

1. APEX BUSINESS ETHICS COMMITTEE - TATA STEEL (THAILAND) PLC. GROUP

To encourage, support and supervise overall corporate unit's employees including subcontractors to commit to Tata Code of Conduct properly, completely and stringently. To consider and approve the annual plan on Business Ethics Management of Tata Steel (Thailand) Plc. Group, monitor, follow up and evaluate its progress every quarter including acknowledgement of the ethical complaints of Tata Steel (Thailand) Plc. Group by the concerned stakeholders.

2. ETHICS COUNSELOR

To give advice on ethical code of Tata Steel (Thailand) Plc. Group to ensure behaviors committing to Tata Code of Conduct properly, completely and stringently. To act as a channel for receiving and collecting issues with regard to business ethics from concerned parties within and outside the Company group. To act as secretary to Apex Business Ethics Committee of Tata Steel (Thailand) Plc. Group with direct reporting to the President & CEO, including being coordinator with Tata Steel Limited, India on behalf of Tata Steel (Thailand) Plc. Group.

3. BUSINESS ETHICS SUB-COMMITTEE

To encourage, support and supervise of Head office or its own plant employees including subcontractors to commit to Tata Code of Conduct properly, completely and stringently. To consider and approve the annual plan on Business Ethics Management of Head office or its own plant, monitor, follow up and evaluate its progress every month and report the progress of its Business Ethics Management to the Apex Business Ethics Committee of Tata Steel (Thailand) Plc. Group.

4. WOMEN COMMITTEE

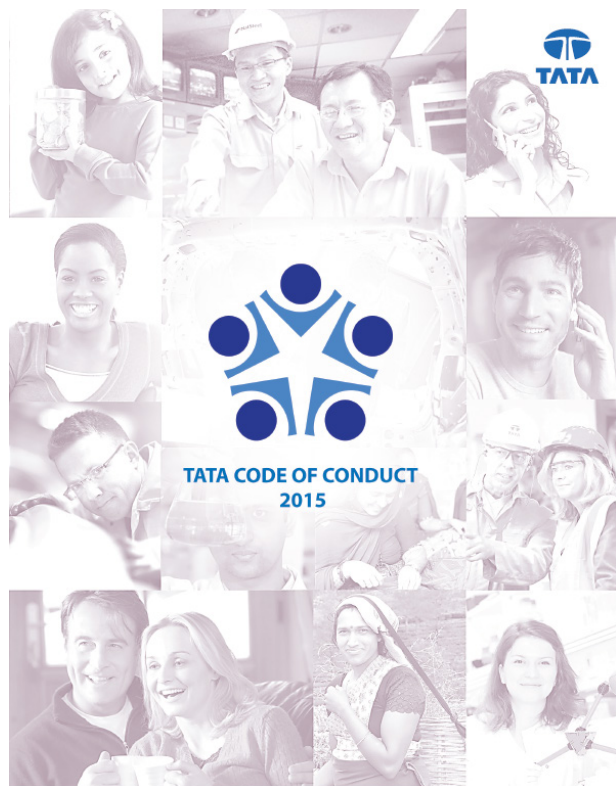
To encourage, support and take care of women employees of Head office or its own plant including subcontractors to be treated in accordance with Tata Code of Conduct properly, completely and stringently. To initiate guidelines and set action plans for taking care of women employees and subcontractors of Head office or its own plant in various matters such as development of women employee's competency and potential, seeking ways to eliminate or resolve problems that may interfere with working, etc. To work in accordance with the action plans, evaluate and follow up the performance for reporting to the concerned Business Ethics Sub-Committee on a regular basis.

5. ETHICS COORDINATOR

To coordinate on ethical issues among Departments of Head Office or its own plant. To act as secretary to Business Ethics Sub-Committee of Head Office or its own plant and dotted reporting to the Ethics Counselor.

PROMOTING ETHICAL BEHAVIORS

The Company truly commits to conduct its business based on five Tata Values; "Integrity, Responsibility, Excellence, Pioneering and Unity" under Tata Code of Conduct (TCoC). The Company has contributed to the enforcement of various regulations and practices related to the ethical business conducts such as Anti-Bribery and Anti-Corruption Policy, Providing or Receiving Gift and Hospitality Policy, Whistle Blower Policy, Guidelines for reporting and considering of concurrent employment, Guidelines for reporting and considering of conflicts of interest, Ethics Consequence Management Framework for Employees. Since the past year 2018, the Company had determined the "Policy and Guidelines for Prevention of Sexual Harassment at Workplace" for the first time in the Company Group for all stakeholders regardless of gender to have the rights to be treated with respect and dignity for creating a good working environment.



For the TCoC booklet, which belongs to Tata Sons, it has been enforced in all companies under Tata Group around the world and has been translated into Thai language for the same. The TCoC booklets are handed to the Board of Directors, Management, and all employees of the Company to study and adhere stringently. Furthermore, the distribution of this document has also been extended to stakeholders, including partners, vendors, and service providers required to abide as part of the procurement contracts between each other.

TRAINING AND DEVELOPMENT PROGRAMS ON GOOD CORPORATE GOVERNANCE AND PROMOTING ETHICAL BEHAVIORS

All new employees will receive an orientation for training and handling TCoC booklet and Work Ethics Manual that includes details of policies, for example, Anti-Bribery and Anti-Corruption Policy, Providing or Receiving Gift and Hospitality Policy, Whistle Blower Policy, Policy and Guidelines for Prevention of Sexual Harassment at Workplace, Guideline for Reporting and Considering of Concurrent Employment, Guideline for Reporting and Considering of Conflicts of Interest with Company, Ethics Consequence Management Framework for Employees. All employees will be taking TCoC test and the score must be over 80 points. The correct answers will be explained and all employees shall sign the document to give pledge to strictly comply to the codes and other related policies on Ethical business conducts. In the past year, all new employees received training for the said topics and passed all the examination. In conclusion, all 1,092 employees (as of end of March 2022) or 100% have been trained and tested in all matters relating to Ethical business conducts.



Currently, the training of TCoC and other related policies have been extended to subcontractor's employees, partners, and customers of the Company. In the fiscal year 2021 - 22, the Company arranged communication's sessions with customers, vendors and contractors in annual meetings for clarification the Tata Code of Conduct and related policies. The Company also continuously cooperated with Thai Private Sector Collective Action Against Corruption (CAC).

TCoC AWARENESS THROUGH COMMUNICATIONS AND ACTIVITIES

The Company communicates the topics related to TCoC to all employees via "TCoC Newsletter" by monthly and Ethics Pause during meetings, for example, monthly meeting of plants and other Divisions. "TCoC Months" is arranged for three months period from July - September every year to reinforce awareness of TCoC and related policies. In fiscal year 2021-22, there was a campaign under the theme of "Resilience through Empathy & Kindness" Moreover, the Company regularly informs the stakeholders on the change of the Ethics policies. At present, the Company has increased more communication channels for stakeholders to be informed about summary of complaints cases and investigations, including action taken against the accused in case of having any violated TCoC named "TCoC Actions Taken".

TATA STEEL (THAILAND)

TCoC Newsletter

Political non-alignment

Issue August 2021

1 Get off work, where are you going in such a hurry?

This evening, I will go to protests with my brothers, I need to go now.

2 We cannot wear uniform to any political protests.

3 Why I cannot wear uniform to the protest? Does the Company have any rules on that?

4 Yes, in Tata Code of Conduct Our conduct must preclude any activity that could be interpreted as mutual dependence/favour with any political body or person.

Noted ka.

5 **I. GOVERNMENTS**

Political non-alignment

1. We shall act in accordance with the constitution and governance systems of the countries in which we operate. We do not seek to influence the outcome of public elections, nor to undermine or alter any system of government. We do not support any specific political party or candidate for political office. **Our conduct must preclude any activity that could be interpreted as mutual dependence/favour with any political body or person.**

and we do not offer or give any company funds or property or other resources as donations to any specific political party, candidate or campaign. Any financial contributions considered by our Board of Directors in order to strengthen democratic forces through a clean electoral process shall be extended only through the Progressive Electoral Trust in India, or by a similar transparent, duly-authorised, non-discriminatory and non-discretionary vehicle outside India.

If you meet any actual or potential violation of TCoC, you can make disclosures by details as follow:

- Mr. Alan Kam (Chairman of Audit Committee) / E-mail: alan@libertasth.com
- or Address: 90/40-41, Sathorn Thani Building 1, 15th Floor, North Sathorn Road, Silom, Bangkok, Bangkok 10500
- Mr. Sirorote Maternanosok (Ethics Counselor) / Tel: 086-774-2333 E-mail: sirorote@tatasteelthailand.com
- or Address: 555 Rasa Tower 2, 20th Floor, Phaholyothin Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900
- Ethics Coordinators in each area of your Companies
- TCoC Helpline (Monday-Friday from 08:00-17:00 hours.) Tel: 1-800-292-777 (Toll Free) or 02-677-2800
- or tell@thailand-ethicsline.com and P.O. Box 2712, Bangkok Post Office, Bangkok 10500

Remark: The disclosure made by the whistle blower will be kept as strictly confidential.

Presented by Apex Business Ethics Committee Tata Steel (Thailand) Public Company Limited Group

WHISTLE BLOWER

The Company has developed a mechanism for the involvement of stakeholders in running business with ethics by setting the practices and channels for stakeholders to communicate or inform on unethical conducts, the process after receiving a complaint as well as measures to protect the complainant under "Whistle Blower Policy", which all stakeholders can offer suggestions or complaints of unethical actions to the Chairman of the Audit & Risk Review Committee or Ethics Counselor or TCoC Helpline operated by the third party in order to ensure that the complainant confidentiality is maintained. In fiscal year 2022, the Company received six complaint cases. All complaints were investigated by the Committee that does not have any related interests with the cases. The investigation results were reported to the Audit & Risk Review Committee and the Board of Directors on a quarterly basis.

TATA STEEL (THAILAND)

HAVE YOU SEEN FRAUD AND MISCONDUCT AT WORK?

From 1 May 2021 onwards, report can be made to KPMG, independent 3rd party in both Thai and English via 3 channels as follows:

Please call the **TCoC Helpline Services** at
1-800-292-777 (Toll Free) or **02-677-2800**
Call times: 8:30 am - 5:30 pm
Monday - Friday (except public holidays)

Email: tell@thailand-ethicsline.com
Subject: **TCoC Helpline Services**

Post: **TCoC Helpline Services**
P.O. Box 2712, Bangkok Post Office,
Bangkok 10500

Your anonymity is our commitment



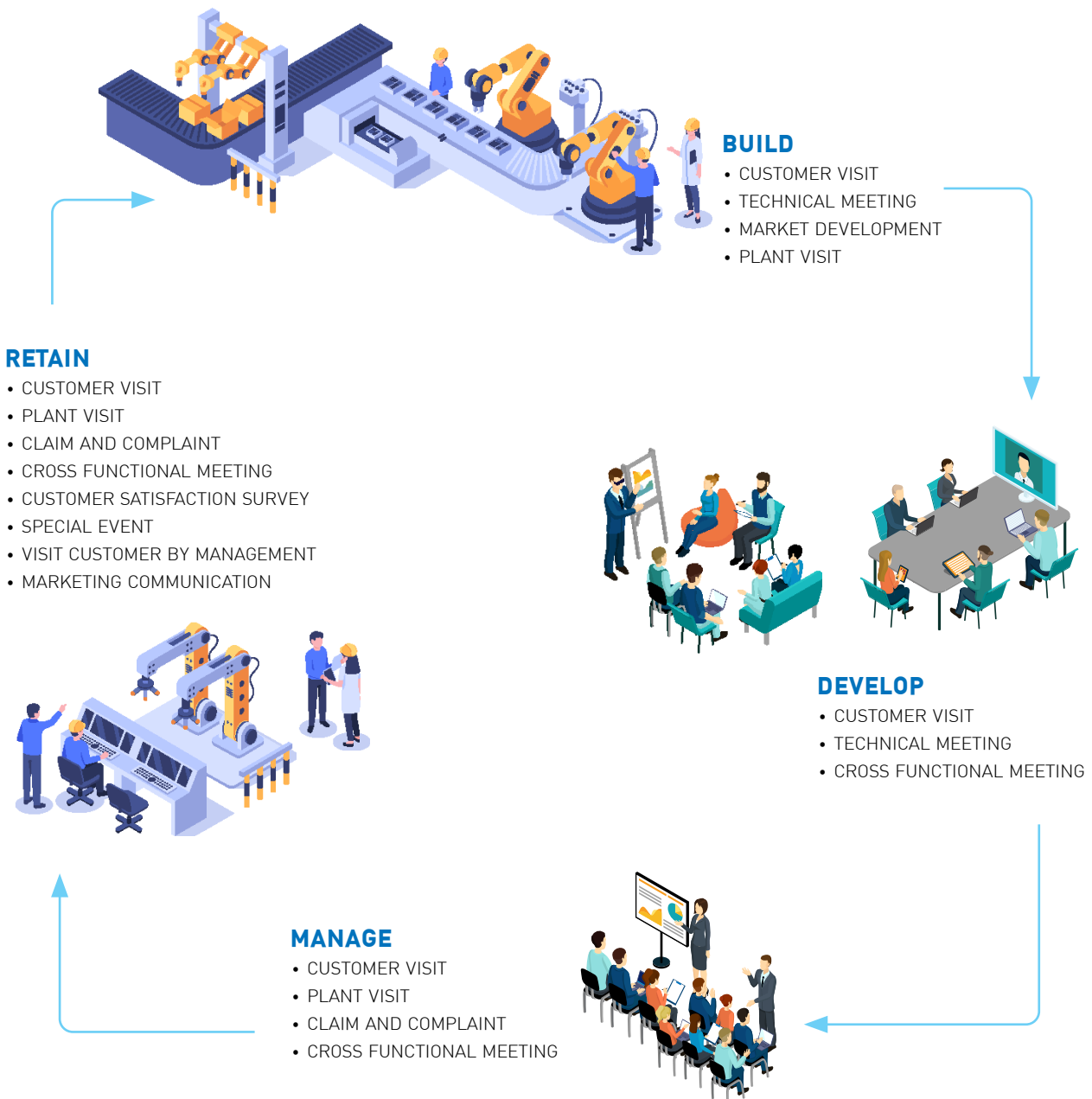
CUSTOMER SATISFACTION

LISTENING TO CURRENT CUSTOMERS

The Company's customers are divided by product, industry, type of customer and location enabling to set guideline for listening and responding to various and different needs of customers in each group. There are many activities conducted to listen to the voice of customers such as customer visit by sales representatives and management, plant visit, cross functional team to visit customer, market development team to visit influencers, including the use of various marketing activities and marketing communication tools.

Presently, the Company adopts technology via online to reach customers according to COVID-19 outbreak situation in country such as online seminar and online meeting with customers.

In addition, social network and website are essential tools to listen to customers. Sales Representatives mostly use Line Application and e-mail in addition to normal phone calls to contact, listen to customer feedback and solve their issues promptly. Customer Visit Report is also important tool to capture main information from customer visit by Sales Representatives in order to improve and develop the system to meet the needs of customers immediately.



LISTENING TO POTENTIAL CUSTOMERS

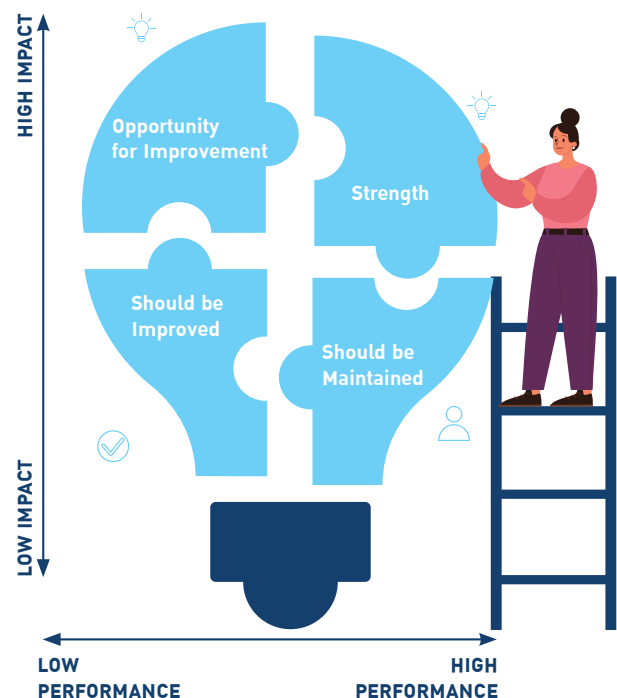
Apart from listening to current customers, the Company has extended to listen to potential customers by dividing and prioritizing to each customer group in order to analyze related issues and broaden response to customer needs. The Company communicates with potential customers by using 2-way communication platform; customer visit and calling, site visit, plant visit, customer satisfaction survey and marketing activity, etc.

The Company has also used online channels to reach end user more which are Line official and Facebook to contact and facilitate customer who are interested in the Company's products as well.

| Customer Type | Characteristic of Customer | Topic | Listening Method |
|------------------------------|---|--|--|
| Former Customer | Used to be customer or no transaction in the last 6 months | Dissatisfaction issue | 1. Customer visit by sales representatives and calling or online channels 2. Customer Satisfaction Survey |
| Competitor's Customer | Customer of our competitors | Matching requirement with condition of the Company | 1. Customer visit by sales representatives and calling or online channels 2. Market Research 3. Customer Satisfaction Survey |
| Potential Customer | New Entry to market or current customer who need to expand market | Feasibility assessment to increase sales volume | 1. Customer visit 2. Site visit 3. Plant visit 4. Marketing activity |

CUSTOMER SATISFACTION AND ENGAGEMENT SURVEY SATISFACTION AND ENGAGEMENT

The Company conducts customer satisfaction survey every 2 years in all product categories, both in Bangkok, upcountry and abroad in order to obtain information that will lead to improvement, development and responding to customer's needs in concrete form. The main objective of survey is to raise the level of customer satisfaction above and beyond the customer's expectations and increase customer loyalty and engagement and gain greater market share to the Company. The interviewees are current customers both of domestic and export, former customers, end users, contactors, some branches of modern trade and competitor's customer. The mentioned survey is conducted by specialist third party to obtain accurate information in accordance with academic principles that allow interviewee to express their opinions and problems to the Company without any concern of information and source of data disclosure. It will not be disclosed unless interviewee gives the consent. The survey processes comprise of questionnaire design, survey process, objectives setting, quality control planning, data collection, data exchange and data analysis. The survey result is displayed in strategic view in the matrix table which reflected by level of impact score and level of performance and to be in line with short term and long term planning.



Customer satisfaction survey in fiscal year 2021 is the latest survey which the level increased to 86% from 84% in fiscal year 2018 by the product quality received highest satisfaction score when compared to other competitors which shows that over the past period the Company has continued to focus on customer satisfaction while continually improving the quality of products and services to response customer's need. For product claim issue, although in FY 2022 the number of claim issues are 40 cases that was higher than previous year,

the amount of complaint about product has decreased as a result of the focus on quality improvement, in tandem with developing new products to be more suitable for customer's application. For service, sales team was enhancement their capability from training in various subjects including Company's product and services knowledge. Moreover, there is also a weekly meeting to share about the inside market situation in order to be able to answer questions and provide suggestion to customer quickly.

To enhance efficiency and bring competitive advantage to the operations, the Company implemented IT technology such as TATA Steel TH connect application to track customer's order, increasing online sales channel, Tag QR code, Cut and Bend web ordering, Certificate Online system, Forecast Pro software to forecast advanced demand, etc. In addition, management team, sales team and technical team had visited customers of each product as per plan and were monitored the progress by President & CEO regularly. During the COVID-19 pandemic, the Company has also increased confidence in the health and safety to customer by providing COVID-19 vaccines to employees and contractors of company including delivering masks and alcohol gel to customers as well.

SURVEY RESULT MANAGEMENT

Results and data from customer satisfaction survey and customer visit report will be classified and prioritized for management, considering on elements of factors that influence customer satisfaction together with the performance of the Company. As a result, operating guideline for each group of customers can be defined such as priority of related factors that highly impact to customer's satisfaction but the Company has less responding level in those factors or the determination of process to retain core competencies of Company and the Company can manage those factors efficiently, etc.

SATISFACTION COMPARED TO COMPETITORS

During the process of survey, the Company inquires about customer satisfaction with the Company including brand awareness, brand loyalty and share of wallet, compared to competitors for comparative information. This reflects to the real Company performance in responding to obvious customer satisfaction. The results of satisfaction survey will be taken into analysis to find out the correlation with activities that the Company dedicated resources to manage in order to obtain maximum customers' satisfaction.

CUSTOMER ENGAGEMENT

The Company focuses on the change of market situation and therefore uses the principle of products and services differentiate, including customer support through 3D model; Develop, Deliver and Delight. Develop is to understand specific requirements of customer through various listening mechanisms and information analysis by customer group. Deliver is to deliver new products and services to customers through the new product development team, market development team and sales team. Delight is to create happiness and appreciation for customers with the overall experience across all units of the Company. The Company has established Customer Service Team which consists of all departments in the Company to attend the meetings with customers, do improvement plan in responding to the needs of customers, offer new products and services. In addition, the Company drives Customer Centricity Culture to employees and delighting customers through innovative best in class products and services as per company group Vision, appointed 'Apex Customer Centricity Committee' and 'Customer Centricity Working Group' to motivate involvement of employees in all level thru many activities such as Customer pause before each meeting, Sharing experience of customer to Company's employees thru "Share from Your Chairs" activity, etc. to increase customer satisfaction and engagement and new customer experiences that go beyond.



COMPLAINTS MANAGEMENT

Customer complaints are managed in compliance with regulations and procedures as follows:

- 1. Process of receiving complaint:** terms and conditions.
- 2. Complaint management:** process of consideration and deadline to inform the results.
- 3. Complaint monitoring:** communication with concerned parties.
- 4. Preventive action:** in depth analysis and building customers' confidence.

The Company has developed the complaint management process by using IT system to help in following up complaint in various steps and these steps are controlled by KPIs e.g. overdue date, investigation time, and number of complaints. The customers can ensure that claim and complaint process will be resolved promptly and effectively and the Company also set up lead time to response in each case. The Company has also created an application for customers to track the status of complaints at each stage on their own.

| Customer Type | Maximum Days to Respond Before Improvement | | After Improvement | |
|------------------|--|----------------|-------------------|----------------|
| | Urgent Case | Regular Case | Urgent Case | Regular Case |
| Key Customer | Within 15 days | Within 30 days | Within 9 days | Within 9 days |
| Regular Customer | Within 15 days | Within 30 days | Within 15 days | Within 18 days |



PRODUCT BRAND AND ADVERTISING

QUALITY OF PRODUCT

Quality of Product is most important to the Company. To ensure that product standards are consistent, the Company establishes Technology Group Division headed by Chief Operating Officer, be responsible for the new product development and technology search required for producing new products. Quality management of three plants are responsible by Quality Assurance Department of each plant. Accordingly, new product development, technology search and quality management system are monitored on a monthly basis by the President & CEO.

The Company devotes extensive efforts to satisfy the customers in all aspects. It strives to provide products and services to meet the needs of customers as well as the development of products' quality comply with international standard, excellent services and fair price for their satisfaction. Moreover, the Company also has the system to manage the complaints on products and services, customer visit report and maintain client confidentiality. The Company strives to operate with integrity and comply with the rules of fair competition, honestly through the source of legitimacy only. The Company will not pose unfair or distortion of information on the products or services to destroy competitors.



contractor and end user, brochure and online social network like Facebook, Line. Products information has shown on product catalog and website with details by categories and types of standard certification. Advertisements are also booth display in modern trade and exhibitions, set up business partnership program with retail dealer based on the reach and potential in the area to increase retail base and reach more customer, as well as the implementation of TATA Steel TH connect to track customer's order and barcode and QR code system for accuracy of products specification identification.

The Company produces goods and provides services to ensure maximum customer satisfaction, especially safety or risk prevention derived from the use of products. This can create trust and increase sales volume both in compliance with standard and above standard. Moreover, the Company received "ISO 9001:2015 Certificate for Marketing and Sales Management System" which is the first Company in Thailand certified from MASCI.

The Company has regularly studied, evaluated and improved the impact of products and services that may significantly affect customers. The results from the study will be used for further development of products and services. The Company do marketing communication and advertisement by providing the fact and adequate information for decision making and has measurement that will not take any action that causes ambiguity or distort information about products and services; not make overstatement or misinform that can cause misunderstanding, not provide deceptive, false or omitting information or intentionally mislead customers, not using too small printed in product tag or advertisement, and provide document that shown the value of product. The Company respects customer's privacy and are committed to protect personal information of customers i.e. will not inquire or collect customer information without prior consent, inform the purpose before information collecting and usage, maintain information security and privacy and not share to other parties without customers' permission. Customers have legal rights to verify the validity and usage of information, in case finding any irregularity in data collection and usage, correction can be carried out. Disclosure of information can only be done with prior information to customers and have protection by law.

RESPONSIBILITY TO CUSTOMER

The Company is responsible for steel products and services that delivered to customers through fair marketing. This includes education provided to customers to use product which has maximum safety and pass the standard of Thai Industrial Standards Institute (TISI), Ministry of Industry. This includes standards of other countries that the Company exports its products too.

The Company discloses the detailed information of products according to the regulation of product labeling requirement comply by laws, standards and recommendation of marketing communication, including fair advertisement and marketing promotion and not advertise products that are banned or has precarious issue in society. The Company is open to relevant people to visit production process and continues to improve the quality of products. In each delivery, the Company provides its quality assurance certificate. Moreover, The Company has strongly cooperated with government in educating customers on new standard including new innovation of products. Communication includes seminar arrangement for designer,

The contract between the Company and Customers are clearly written and easy to understand. Customers have opportunity to study and inquire relevant details of contract at the point of sales until it is mutual agreed by both parties. The Company does not take any advantages by using unfair terms and conditions; providing clear and adequate information on prices, specification, terms and conditions, expenses, period and termination date of contract, by having quality of products as per the standard with reasonable price and label of products comply by law.



INNOVATION OF PRODUCTS AND SERVICES

BUSINESS AND SOCIAL INNOVATION

Tata Steel (Thailand) Public Company Limited has brought knowledge and experience in social responsibility to explore business innovation that create benefits in the area of energy saving, providing competitive advantage and value creation both for business and society. Outstanding innovative products and services of the Company are as follow:

1. SEISMIC REBAR: TATA TISCON Bor Kor Sor S

As the pioneer in Thailand, the Company developed Seismic Rebar product under the name of TATA TISCON Bor Kor Sor S, available for SD40 and SD50 grade that conform to the Thai Industrial Standard (TIS) of TIS 24-2016. Without changing the structural design from TIS standard for strength of materials, this product has Ultimate Tensile Strength (UTS) and elongation higher than specification of SD40 and SD50 determined in TIS. It is therefore can be used to enhance safety during earthquake due to higher ductility and bending ability. More convenient of usage at construction site, at the same time bent portion retains higher residual ductility.

KEY BENEFITS:

High elongation, technology and control process of rebar manufacturing of Tata Steel has developed higher ductility and maintain quality of SD40 and SD50 strength. It has capacity to absorb large amount of energy released during earthquakes compared to other grade of rebar.



BENEFITS FOR CONSUMER, PUBLIC AND SOCIETY

Enhance safety of building when using Tata TISCON Bor Kor Sor S in the construction structure.

2. CUT AND BEND

Traditional construction process creates the waste of rebar because of overestimated ordering than actual use. The workers at construction site will cut and bend the rebar to desired shape and form while leaving some unwanted length.

Cut and Bend services is one of the comprehensive solutions aimed at helping customers raise productivity standards in construction by working closely with customers to deliver customized solutions of each project.

KEY BENEFITS:

NO WASTAGE

Since cut and bend process will be done at the company, the wastages at the site becomes zero.

LESS DIFFICULTIES FROM LABORS

The labors at construction site essentially perform 2 functions involving rebar; cutting and bending and tying. Cut and Bend Services will significantly reduce the dependence on labor for cut and bend activities.

BETTER TIME MANAGEMENT

Cut and Bend service is ready for delivery within 3-5 days after finalization of design, thereby significantly reduce pressure of project manager to meet the deadlines.

HIGH QUALITY STANDARD

The Company provides Cut and Bend services from high quality standard of Tata TISCON rebar that delivers superior ductility than other unknown rebar in the market. It can reduce any accidents occurred from cutting and bending by themselves at a construction site, save cost of transportation (none of rebar overestimating volume) and reduce the environmental problems nearby community.



3. DEFORMED BAR: GRADE SD50

Tata TISCON Deformed Bar SD50 is produced through Tempcore process, increasing tensile strength to rebar by using the technique of Thermo-Mechanical Treatment system (TMT). The microstructure of rebar consists of a combination of a strong outer layer of tempered martensite and a ductile core of Ferrite-Pearlite, giving Tata TISCON SD50 rebar an excellent combination of strength and ductility.

KEY BENEFITS TO STAKEHOLDERS: PROJECT OWNER:

Directly gains benefits from using Tata TISCON SD50; cost saving up to 15-20% because of using less rebar for construction when compared to SD40.

DESIGNER

Enhance creativity to design their project and reduce load of structural work.

STRUCTURAL ENGINEER/CONTRACTOR

Enhance more efficient at work that in some processes, the SD40 rebar cannot provide tensile strength equally to Tata TISCON SD50. It can be used for high tensile strength application likes dams, bridges, high-rise buildings or other critical structure without any impact on elongation.

CONSUMER, PUBLIC AND SOCIETY

Enhance more safety when buildings or infrastructures use construction material that conformed to standard and have higher tensile strength.

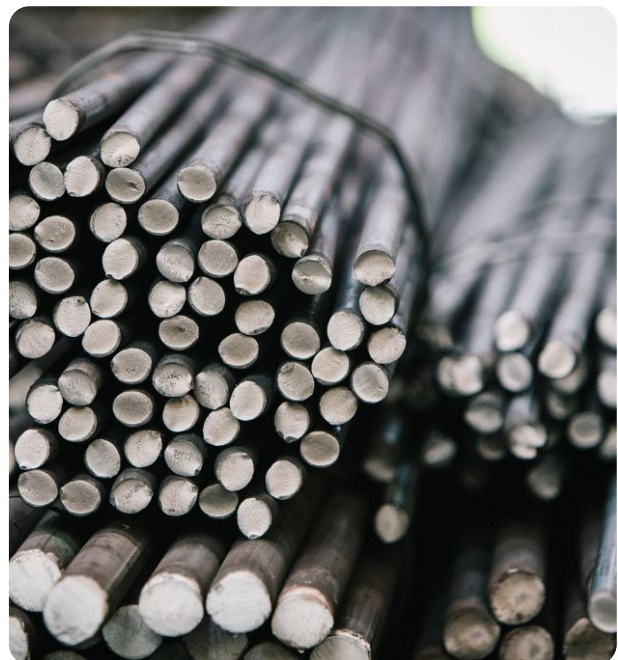


4. DOWEL BARS

Dowel bars are cut into short round bar that used to transverse joints of concrete pavement. The qualification of product is to provide a mechanical connection between slabs and creates some purpose in construction such as contraction joint, expansion joint and construction joint, etc. Dowel bars mostly used in road construction especially Department of Highways project that requires the usage of high strength dowel bar for Motorway project.

KEY BENEFITS:

They produce from standard compliance rebar, have high strength and load absorption. They are cut into piece of equal size, tied in a set which are easy for transportation and usage. The Company also produces special grade dowel bars for domestic usage, consequently, they can reduce the import of steel product, reduce construction cost and shorten the construction lead time.



5. STIRRUP

Stirrup is cut and bend deformed bar that used for the reinforcement of concrete structures such as columns or beams. Stirrup helps resistant concrete from cracking and decelerates breaking when absorb more pressure, but gradually deflection before failure of the structure.

KEY BENEFITS:

It produces from 6 mm. deformed bar grade SD30 of TIS 24-2016, then cut and bend to be standard stirrup for small- medium sized construction such as single detached house, town house, 3-storey building, etc. Deformed bar stirrup has higher strength than round bar stirrup. Its lugs and ribs of deformed bar stirrup helps bonding reinforcement in concrete structures, therefore the structure is more strength, can absorb more pressure and delay structural failure.



6. GB REBAR FOR THAI-CHINESE HIGH SPEED RAIL PROJECT

Thai-Chinese high speed rail project designed by China and uses Chinese standard that is different from Thai standard. So Thai contractors are difficult to source and procure construction material for this project since GB Rebar using in this project has to strictly control certain properties like carbon equivalent, fatigue test, etc.

KEY BENEFITS:

This rebar produces from TIS standard rebar that conform to rebar standard for Thai-Chinese high speed rail project. This product is suitable for using in the project that can reduce the import of steel product, reduce construction cost and shorten the construction lead time.



7. READY TO USE FOOTING

Foundation work is the underground structures that carry the weight from the column and transfer it into the ground. It is an important part of construction work because it is the base of the various buildings. At present, "Ready to use Footing" produced to allows the foundation work to be easy, convenient, quick and durable. "Ready to use Footing" are currently available in standard sizes or can be made to order.

KEY BENEFITS:

"Ready to use Footing" helps complete the construction work early, shorten the working time, and save labor costs, thus the construction cost can be fully controlled. This product can also reduce wastes and errors from cutting and bending rebar in the construction site resulting in a clean worksite. An efficient quality control produced by automatic machines in the factory. Ready to use Footing are available at most construction stores or can be made to order.



8. HIGH CARBON STEEL WIRE ROD FOR TIRE CORD

Tire is one of important equipment in automotive that makes drivers feel safety when driving. Tire Cord is fiber that used as reinforce materials in tire manufacturing. Tire Cord has significant impact on tire performance. Normally, the materials used in producing tire cord are high carbon wire rods imported from abroad.

KEY BENEFITS:

The Company has developed the quality of high carbon wire rods that can be used as reinforce materials in tire manufacturing. Therefore tire manufacturer in Thailand can reduce the import of materials and enhance more competitiveness in global markets.



9. TATA INNOVISTA

The Company has focused on customers and continuous improvement of services to meet the needs of customers. Every Department that related to customers are encouraged to do research and development on customer services under the name of Sustainable Marketing and Sales (SMS) Project. During the year, the Company had done an important project as follow:

RETAIL PARTNERSHIP PROGRAM

The Company realized the important of dealers who have high potential and good loyalty by supporting and strengthening them to grow together with the Company. Marketing supports are provided to them such as training arrangement for their sales representatives to have more product knowledge and sales skills and also improvement of dealers' shop to be more interesting and attractive. Currently, there are 11 dealers to join with this program which is located throughout the country.

SPECIAL PRODUCT GRADE PROJECT

The Company focuses on developing new products to make a difference with other competitors and in accordance with customer's need in each product group in order to use quality products more efficiently.



10. ONLINE CHANNEL SERVICE DEVELOPMENT

The Company has focused on using technology to develop services through online channel which allows customers to access the Company's services more easily. The Company has developed TATA Steel TH connect application for dealers and customers to track order status including providing information on various aspects of the Company and increase sales channels through online channels "www.BaanClickBuild.com" to reach more end users.



SUSTAINABLE SUPPLY CHAIN

POLICIES ON PROCUREMENT AND SUSTAINABLE SUPPLY CHAIN

Tata Steel (Thailand) Public Company Limited has a clear policy under the framework of the Tata Code of Conduct (TCoC) in treating suppliers with transparency, accountability and fairness which considered as the same unity practices for Tata Steel Group including paying attention to the collaboration between the Company and Suppliers.

IMPLEMENTATION OF E-RFX SYSTEM

The Company realizes the importance of stepping into the new era. As technology continues to advance, and digital transformation becomes the norm, the new e-RFX platform has now come into our operation. Request for Proposal, Quotation, Information or Bidding are now doing through e-RFX platform to increase efficiency & competitiveness in business operations. The advantages are higher visibility through a transparent sourcing process and streamlined manner on consistency of communication to all stakeholders, both internal and external. In addition, all information can only be accessed by authorized persons after the due time for bidding is over. E-RFX System can also review both bidding activity of business partners and access to information of procurement staff. This will ensure that any information will be considered fairly and equally without being used to create an advantage in the selection of business partners.

ANALYSIS, SELECTION OF BUSINESS PARTNER AND RISK ASSESSMENT

The Company has created suppliers' database by checking the qualifications of those who will be registered as the Company's suppliers which shall pass all five aspects criteria including the technical performance, quality control and assurance, safety, health and environment, finance, ethics, and labour law compliance. The Company has conducted the supplier risk assessment to support the Company's operation continuously in the long run by assessing the risk of the major group suppliers in 2 dimensions as follows;

1. The suppliers who are at risk of the Company's business operations considered from specified criteria such as the spend base per annum more than 10 million Baht, supply material and service which directly impact finish goods quality or irreplaceable supplier/manufacturer/service, etc.
2. The suppliers with the risk of environment, society and corporate governance. In addition to the suppliers' registration assessment according to the above criteria, the Company has also considered using various strategies to reduce risk of main raw materials shortage for the production which is a major risk of the Company's. In order to mitigate the aforementioned risks, the Company, therefore, exchanges supplier information within the Tata Steel Group in order to access reliable sources. Moreover, the Company works closely with suppliers and users to find alternative sources of raw materials in order to reduce the risk of raw material shortage. To manage suppliers related to service and transportation, the Company gives an important to the management of safety, health, environment and society.

EVALUATING, TRACKING AND AUDITING SUPPLIER PERFORMANCE

The Company evaluates the annual performance of suppliers in four aspects which are quality of goods and services, on time delivery, safety, health and environment, and law and ethics compliance to ensure that the suppliers have the potential in performing and running the business on the same basis with the Company. Goods and services delivered to the Company are of quality in accordance with the requirement, policy, performance standard, and mission of the Company. During the year, users can claim and report problems from usage. The Company will investigate the facts, solve problems and create the supplier development plans with all concerned units and the suppliers. If the supplier does not perform as required standard, they may be temporarily suspended from the Company procurement, or has been withdrawn from the Companies' vendor list, or be punished on case-by-case. In tracking and evaluating the annual performance of suppliers, it was found that one hundred and fifty-two suppliers were eligible for the Company annual evaluation considered from the frequency and spend volume. Last year, there was no supplier that the Company has to report to improve the quality of goods and services. Moreover, to have suppliers understanding the Company's requirement and increase supplier's potential to be able to perform business with the Company in the future, the Company plans to develop supplier's potential by providing advice and supports.

SUPPLIER DEVELOPMENT

The Company has the policy to develop suppliers according to the Supplier Relationship Management and aims that every supplier shall pass an annual evaluation on the environment, society, and governance topics. In the past, the Company had regularly arranged training and meetings to develop suppliers as needed and deem appropriate for example, training for contractor's employees who operate in the plant area on working safety to reduce injury rate or accident from work, training for contractor and transporter who receive our products at plant and etc. The Company also arranged the annual contractor safety meeting with suppliers to communicate the business direction, safety performance, sustainable procurement and development, working rules and regulations i.e. Tata Code of Conduct (TCoC), Anti-Corruption Policy, No Gift Policy and etc.

RAW MATERIAL PROCUREMENT AND OTHER SERVICE PROCUREMENT

To enhance the procurement effectiveness, the Company has cooperated with users to try alternative raw materials that have better total cost of ownership, increase channels in having raw materials from many sources, reduce the risk of raw materials shortage or few suppliers as well as control the cost of products and increase competitiveness. The Company also takes into account the procurement of goods and services with local suppliers continuously to expand revenue to local tangibly which stimulating the overall economy.

POLICY AND PRINCIPLE OF PROCUREMENT



HEALTH AND SAFETY

We expect our suppliers to adopt management practices of **health and safety** which provide a high level of safeguarding for their workers.



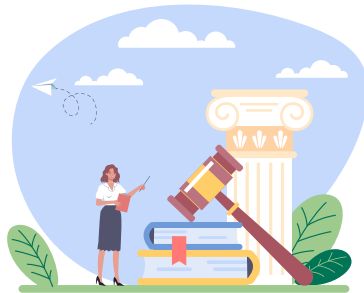
FAIR BUSINESS PRACTICE

TSTH Responsible Procurement Policy outlines the **fair business practices** by which TSTH conducts business and we expect our suppliers to adopt similar principles.



ENVIRONMENT CONSERVATION

We require suppliers to maintain effective policies, processes and procedures to manage their **environmental impact**.



HUMAN RIGHTS

We expect our suppliers to develop procedures to ensure all **human rights** in their business and to encourage their suppliers to do likewise.



LOCAL COMMUNITY DEVELOPMENT

We expect our suppliers to contribute to the **social and economic development of the communities** in which they operate.

PRINCIPLE 1: HEALTH AND SAFETY

"The Company is committed to ensuring that employees of the Company, contractors, and communities in which the Company is operating shall not be harmed. The Company does not allow any action that shall cause harm to those in the Companies' supply chain."

The Company expects that its suppliers shall operate the business in the highest level of health and safety management to protect their employee's health and safety.

Code of Conduct: Provide training and knowledge concerned with safety rules for suppliers and contractors. Also, specify standard procedures and safety rules to concerned parties for acknowledging before entering any operation in the Company.

PRINCIPLE 2: FAIR BUSINESS OPERATION

"TCoC has specified the ethics requirement for all employees of the Tata group to adhere to and that everyone in the Company's supply chain shall acknowledge all concerned requirements. To demonstrate compliance with this requirement, suppliers shall present the evidence showing that these requirements are already included in the policy and/or their operations."

Tata Code of Conduct has identified the fairness of business operation and the Company expects that its suppliers shall apply this principle as well.

Code of Conduct: TCoC shall be attached to every contract made with suppliers. In addition, the Company sends a letter signed by the President & CEO together with the Tata Code of Conduct handbook to suppliers and contractors to be a channel for reporting to the Company as soon as there is a violation of the Tata Code of Conduct. The Company shall maintain payment conditions for suppliers and concerned parties who comply with agreements, rules, and laws only.



PRINCIPLE 3: ENVIRONMENT CONSERVATION

"The Company is committed to complying with the relevant laws in both the country and the region in which the Company operates to ensure the efficient use of natural resources and energy including reducing environmental impact from the Company's production through continuous sustainable practices. This commitment is a part of the Company's operation and the Company expects that suppliers shall follow this commitment as well."

The Company needs to have suppliers that maintain the policies, processes, and procedures for effective environmental impact management.

Code of Conduct: Meet suppliers to share experiences and best practices for environmental conservation.

PRINCIPLE 4: HUMAN RIGHTS

"The Company respects the human rights of employees and the communities in which the Company operates and the Company is committed to promoting these principles with its suppliers."

The Company expects that its suppliers shall develop and implement policies and procedures to ensure that human rights are maintained in their business operations and to encourage their suppliers to perform the same.

Code of Conduct: Group accident insurance must be provided for the contractor's employees. The Company has the policy to inspect all operations of contractors and suppliers to ensure that their employees comply with relevant laws and regulations. Besides, the Company has followed work procedures and criteria for supplier selection and evaluation to ensure that the suppliers are qualified and also provided cooperation to develop suppliers such as work-shops and special projects.

PRINCIPLE 5: LOCAL COMMUNITY DEVELOPMENT

"The Company business operation philosophy is; the community is not just another stakeholder in business but is in fact, the every purposes of its existence."

The Company expects that its suppliers shall devote themselves to society, economy, and community development in the area in which the Company operates.

Code of Conduct: The procurement team attends workshops and social responsibility activities. The team also provides supports to the Company's suppliers to attend the Companies' social responsibility activities for community development and fair business operations.



PERFORMANCE SUMMARY





PERFORMANCE SUMMARY

FISCAL YEAR 2022 AS OF MARCH 31, 2022

ECONOMIC DIMENSION

RISK MANAGEMENT

| Content | Unit | FY22 | FY21 | FY20 | FY19 | FY18 |
|---|-------|------|------|------|------|------|
| Accomplishment of risk mitigation plans | % | 76 | 74 | 69 | N/A | N/A |
| Training/seminar or workshop on risks | Times | 9 | 11 | 8 | 5 | 5 |

CUSTOMER

| Content | Unit | FY22 | FY21 | FY20 | FY19 | FY18 |
|--|--------|------|--------------------------------------|------------------------------------|------------------------------------|------|
| Customers Complaints (Included Small Section) | Times | 40 | 35 | 43 | 66 | 63 |
| No. of complaints on products and services that affected safety and health | Times | 0 | 0 | 0 | 0 | 0 |
| Customer Satisfaction | % | 86 | No survey (Due to COVID-19 pandemic) | No survey (Survey every two years) | No survey (Survey every two years) | 84 |
| Value Added Sales | % | 46 | 37 | 24 | 22 | 14 |
| No. of cumulative value added sales | Type | 20 | 11 | 2 | 8 | 6 |
| Cumulative new services | Number | 3 | 3 | 4 | 4 | 3 |

CORPORATE GOVERNANCE AND PROMOTING ETHICAL BEHAVIORS

| Content | Unit | FY22 | FY21 | FY20 | FY19 | FY18 |
|--|-------------------|------|------|------|------|------|
| CG Score | Total 100 Scores | 93 | 93 | 90 | 92 | 89 |
| Employees attended and passed the test of training of TCoC and relevant policies | % | 100 | 100 | 100 | 100 | 100 |
| Venders attended the training of TCoC and relevant policies | No. of persons | 80 | 134 | 77 | 90 | 110 |
| Customers attended the training of TCoC and relevant policies | No. of persons | 34 | 40 | N/A | N/A | 67 |
| Complaint Unethical conduct* | No. of complaints | 6 | 6 | 3 | 4 | 3 |

*Remark: All complaints are completely resolved in financial year.

PROCUREMENT

| Content | Unit | FY22 | FY21 | FY20 | FY19 | FY18 |
|---|------|------|------|------|------|------|
| Proportion of scrap procurement from domestic vendors | % | 88 | 89 | 89 | 94 | 85 |

ENVIRONMENTAL DIMENSION

| Content | Unit | FY22 | FY21 | FY20 | FY19 | FY18 |
|---|------------------------|-------------|-------------|-------------|-------------|-------------|
| CO ₂ Emission* | Ton/ton of crude steel | 0.606* | 0.637* | 0.667 | 0.638 | 0.619 |
| Air Emission (TSP, SO _x , NO _x , CO) that exceed the standards according to EIA | Times | 0 | 0 | 0 | 0 | 0 |
| Reforestation in the plant | No. of trees | 1,030 | 1,055 | 371 | 733 | 171 |
| Energy Intensity* | GJ/ ton of crude steel | 9.4 | 9.9 | 10.0 | 9.9 | 9.5 |
| Total Water consumption | MCM/Ton | 1.22 | 1.28 | 1.59 | 1.81 | 1.59 |
| Recycled water consumption | MCM/Ton | No emission | No emission | No emission | No emission | No emission |
| Recycled waste utilization | % | 99.74 | 99.79 | 99.82 | 99.67 | 99.85 |

* World Steel Association (WSA) changed Methodology to be User Guide 10 Version 25 in the year 2021

SOCIETAL DIMENSION

| Content | Unit | FY22 | FY21 | FY20 | FY19 | FY18 |
|---|---------|-------|-------|-------|-------|-------|
| NUMBER OF EMPLOYEES SEPARATED BY LEVEL | | | | | | |
| Management Level | Persons | 70 | 73 | 76 | 78 | 81 |
| Supervisory Level | Persons | 328 | 319 | 335 | 347 | 360 |
| Operational Level | Persons | 694 | 709 | 740 | 762 | 795 |
| Total | Persons | 1,092 | 1,101 | 1,151 | 1,187 | 1,236 |
| NUMBER OF EMPLOYEES SEPARATED BY GENDER | | | | | | |
| Male | Persons | 904 | 911 | 951 | 980 | 1,030 |
| Female | Persons | 188 | 190 | 200 | 207 | 206 |
| Female/Total employees | % | 17.2 | 17.3 | 17.4 | 17.4 | 16.7 |
| NUMBER OF EMPLOYEES IN MANAGEMENT LEVEL SEPARATED BY GENDER | | | | | | |
| Male | Persons | 59 | 61 | 62 | 63 | 65 |
| Female | Persons | 11 | 12 | 14 | 15 | 16 |
| Female/Total employees | % | 15.7 | 16.4 | 18.4 | 19.2 | 19.8 |
| PERCENTAGE OF EMPLOYEE RETURNING TO WORK AFTER MATERNITY LEAVE | | | | | | |
| Female employee taking maternity leave | Persons | 6 | 1 | 6 | 4 | 2 |
| Female employee returning to work after taking maternity leave | Persons | 6 | 1 | 6 | 4 | 2 |

| Content | Unit | FY22 | FY21 | FY20 | FY19 | FY18 |
|---|-------------|------|-----------|-----------|-----------|-----------|
| NUMBER OF NEW EMPLOYEES AND EMPLOYEE'S RESIGNATION | | | | | | |
| No. of new employees | Persons | 26 | 2 | 35 | 60 | 91 |
| No. of new employees/Total employees | % | 2.4 | 0.2 | 3.0 | 5.0 | 7.4 |
| No. of employees' resignation | Persons | 18 | 23 | 51 | 78 | 55 |
| No. of employees' resignation/Total employees | % | 1.6 | 2.1 | 4.4 | 6.5 | 4.5 |
| TRAINING MAN-DAY | | | | | | |
| Management Level | Day/persons | 9.0 | 6.0 | 6.0 | 7.0 | 8.8 |
| Supervisory Level | Day/persons | 9.8 | 6.0 | 5.8 | 9.0 | 9.4 |
| Operational Level | Day/persons | 4.6 | 4.2 | 3.0 | 3.6 | 4.3 |
| Average training man-days | Day/persons | 6.8 | 5.1 | 4.3 | 6.2 | 6.2 |
| Number of disabilities employees | Persons | 4 | 4 | 4 | 4 | 4 |
| Employee engagement and satisfaction score | Scores | 4.10 | No Survey | No Survey | No Survey | No Survey |

OCCUPATIONAL HEALTH AND SAFETY

| Content | Unit | FY22 | FY21 | FY20 | FY19 | FY18 |
|---|---------------------------------------|------|------|------|------|-------|
| Fatality rate | No. of case per Million Working Hours | 0.21 | 0 | 0 | 0 | 0 |
| Lost time injuries frequency rate | No. of case per Million Working Hours | 0.63 | 0.21 | 0.00 | 1.28 | 0.18 |
| Health Index | Index Score (Max 16) | 10.0 | 10.5 | 10.9 | 11.3 | 10.8 |
| No. of injuries got first aid/medical treatment | Times | 6 | 8 | 16 | 27 | 23 |
| No. of employees attended training course on safety and health | % of Total employees | 99.9 | 99.7 | 82.9 | 90.0 | 100.0 |
| No. of contractors' employees attended training course on safety and health | % of Total contractors' employees | 99.1 | 89.3 | 94.9 | 95.5 | 100.0 |

COMMUNITY ENGAGEMENT

| Content | Unit | FY22 | FY21 | FY20 | FY19 | FY18 |
|--|----------------------|--------|--------|--------|--------|--------|
| No. of Employees participated in CSR activities | % of Total employees | 100.0 | 100.0 | 98.6 | 100 | 99.5 |
| Total man-hour spent on CSR activities | Total man-hour | 9,660 | 9,477 | 13,103 | 14,006 | 14,596 |
| Average man-hour spent on CSR activities | Average man-hour | 8.9 | 8.6 | 11.3 | 11.8 | 12.1 |
| No. of beneficiaries from the Company's social responsibility projects | Persons | 63,148 | 55,929 | 65,034 | 57,029 | N/A |
| Budget used for social responsibility projects | Million Baht | 2.81 | 3.67 | 3.12 | 4.73 | 5.31 |
| Accumulated number of trees which planted in "Forest For Life For our beloved King" project and other projects | No. of Trees | 13,000 | 10,900 | 8,500 | 7,500 | 6,500 |
| No. of community complaints | Time | 0 | 0 | N/A | N/A | N/A |





CONTENTS



BUSINESS AND PERFORMANCE

SUSTAINABILITY

CORPORATE GOVERNANCE

FINANCIAL STATEMENTS

ATTACHMENTS

GRI STANDARDS CONTENT INDEX AND SDGs





GRI STANDARDS CONTENT INDEX AND SDGs

| GRI Standard | Disclosures | Integrated Annual Report [56-1 One Report]: Page number and/or URL | External Verification | Relation to SDG Targets |
|----------------------------------|--|--|-----------------------|-------------------------|
| GRI 101 Foundation 2016 | Reporting principle | P. 34-43 | | |
| | Using the GRI Standards for sustainability reporting | P. 34 | | |
| | Making claims related to the use of the GRI Standards | P. 87-92 | | |
| General Disclosure | | | | |
| GRI 102 General Disclosures 2016 | Organisational profile | | | |
| GRI 102 - 1 | Name of the Organisational | P. 11 | | |
| GRI 102 - 2 | Activities, brands, products and services | P. 11-20, 74-77, 101-102 | | |
| GRI 102 - 3 | Location of headquarters | P. 101 | | |
| GRI 102 - 4 | Location of operations | P. 102 | | |
| GRI 102 - 5 | Ownership and legal form | P. 11, 27 | | |
| GRI 102 - 6 | Markets served | P. 21-24, 74-77 | | |
| GRI 102 - 7 | Scale of the organization | P. 3, 27, 102 | | |
| GRI 102 - 8 | Information on employees and other workers | P. 83-84, 133 | | 8 |
| GRI 102 - 9 | Supply Chain | P. 25, 78-80 | | |
| GRI 102 - 10 | Significant changes to the Organisational and its supply chain | P. 14-15, 25, 78 | | |
| GRI 102 - 11 | Precautionary principle or approach | P. 30-33 | | |
| GRI 102 - 12 | External initiatives | P. 20, 44 | | |
| GRI 102 - 13 | Membership of associations | P. 4-7, 20, 44 | | |
| Strategy | | | | |
| GRI 102 - 14 | Statement from senior decision maker | P. 8-9, 138-144 | | |
| GRI 102 - 15 | Key impacts, risk and opportunities | P. 30-33, 35, 42-43 | | |
| Ethics and Integrity | | | | |
| GRI 102 - 16 | Values, principles, standards and norms of behavior | P. 12, 66-69, 119-120 | | 16 |
| GRI 102 - 17 | Mechanisms for advice and concerns about Ethics | P. 69, 119 | | |
| Governance | | | | |
| GRI 102 - 18 | Governance Structure | P. 67-68, 105-107, 121-130 | | |
| GRI 102 - 19 | Delegating authority | P. 125-130 | | |
| GRI 102 - 20 | Executive - level responsibility for economic, environmental and social topics | P. 66-68, 121-130 | | |
| GRI 102 - 21 | Consulting stakeholders on economic, environment and social topics | P. 42-43, 112-113 | | 16 |



| GRI Standard | Disclosures | Integrated Annual Report (56-1 One Report): Page number and/or URL | External Verification | Relation to SDG Targets |
|----------------------------------|---|--|-----------------------|-------------------------|
| General Disclosure | | | | |
| GRI 102 General Disclosures 2016 | Organisational profile | | | |
| Governance | | | | |
| GRI 102 - 22 | Composition of the highest governance body | P. 67-68, 121 | | 5, 16 |
| GRI 102 - 23 | Chair of the highest governance body | P. 127, 141, 239 | | |
| GRI 102 - 24 | Nominating and selecting the highest governance body | P. 105-107 | | 5, 16 |
| GRI 102 - 25 | Conflicts of interest | P. 120 | | 16 |
| GRI 102 - 26 | Role of the highest governance body in setting purpose, values and strategy | P.67-68, 105-106, 121, 125 | | |
| GRI 102 - 27 | Collective knowledge of highest governance body | P. 67-68, 105-106 http://www.tatasteelthailand.com/wp-content/uploads/2021/06/TCoC-2015-EN-version.pdf | | |
| GRI 102 - 28 | Evaluating the highest governance body's performance | P. 117-118 | | |
| GRI 102 - 29 | Identifying and managing economic, environmental and social impacts | P. 30-35 | | 16 |
| GRI 102 - 30 | Effectiveness of risk management process | P. 30-33 | | |
| GRI 102 - 31 | Review of economic, environmental and social topics | P. 35 | | |
| GRI 102 - 32 | Highest governance body's roles in sustainability reporting | P. 115-117, 125-128, 142-144 | | |
| GRI 102 - 33 | Communicating critical concerns | P. 69 | | |
| GRI 102 - 34 | Nature and total number of critical concerns | P. 69, 82 | | |
| GRI 102 - 35 | Remuneration policies | P. 130-133 | | |
| GRI 102 - 36 | Process for determining remuneration | | | |
| GRI 102 - 38 | Annual total compensation ratio | | | |
| Stakeholder Engagement | | | | |
| GRI 102 - 40 | List of stakeholder groups | P. 42-43 | | |
| GRI 102 - 41 | Collective bargaining agreements | P. 51 | | 16 |
| GRI 102 - 42 | Identifying and selecting stakeholders | P. 42-43 | | |
| GRI 102 - 43 | Approach to stakeholder engagement | P. 35, 42-43 | | |
| GRI 102 - 44 | Key topics and concerns raised | P. 35, 42-43 | | |



| GRI Standard | Disclosures | Integrated Annual Report (56-1 One Report): Page number and/or URL | External Verification | Relation to SDG Targets |
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| Reporting Practice | | | | |
| GRI 102 - 45 | Entities include in the consolidated financial statement | P. 101, 102 | | |
| GRI 102 - 46 | Defining report content and topic boundaries | P. 34-35 | | |
| GRI 102 - 47 | List of material topics | P. 35 | | |
| GRI 102 - 48 | Restatement of information | P. 34, 82-85 | | |
| GRI 102 - 49 | Changes in reporting | P. 34-35 | | |
| GRI 102 - 50 | Reporting period | P. 34, 101 | | |
| GRI 102 - 51 | Date of most recent report | | | |
| GRI 102 - 52 | Reporting cycle | | | |
| GRI 102 - 53 | Contact point for questions regarding the report | | | |
| GRI 102 - 54 | Claims of reporting in accordance with the GRI Standard | | | |
| GRI 102 - 55 | GRI Context index | P. 87-92 | | |
| Material Topics | | | | |
| GRI 200 Economic Standards Series | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 3, 35, 44 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 201 - 1 | Direct economic value generated and distributed | | | 5, 8, 9 |
| GRI 201 - 2 | Financial implications and other risk and opportunities due to climate change | P. 33, 46-47 | | 13 |
| GRI 203 Indirect Economic Impact 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 57-64, 78-80 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 203 - 1 | Infrastructure investment and services supported | P. 57-64 | | |
| GRI 203 - 2 | Significant indirect economic impacts | P. 57-64, 85 | | 1, 3, 8, 10 |
| GRI 204 Procurement Practice 2016 | | | | |
| GRI 204 - 1 | Proportion of spending on local supplier | P. 78-80, 83 | | 12 |
| GRI 205 Anti - Corruption 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 66-69 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 205 - 2 | Communication and training about anti-corruption policies and procedures | P. 69 http://www.tatasteelthailand.com/sustainability/business-ethics-policy/ | | 16 |



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|--|---|--|-----------------------|-------------------------|
| Material Topics | | | | |
| GRI 300 Environmental Standard Series | | | | |
| GRI 302 Energy 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 48 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 302 - 1 | Energy Consumption within the organisation | P. 39, 48, 83, 144 | | 7, 12, 13 |
| GRI 302 - 3 | Energy intensity | | | 7, 12, 13 |
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| GRI 303 Water 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 48 | | |
| GRI 103 - 2 | The management approach and its components | | | |
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| GRI 303 - 1 | Water withdrawal by source | P. 48, 83 | | 6 |
| GRI 303 - 3 | Water recycled and reused | | | 6, 12 |
| GRI 305 Emission 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 46-47 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 305 - 4 | GHG emission intensity | P. 46-47, 83 | yes | 12, 13 |
| GRI 305 - 7 | Nitrogen oxides (NOx) sulfur oxides (SOx) and other significant air emissions | | yes | |
| GRI 306 Effluents and Waste 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 48 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 306 - 2 | Waste by type and disposal method | P. 48, 83 | | 3,12 |
| GRI 307 Environmental Compliance 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 46, 49 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 308 Supplier Environmental Assessment 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 78-80 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 308-1 | New supplier that were screened using environmental criteria | P. 78-80 | | |



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|---|--|---|-----------------------|-------------------------|
| Material Topics | | | | |
| GRI 400 Social Standards Series | | | | |
| GRI 401 Employment 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 51 http://www.tatasteelthailand.com/people-connect/#people | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 401 - 1 | New employee hires and employee turnover | P. 51, 83, 135 | | 5, 8 |
| GRI 401 - 2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | P. 55-56 http://www.tatasteelthailand.com/people-connect/#benefits | | 8 |
| GRI 401 - 3 | Parental leave | P. 56, 83, 136 | | 5, 8 |
| GRI 403 Occupational Health and Safety 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 40, 52, 142 http://www.tatasteelthailand.com/sustainability/safety-and-environment-management/ | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 403 - 2 | Type of injury and rates of injury, occupational diseases, lost days and absenteeism and number of work-related fatalities | P. 84 , 113 | | 3, 8 |
| GRI 404 Training and Education 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 53, 135 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 404 - 1 | Average hours of training per year per employee | P. 53, 84 | | 4,5,8 |
| GRI 404 - 2 | Programs for upgrading employee skill and transition assistance programs | P. 53, 135 | | 3, 4, 5, 8 |
| GRI 404 - 3 | Percentage of employees receiving regular performance and career development reviews | P. 53-54, 135 | | 5,8 |
| GRI 405 Diversity and Equal Opportunity 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 51 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 405 - 1 | Diversity of governance bodies and employees | P. 83 http://www.tatasteelthailand.com/wp-content/uploads/2021/06/TCOC-2015-EN-version.pdf | | 5, 8 |
| GRI 406 Non - Discrimination 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 51 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |



| GRI Standard | Disclosures | Integrated Annual Report (56-1 One Report): Page number and/or URL | External Verification | Relation to SDG Targets |
|---|---|---|-----------------------|-------------------------|
| GRI 408 Child Labor 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 39, 51 http://www.tatasteelthailand.com/wp-content/uploads/2021/06/TCoC-2015-EN-version.pdf | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 408 - 1 | Operations and suppliers at significant risk for incidents of child labor | P. 39, 51, 79-80 | | 4, 8 |
| GRI 412 Human Rights Assessment 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 39, 51 http://www.tatasteelthailand.com/wp-content/uploads/2021/06/TCoC-2015-EN-version.pdf | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 412 - 1 | Operations that have been subject to human rights reviews or impact assessments | P. 39, 51, 79-80 http://www.tatasteelthailand.com/wp-content/uploads/2021/06/TCoC-2015-EN-version.pdf | | 4, 5, 8 |
| GRI 412 - 2 | Employee training on human rights policies or procedures | http://www.tatasteelthailand.com/wp-content/uploads/2021/06/TCoC-2015-EN-version.pdf | | 8 |
| GRI 413 Local Communication 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 42-43 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 413 - 1 | Operation with local community engagement, impact assessment and development programs | P. 35, 42-43, 57-64 | | 1, 3, 4, 11,13, 14, 15 |
| GRI 414 Supplier Social Assessment 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 78-80 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 414 - 1 | New Suppliers that were screened using social criteria | P. 78-80 | | 8 |
| GRI 417 Marketing and Labeling 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 73-77 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |
| GRI 417 - 1 | Requirements for product and service information and labeling | P. 73-77 http://www.tatasteelthailand.com/category/article-and-knowledge/ | | |
| GRI 419 Socioeconomic Compliance 2016 | | | | |
| GRI 103 - 1 | Explanation of the material topic and its boundary | P. 41, 74-77, 85 | | |
| GRI 103 - 2 | The management approach and its components | | | |
| GRI 103 - 3 | Evaluating of the management approach | | | |



MANAGEMENT DISCUSSION & ANALYSIS

Financial Performance

In Financial Year 2021-22 (FY22), the Company's consolidated (the group) revenue from sales and related services registered Baht 32,590 million, an increase of 48% from the previous year, mainly from price improvement in line with the increase in metallic price in the backdrop of the recovery of world economy. The deliveries were at 1.333 million Tons as against 1.303 million Tons of the previous year. Higher deliveries as compared to the previous year were primarily due to better domestic demand in special wire rods and higher export sales including billet export, which helped to offset the lower domestic demand in rebars. EBITDA increased 142% from the previous year to Baht 3,188 million. Correspondingly, profit for the year registered Baht 2,606 million as compared to Baht 632 million in the previous year.

The analysis of major items of the financial statement is as follows:

1) Revenue from sales and related services and other income

Unit: Million Baht

| | FY22 | FY21 | Change % |
|---|---------------|---------------|-----------|
| Revenue from sales and related services | 32,590 | 22,017 | 48 |
| Dividend income from equity investments measured at fair value through other comprehensive income | 22 | 29 | (24) |
| Gain on exchange rate - net | 12 | 20 | (40) |
| Compensation from insurance company | - | 50 | (100) |
| Others | 16 | 20 | (20) |
| Total Revenue | 32,640 | 22,136 | 47 |

Total revenue of the group increased 47% from the previous year from Baht 22,136 million to Baht 32,640 million, mainly from revenue from sales and related services in line with the increase in metallic price in the backdrop of the recovery of the world economy.

2) Gross profit

Unit: Million Baht

| | FY22 | FY21 | Change % |
|--------------|-------|-------|----------|
| Gross profit | 3,484 | 1,484 | 135 |

The gross profit margin stood at Baht 3,484 million or 10.69% of revenue from sales as compared to Baht 1,484 million or 6.74% of revenue from sales in the previous year, an increase from richer mix and positive market sentiments for wire rod. The increase of sales volume of special wire rod with better margin and the decrease of rebars with lower margin has positively impacted the gross profit margin.

| Line of Products | FY22 | | | FY21 | | |
|----------------------------------|--------------|---------------|------------|--------------|---------------|------------|
| | Thousand Ton | Million Baht | % | Thousand Ton | Million Baht | % |
| Rebars | 741 | 17,168 | 53 | 849 | 13,844 | 63 |
| Wire Rods | 520 | 13,510 | 41 | 415 | 7,385 | 33 |
| Small Section | 23 | 621 | 2 | 33 | 610 | 3 |
| Others | 49 | 1,291 | 4 | 6 | 178 | 1 |
| Total Revenues from Sales | 1,333 | 32,590 | 100 | 1,303 | 22,017 | 100 |

3) Selling and Administrative expenses

Unit: Million Baht

| | FY22 | FY21 | Change % |
|-------------------------------------|------|------|----------|
| Selling and Administrative expenses | 818 | 755 | 8 |

The selling and administrative expenses was higher than last year attributable to higher provision for bonus to employees, higher provision for Brand Equity & Brand Promotion fee in line with higher profit and higher bank charges reflecting higher sales volume. Partly offset by absence of surcharge assessed by the Revenue Department and absence of SAP implementation for One Company project incurred in the previous year.

4) Finance Cost

Unit: Million Baht

| | FY22 | FY21 | Change % |
|--------------|------|------|----------|
| Finance cost | 35 | 43 | [19] |

The reduction in finance cost over previous year was due to lower utilization of utilities financing as well as lower facility fee for financing activities in view of healthy cash position.

5) Other Expenses

Unit: Million Baht

| | FY22 | FY21 | Change % |
|----------------|------|------|----------|
| Other expenses | 81 | 117 | [31] |

Other expenses mainly represents provision against impairment charge in idle assets held-for-sale reflecting independent valuation of its expected realizable value.

6) Profit before income tax expense

Unit: Million Baht

| | FY22 | FY21 | Change % |
|----------------------------------|-------|------|----------|
| Profit before income tax expense | 2,600 | 688 | 278 |

PBT for the year of FY22 was higher over FY21 attributable to the higher spread due to improvement from the recovery of world economy, higher sales volume and lower provision for loss of impairment of MBF assets. Partly offset by higher conversion cost from increase in prices, higher provision for Bonus and higher Brand Equity & Brand Promotion.

7) Income Tax Expenses (Income)

Unit: Million Baht

| | FY22 | FY21 | Change % |
|------------------------------|------|------|----------|
| Income Tax Expenses (income) | [6] | 57 | 111 |

Current year's Income Tax expenses reflect the consolidated tax position net of the adjustment of carried forward tax losses in TSMT after completion of the Entire Business Transfer of SISCO and SCSC to TSMT.

8) Cash and cash equivalents

Unit: Million Baht

| | FY22 | FY21 | Change % |
|---------------------------|-------|------|----------|
| Cash and cash equivalents | 1,395 | 951 | 47 |

As on March 31, 2022, the group reported a net increase in cash and cash equivalents of Baht 444 million as compared to the previous year. The change was mainly on account of increase in net cash from operating activities amounting to Baht 966 million. This comprised of operating profit before changes in operating assets and liabilities of Baht 3,221 million and increase in changes in operating assets and liabilities of Baht 2,255 million which is largely due to the increase in the trade and other receivables. With respect to investing activities, there was a net cash outflow of Baht 187 million related to investments in fixed assets. Net cash outflow of Baht 335 million from financing activities was towards net repayment on short term borrowings from financial institutions of Baht 296 million and towards lease liabilities repayment of Baht 39 million.

9) Trade and other receivables, net

Unit: Million Baht

| | FY22 | FY21 | Change % |
|----------------------------------|-------|-------|----------|
| Trade and other receivables, net | 2,433 | 1,129 | 116 |

The increase in trade and other receivables from reduced factoring of trade receivables due to healthy cash position as compared to FY21.

The group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, which applies lifetime expected credit loss, from initial recognition, for all trade receivables. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances. As on March 31, 2022 and 2021, the group set aside a cumulative loss allowance amounting to Baht 79 million, equivalent to 3.17% and 6.66% of total trade accounts receivables, respectively.

10) Inventories, net

Unit: Million Baht

| | FY22 | FY21 | Change % |
|------------------|-------|-------|----------|
| Inventories, net | 4,445 | 3,459 | 29 |

Increase in inventories over previous year was mainly on account of higher price of finished goods, metallic and billet while the volume was lower.

11) Financial assets measured at fair value through other comprehensive income

Unit: Million Baht

| | FY22 | FY21 | Change % |
|--|------|------|----------|
| Financial assets measured at fair value through other comprehensive income | 304 | 207 | 47 |

The fair value change of unlisted equity investments is determined using valuation techniques, discounted cash flow which is assessed by independent valuer.

12) Property, plant & equipment and Intangible assets

Unit: Million Baht

| | FY22 | FY21 | Change % |
|---|-------|-------|----------|
| Property, plant & equipment and Intangible assets | 2,404 | 2,594 | (7) |

Reduction in property, plant & equipment and intangible assets is on account of normal depreciation and amortization for the year, partly offset by additional investment of Baht 228 million in fixed assets during the year.

13) Short-term borrowings from financial institutions

Unit: Million Baht

| | FY22 | FY21 | Change % |
|---|------|------|----------|
| Short-term borrowings from financial institutions | 145 | 441 | (67) |

Reduction in short-term borrowings from financial institutions is in line with the improved cash generated from operations.

Sources of Capital Funds

Appropriateness of capital structure

As on March 31, 2022, the group had a debt to equity ratio of 0.23 times better from 0.32 times in 2021.

Liabilities

As on March 31, 2022, the group had liabilities amounting to Baht 2,913 million consisting of current liabilities of Baht 1,923 million and Baht 990 million for non-current liabilities, representing 66% and 34% of total liabilities, respectively. Current liabilities included short-term borrowing from financial institutions of Baht 145 million decrease from Baht 441 million in the previous year, trade and other payables of Baht 1,715 million, current portion of lease liabilities of Baht 31 million and other current liabilities of Baht 32 million. Non-current liabilities included lease liabilities of Baht 632 million, employee benefit obligations of Baht 347 million, deferred tax liabilities of Baht 10 million and provision for decommissioning costs of Baht 1 million. Reduction in short-term borrowings from financial institution of Baht 296 million is in line with the improved cash generated from operations.

Shareholders' equity

As on March 31, 2022, the group had shareholders' equity of Baht 12,580 million consisting of the paid-up capital from ordinary shares and share premium totaling Baht 11,810 million, retained earnings Baht 161 million, the legal reserve Baht 375 million, other components of equity Baht 244 million and non-controlling interests Baht (10) million. Increase in shareholders' equity by Baht 2,699 million from the current net profit. Consequently, the retained earnings at the consolidated financial statement has increased to Baht 161 million as compared to retained (deficit) of Baht (2,455) million as at March 31, 2021.

Financial Ratios

In FY22, The group reported current ratio at 4.34 times higher than 2.63 times in the previous year and net debt to EBITDA coverage ratio registered 90.95 times increased from 30.67 times in the previous year. The group had gross profit margin was 10.69%, an increase of 3.95% from the previous year, net profit margin was 7.98%, an increase of 5.13% from the previous year. The return on equity was 23.18% and return on asset was 18.29% increased 16.52% and 13.00% respectively as compared to the previous year.

Commitments potentially affecting its operation and financial status in the future

As of March 31, 2022, the Company had commitments as follows:

1. Its subsidiaries had Letter of Credit (L/C) amounting to Baht 255 million opened but were not under the liabilities' condition.
2. Its subsidiaries had obligations under the purchase agreement of machinery and equipment totaling of Baht 192 million

Other factors potentially affecting Company's operation and financial status in the future

Other factors that may affect Company's operation and financial status in the future are shown as the risk in item "Risks of business", and item "Notes to the Consolidated and Separate Financial Statements", No. 6: Financial risk management.



Significant Financial Information

Consolidated Statement of Financial Position

Unit: Million Baht

| | FY22 | FY21 | FY20 |
|--|------------------|------------------|------------------|
| Cash and cash equivalents | 1,394.73 | 950.54 | 577.00 |
| Trade and other receivables - net | 2,433.20 | 1,129.16 | 650.28 |
| Inventories | 4,444.87 | 3,459.05 | 2,515.33 |
| Other current assets | 75.52 | 75.19 | 127.58 |
| Total current assets | 8,348.32 | 5,613.94 | 3,870.19 |
| Financial assets measured at fair value through other comprehensive income | 304.32 | 206.64 | - |
| Property, plant and equipment - net | 2,377.86 | 2,566.40 | 2,891.96 |
| Idle assets held-for-sale - net | 262.00 | 343.00 | 460.00 |
| Right-of-use assets - net | 621.33 | 670.01 | - |
| Goodwill - net | 3,456.01 | 3,456.01 | 3,456.01 |
| Intangible assets - net | 25.66 | 27.35 | 29.58 |
| Deferred tax assets - net | 15.61 | 17.70 | 43.29 |
| Other non-current assets | 81.57 | 99.43 | 112.57 |
| Total non-current assets | 7,144.36 | 7,386.54 | 6,993.41 |
| Total assets | 15,492.68 | 13,000.48 | 10,863.60 |
| Short-term borrowings from financial institutions | 145.58 | 441.39 | 461.73 |
| Trade and other payables | 1,714.88 | 1,590.83 | 883.13 |
| Current portion of lease liabilities - net | 31.08 | 38.57 | 1.13 |
| Current income tax payable | - | 25.17 | 61.56 |
| Other current liabilities | 31.88 | 36.27 | 15.77 |
| Total current liabilities | 1,923.42 | 2,132.23 | 1,423.32 |
| Lease liabilities - net | 632.37 | 656.31 | 39.65 |
| Deferred tax liabilities - net | 9.87 | 1.92 | - |
| Employee benefit obligations | 346.90 | 329.09 | 340.67 |
| Provision for decommissioning costs | 0.41 | 0.41 | 1.07 |
| Total non-current liabilities | 989.55 | 987.73 | 381.39 |
| Total liabilities | 2,912.97 | 3,119.96 | 1,804.71 |
| Registered share capital | 8,421.54 | 8,421.54 | 8,421.54 |
| Paid-up capital | | | |
| Ordinary shares | 8,421.54 | 8,421.54 | 8,421.54 |
| Share premium | 3,388.83 | 3,388.83 | 3,388.83 |
| Legal reserve | 374.99 | 373.78 | 372.57 |
| Retained earnings (deficits) | 160.82 | (2,454.96) | (3,108.99) |
| Other components of equity | 243.45 | 165.31 | - |
| Non-controlling interests | (9.92) | (13.98) | (15.06) |
| Total equity | 12,579.71 | 9,880.52 | 9,058.89 |
| Total liabilities and equity | 15,492.68 | 13,000.48 | 10,863.60 |

Consolidated Statement of Income

Unit: Million Baht

| | FY22 | FY21 | FY20 |
|---|-----------------|-----------------|---------------|
| Revenue from sales and related services | 32,589.80 | 22,016.90 | 20,124.73 |
| Cost of sales and related services | (29,106.38) | (20,532.58) | (19,378.92) |
| Gross profit | 3,483.42 | 1,484.32 | 745.81 |
| Other income | 50.52 | 119.04 | 108.81 |
| Selling and administrative expenses | (817.63) | (754.98) | (691.80) |
| Other expenses | (81.00) | (117.00) | - |
| Finance costs | (35.05) | (43.04) | (52.23) |
| Profit before income tax expense | 2,600.26 | 688.34 | 110.59 |
| Income tax income (expense) | 5.86 | (56.73) | (63.49) |
| Profit for the year | 2,606.12 | 631.61 | 47.10 |
| Profit (loss) attributable to | | | |
| Owners of the parent | 2,602.10 | 630.55 | 47.88 |
| Non-controlling interests | 4.02 | 1.06 | (0.78) |
| | 2,606.12 | 631.61 | 47.10 |
| Basic earnings per share (Baht) | | | |
| Attributable to owners of the parent | 0.31 | 0.07 | 0.01 |

Consolidated statement of comprehensive income

Unit: Million Baht

| | FY22 | FY21 | FY20 |
|--|-----------------|---------------|----------------|
| Profit for the year | 2,606.12 | 631.61 | 47.10 |
| Other comprehensive income (expense) | | | |
| <i>Items that will not be reclassified subsequently to profit or loss</i> | | | |
| Changes in fair value of equity investments at fair value through other comprehensive income | 97.68 | 60.48 | - |
| Remeasurements of post-employment benefit obligations | 18.65 | 29.98 | (26.04) |
| Income tax relating to items that will not be reclassified subsequently to profit or loss | (23.27) | (17.37) | 3.36 |
| Total items that will not be reclassified subsequently to profit or loss | 93.06 | 73.09 | (22.68) |
| <i>Items that will be reclassified subsequently to profit or loss</i> | | | |
| Change in value of available-for-sale investment | - | - | (1.20) |
| Income tax relating to items that will be reclassified subsequently to profit or loss | - | - | 0.14 |
| Total items that will be reclassified subsequently to profit or loss | - | - | (1.06) |
| Other comprehensive income (expense) for the year - net of tax | 93.06 | 73.09 | (23.74) |
| Total comprehensive income for the year | 2,699.18 | 704.70 | 23.36 |
| Total comprehensive income (expense) attributable to | | | |
| Owners of the parent | 2,695.13 | 703.62 | 24.16 |
| Non-controlling interests | 4.05 | 1.08 | (0.80) |
| | 2,699.18 | 704.70 | 23.36 |

Statement of Cash Flows

Unit: Million Baht

| | FY22 | FY21 | FY20 |
|---|-----------------|-----------------|-------------------|
| Cash flows from operating activities | | | |
| Net Profit before tax | 2,600.26 | 688.34 | 110.59 |
| Reconciliations of net profit (loss) to net cash provided by operating activities | | | |
| Unrealized gain on foreign exchange | (1.66) | (11.57) | (1.13) |
| Dividend received from other long-term investment | (21.60) | (28.80) | (14.40) |
| Depreciation and amortization | 473.39 | 474.57 | 492.09 |
| (Reversal of) net impairment losses on financial assets | - | (0.14) | 0.01 |
| Employee benefit obligations | 56.06 | 43.47 | 109.82 |
| Loss from writing off of equipment | - | 1.46 | 1.92 |
| Loss from impairment of equipment | 0.63 | - | - |
| Interest income | (1.95) | (2.96) | (4.26) |
| Interest expense and financial charges | 35.05 | 43.04 | 52.23 |
| Reversal from diminution in value of inventories | (0.63) | (5.47) | - |
| Gain on lease liabilities adjustment | - | (0.28) | - |
| Gain on sale available-for-sale investments | - | - | (0.13) |
| Gain on disposal of plant and equipment | 0.58 | (0.04) | (0.39) |
| Provision from additional surcharge | - | 16.29 | - |
| Loss from diminution in value of Idle asset held for sale | 81.00 | 117.00 | - |
| | 3,221.13 | 1,334.91 | 746.35 |
| Trade and other receivables | (1,303.88) | (470.74) | 28.19 |
| Inventories | (985.18) | (938.25) | 636.45 |
| Other current assets and other non-current assets | (2.74) | 66.44 | 14.25 |
| Trade and other payables | 108.31 | 674.38 | (178.67) |
| Other current liabilities and other non-current liabilities | (4.39) | 4.21 | (7.49) |
| Employee benefit obligations paid | (18.77) | (24.74) | (11.95) |
| Income tax paid - net | (12.27) | (113.12) | (34.94) |
| Interest paid | (35.67) | (45.79) | (53.65) |
| Net cash generated from operating activities | 966.54 | 487.30 | 1,138.54 |
| Cash flows from investing activities | | | |
| Dividend income | 21.60 | 28.80 | 14.40 |
| Interest income | 1.79 | 3.13 | 4.67 |
| Proceeds from sale of property and equipment | 0.44 | 0.03 | 0.40 |
| Proceeds from sales of available for sales investment | - | - | 0.13 |
| Purchase of intangible assets | (3.71) | (1.06) | (10.66) |
| Purchase of property, plant and equipment | (207.20) | (89.31) | (234.83) |
| Net cash used in investing activities | (187.07) | (58.41) | (225.89) |
| Cash flows from financing activities | | | |
| Net repayments on short-term borrowings from financial institutions | (295.81) | (20.33) | (1,258.71) |
| Payments on lease liabilities | (39.46) | (35.02) | (3.71) |
| Net cash used in financing activities | (335.27) | (55.35) | (1,262.42) |
| Net increase (decrease) in cash and cash equivalents | 444.19 | 373.54 | (349.77) |
| Cash and cash equivalents at the beginning of the year | 950.54 | 577.00 | 926.77 |
| Cash and cash equivalents at the end of the year | 1,394.73 | 950.54 | 577.00 |

Financial Ratios

| | FY22 | FY21 | FY20 |
|---|-------|-------|-------|
| Liquidity ratio | | | |
| 1. Current ratio (times) | 4.34 | 2.63 | 2.72 |
| 2. Quick ratio (times) | 1.98 | 0.96 | 0.85 |
| 3. Accounts receivable turnover ratio (times) | 18.52 | 25.34 | 31.53 |
| 4. Average collection period (days) | 20 | 14 | 12 |
| 5. Inventory turnover ratio (times) | 7.37 | 6.87 | 6.80 |
| 6. Days Sales in Inventory (days) | 50 | 53 | 54 |
| 7. Accounts Payable Turnover Ratio (times) | 33.15 | 30.67 | 36.26 |
| 8. Average Payment Period (days) | 11 | 12 | 10 |
| 9. Cash Cycle (days) | 59 | 55 | 56 |
| Efficiency ratio | | | |
| 10. Fixed asset turnover ratio (times) | 13.06 | 8.03 | 6.63 |
| 11. Total asset turnover ratio (times) | 2.29 | 1.86 | 1.76 |
| Debt Management ratio | | | |
| 12. Debt to Asset ratio (%) | 18.80 | 24.00 | 16.61 |
| 13. Debt to Equity ratio (times) | 0.23 | 0.32 | 0.20 |
| 14. EBITDA Coverage ratio (times) | 90.95 | 30.67 | 13.77 |
| Profitability ratio | | | |
| 15. Net Profit Margin (%) | 7.98 | 2.85 | 0.23 |
| 16. Return on assets (%) | 18.29 | 5.29 | 0.41 |
| 17. Return on equity (%) | 23.18 | 6.66 | 0.52 |
| 18. Gross profit margin (%) | 10.69 | 6.74 | 3.71 |
| 19. Operating profit margin (%) | 8.07 | 3.30 | 0.80 |

- Current ratio : Current Assets / Current Liabilities
- Quick ratio : [Cash&cash equivalents+Temporary investment+Average Trade receivable] / Current Liabilities
- Accounts receivable turnover ratio : Turnover / Average Trade receivable (Turnover : Revenue from sales and related services)
- Average collection period : 365 days / Accounts receivable turnover ratio
- Inventory turnover ratio : Cost of sales and related services / Average Inventory
- Days Sales in Inventory : 365 days / Inventory Turnover Ratio
- Accounts Payable Turnover Ratio : Cost of sales and related services / Trade Payable (average)
- Average Payment Period : 365 days / Accounts Payable Turnover Ratio
- Cash Cycle : Days Sales in Inventory + Average Collection Period - Average Payment Period
- Fixed asset turnover ratio : Total Revenues / Average Net Fixed Assets (Total Revenues : Revenue from sales and related services + Other income)
(Net Fixed Assets : Property, plant and equipment + Intangible)
- Total asset turnover ratio : Total Revenues / Total Assets (average)
- Debt to Assets ratio : Total Liabilities / Total Assets
- Debt to Equity ratio : Total Liabilities / Total Attributions to Owners of the Parent Company
- EBITDA Coverage Ratio : EBITDA / Finance costs (EBITDA : Profit before Finance Costs, Income Tax Expense, Depreciation, Amortization and Exceptional Items)
- Net Profit Margin : Profit (Loss) after tax / Total Revenues
- Return on assets : Profit (Loss) after tax / Total Assets (average)
- Return on equity : Profit (Loss) after tax / Average Attributions to Owners of the Parent Company
- Gross profit margin : [Revenue from sales and related services - Cost of sales and related services] / Net sales and related services
- Operating profit margin : Operating Income / Total Revenues (Operating Income : Profit before Finance Costs, Income Tax Expense [EBIT])



GENERAL INFORMATION AND OTHER IMPORTANT INFORMATION

Company's name

Tata Steel (Thailand) Public Company Limited
(Formerly known as Millennium Steel Public Company Limited or "MS")

Registration No.

0107545000136

Business Type

Manufacturer and distributor of long steel products

Securities Trading Symbol

TSTH

ISIN Number

| | |
|---------|--------------|
| Local | TH0692010000 |
| Foreign | TH0692010018 |
| NVDR | TH0692010R12 |

Established

July 12, 2002

Listing Date

November 29, 2002

Trading Date

December 18, 2002

Head Office

555 Rasa Tower 2, 20th Floor, Phaholyothin Road,
Chatuchak, Bangkok 10900, Thailand
Telephone : +66 2937 1000
Fax : +66 2937 1224
Website : <https://www.tatasteelthailand.com>

Ordinary Shares

8,421,540,848 shares

Paid Up Capital

8,421,540,848 Baht

Par Value

1.00 Baht per share

Registrar

Thailand Securities Depository Company Limited
93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand
Tel : +66 2009 9000
Fax : +66 2009 9991
Email : SETContactCenter@set.or.th
<https://www.set.or.th/tsd>

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Email : alank@libertasth.com

Ethics Counselor

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Fax. +66 2937 1224
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Whistle Blower Channels

TCoC Helpline: Monday-Friday at 08.30-17.30 hrs.
(except Public Holiday)
1-800-292-777 (Toll Free) or 0-2677-2800
Email: tell@thailand-ethicsline.com
Post: TCoC Helpline Services, P.O. Box 2712,
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SUBSIDIARY PROFILE



Tata Steel Manufacturing (Thailand) Public Company Limited

(The Company's name changed from N.T.S. Steel Group Public Company Limited on August 27, 2020)

| | |
|---|-----------------------|
| Registration No. | 0107536001273 |
| Established | October 4, 1988 |
| Ordinary Share | 9,032,687,499 Shares |
| Paid Up Capital | 6,774,515,624.25 Baht |
| Par Value | 0.75 Baht per share |
| Held by Tata Steel (Thailand) Plc. | 99.90% |

The subsidiary operates with three manufacturing units.

| | |
|--------------------------------|---|
| 1. NTS Plant | |
| Business Type | Manufacturer of bars, rebars and wire rods |
| Steel Capacity (Billet) | 550,000 tons/year (EAF on scrap) |
| Rolling Capacity | 800,000 tons/year |
| Factory | No. 351, Moo 6, 331 Highway, Hemaraj Chonburi Industrial Estate, Bowin, Sriracha, Chonburi 20230 Tel. +66 3834 5355 Fax. +66 3834 5350 |

2. SCSC Plant

| | |
|--------------------------------|---|
| Business Type | Manufacturer of rebars |
| Steel Capacity (Billet) | 550,000 tons/year (EAF on scrap) |
| Rolling Capacity | 500,000 tons/year |
| Factory | No.1, I-7 Road, Map Ta Phut Industrial Estate, Amphur Muang, Rayong 21150 Tel. +66 3868 3968 Fax. +66 3868 3969 |



3. SISCO Plant

| | |
|--------------------------------|--|
| Business Type | Manufacturer of wire rods and small sections |
| Steel Capacity (Billet) | 300,000 tons/year (EAF on scrap) |
| Rolling Capacity | 400,000 tons/year |
| Factory | No. 49 Moo 11, Tambon Bang Khamode, Amphur Ban Mor, Saraburi 18270 Tel. +66 3628 8000 Fax. +66 3628 8002 |



Corporate Office

Rasa Tower 2, 20th Floor, 555 Phaholyothin Road, Chatuchak, Bangkok 10900, Thailand
Tel. +66 2937 1000 Fax. +66 2937 1224

Tata Steel (Thailand) Public Company Limited has merged the businesses of two of its subsidiaries, The Siam Construction Steel Company Limited and The Siam Iron and Steel (2001) Company Limited into Tata Steel Manufacturing (Thailand) Public Company Limited to form one operating subsidiary using the Entire Business Transfer (EBT) method. The EBT process has been completed on December 31, 2020. Consequently, the following two subsidiaries are currently under the dissolution process.

The Siam Construction Steel Company Limited

| | |
|-------------------------|-----------------|
| Registration No. | 0105532094348 |
| Established | October 4, 1989 |

The Siam Iron and Steel (2001) Company Limited

| | |
|-------------------------|-------------------|
| Registration No. | 0105544085276 |
| Established | September 3, 2001 |



LEGAL DISPUTE



As of March 31, 2022, the Company and its subsidiary namely, Tata Steel Manufacturing (Thailand) Public Company Limited had:

- 1) No legal dispute or lawsuits, either as a plaintiff or defender, which may have adverse impact to the assets of the Company or its subsidiary in the amount exceeding 5% of the shareholders' equity.
- 2) No legal dispute or lawsuits, either as a plaintiff or defender, which may have material effect to the operations of business of the Company or its subsidiary.
- 3) No legal dispute or lawsuits, either as a plaintiff or defender, arising from other than the normal operation of the business of the Company and its subsidiary.



2

Corporate Governance



CORPORATE GOVERNANCE

Corporate Governance Policy

The Company is committed to conduct business with conscience to all groups of stakeholders as mirrored in its compliance with the principles of good corporate governance as recommended by the Stock Exchange of Thailand, notifications of the Office of the Securities and Exchange Commission, provisions of laws, and other regulations. The Company also aims at developing its business in accordance with or exceeding existing regulatory requirements, yet under the corporate governance directives of fairness and transparency for improvement of its practices to the international standard.

Accordingly, in addition to strictly conducting business transactions with the highest level of work ethics as established in the Tata Code of Conduct ("TCoC"), the Company has documented policy and principles of good corporate governance in the Company's "Good Corporate Governance Manual" since 2005. The same is constantly reviewed and updated to reflect the changes in the economic and business landscape. The contents include the principles and practices, responsibilities of the Company's Directors and committees, shareholders' rights and equitable treatment of shareholders, the role of stakeholders, internal control and risk management.

Furthermore, the Board of Directors has considered the implementation of Corporate Governance Code (CG Code) of the Securities and Exchange Commission to be appropriately deployed in the context of the company's business. The Company has reported CG Code compliance and other practices related to good corporate governance, details as appeared on the Page 109-118.

Other Committees

Structure of Committees

Currently the Board of Directors consists of eight members appropriate to the size of the Company, three of whom are Independent Directors as specified in the SEC and Company's regulation. The Company's Directors are knowledgeable and have extensive experience in the areas of law, accounting, finance and steel business. In order to balance of power for conducting business, the Company has defined that the Chairman, as the policy leader, and the President & CEO, as the leader of the business operation, will not be the same individual.

In addition, the Board of Directors has appointed four Committees to perform specific functions and propose to the Board of Directors for consideration and/or acknowledgement. These are the Audit & Risk Review Committee, Executive Committee, Corporate Governance, Nomination & Remuneration Committee and Corporate Social Responsibility & Sustainability Committee. These committees deliberate at regular intervals and submit their recommendations to the Board for further consideration.

List of members of each Committee and scope of authority appear under "Corporate Governance Structure".

Selection of the Directors and Executives

The Company follows a matrix of the desired capability/expertise mix of the Directors in the Board of Directors.

Composition of the Board of Directors

| Name of the Board of Directors | | | Educations and Experiences | | | | | | | | | |
|--------------------------------|---------------|--------------|-------------------------------|----------------|-------------|------------|---------|---|-------|-------------------|-----------------|---------------------|
| | | | Qualification on Independence | Woman Director | Engineering | Accounting | Finance | Internal Audit Internal Control Risk Management | Legal | Marketing & Sales | Human Resources | Business Management |
| 1 | Mr. Peeyush | Gupta | | | ✓ | | | | ✓ | | ✓ | |
| 2 | Mr. Alan | Kam | ✓ | | | ✓ | ✓ | | | | ✓ | |
| 3 | Mr. Hatasakdi | Na Pombejra | ✓ | | | | | ✓ | | | ✓ | |
| 4 | Ms. Anuttara | Panpothong | ✓ | ✓ | | ✓ | | | | ✓ | ✓ | |
| 5 | Mr. Taratorn | Premsoontorn | | | | ✓ | | | | | ✓ | ✓ |
| 6 | Mr. Sanjib | Nanda | | | ✓ | ✓ | | | | | ✓ | |
| 7 | Mr. Ashish | Anupam | | | ✓ | | | | ✓ | | ✓ | |
| 8 | Mr. Rajiv | Mangal | | | ✓ | | | | ✓ | | ✓ | |

The Corporate Governance, Nomination & Remuneration Committee is comprised of four Directors two of whom are Independent Directors and is chaired by an Independent Director. The Committee is responsible for the selection of Directors and top management, before proposing to the Board of Directors and/or the shareholders' meeting for election or appointment. The selection of the Directors is not only relying on the Committee's judgement but also need to be in line with the guidelines and principles approved by the Board of Directors. The Committee ensures that the qualifications of the selected Directors are in sync with the Company's business strategy. The Company also considers the list of Director available from (1) Recommendations from current Board members (2) Professional search firm and (3) The IOD director pool, while selecting Directors.

The selection of an Independent Director is discussed and agreed by the Corporate Governance, Nomination & Remuneration Committee. The Company's definition of "Independent Director" is in line with the guidelines specified by the SEC so that they can act independently suitable with specific nature of the Company.

Qualifications of Director

1. Possess the qualifications with no prohibited characteristics as specified in the Company's Articles of Association, the Public Company Limited Act and the Stock Exchange regulations.
2. Persons with capabilities, experiences and diversity of skills, knowledgeable, competent, leadership, varied perspectives, ethical, transparent and ability to express opinions independently.
3. Persons who can devote sufficient time to attend Board and Committee meetings to monitor Company's operation. Holding of Board positions in other companies should be limited to an appropriate numbers.
4. Persons who are not Directors, Executives, shareholders or partners with substantial shareholding of the similar or competitive business operations or business operations that may provoke conflict of interest with the Company.
5. For Director who is also the President, selection consideration would also base on past performance and result of appropriate evaluation.

Qualifications of Independent Director

1. Holding not over 0.5% of the total voting shares of the Company, parent company, subsidiary company, associate company or juristic person who may have conflicts with, including shares held by related persons.
2. No participation in the management nor being a staff, employee, salaried advisor, company secretary, person with controlling power, parent company, subsidiary, associate or juristic person who may have conflict with, and not having interest in such activities for the previous 24 months prior to appointment.
3. No kinship, marriage or legally registered as the father, mother, spouse brother/sisters and child, including child's spouse, with any executive, major shareholder, person with controlling power or person who will be nominated as executive or person with controlling power of the Company or subsidiary.

4. No business relationship with the Company, parent company, subsidiary, associate or juristic person who may have conflict with, in a way that may limit the exercise of independent judgement. This includes not being, or not having been a major shareholder, non-independent Director or Executive of an entity which have business relationship with the Company, parent company, subsidiary, associate or juristic person who may have conflict with, and not having direct or indirect interest in the following activities for the previous 24 months as follow.
 - 4.1 Transactions in the course of normal business operation such as merchandise sales, raw materials purchase or providing services value more than 3% of the Company tangible assets or within the period of 12 months.
 - 4.2 Transactions of renting or renting out of immovable properties.
 - 4.3 Transactions related to assets or services such as acquisition or disposition of assets, rights or providing or receiving services.
 - 4.4 Transactions related to granting or receiving financial assistance such as granting or receiving loans, guarantees or providing asset as collateral, including other similar practices which result in the obligation for debt repayment to other parties with value more than 3% of the net physical asset or more than Baht 20 million, whichever is the least within the period of 12 months. In case of transactions of granting or receiving financial assistance, debt obligation incurred during the period of one year prior to the date of business relationship of the same person should be accumulated.



5. Not being an auditor of the Company, parent company, subsidiary, associate or juristic person who may have conflict with, and not being major shareholder, non-Independent Director, Executive or managing partner of the auditing office whose auditor works in the Company, parent company, subsidiary, associate or juristic person who may have conflict with, and should have no interest in such characteristics for the previous 24 months.
6. Not being a professional service provider, including being a legal advisor or financial advisor who receives service fee of more than Baht two millions from the Company, parent company, subsidiary, associate or juristic person who may have conflict with. In case the professional service provider is the juristic person, it should include being a major shareholder, non-Independent Director, Executive or managing partner of such professional service provider and not having interest in such characteristics for the previous 24 months.
7. Not being a Director appointed as representative of the Company's Director, major shareholders or shareholders related to major shareholders.
8. Not having characteristics that would make independent expression of opinion about Company's operation impossible.
9. Capable of taking care of every shareholder's interest equally.
10. Capable of managing conflict of interest.
11. Be able to attend the Board of Directors' meeting to make decision on matters independently.
12. Possess the qualifications with no prohibited characteristics specified by the Company's Article of Association and regulations of the Public Company Limited Act and the SEC.
13. The age not younger than 21 years.

Retirement Age

The retirement age for the Independent Directors and Non-Executive Director would be 70 years. The retirement age for other Directors, Executive Directors and President & CEO would not be beyond the age of 60 years.

(1) Guideline and Voting Procedures

In case the election of Company's Director is proposed to the shareholders' meeting for consideration, it would proceed according to the guidelines and procedures specified in the Company's Article of Association such as shareholders will have one vote for each share held and in case of a tie, the Chairman of the meeting will have a deciding vote. However, for the election of Company's Director, voting for individual or multiple Directors may be applied but all voting rights equivalent to all the shares held must be exercised at one time and cannot be divided for various candidates.

In the event that a vacancy occurs due to any reason other than the retirement of a Director, the Board shall consider appointing a qualified person who is not prohibited by law to be a replacement Director at the following meeting, except where the remaining term of the vacancy is shorter than two months. The replacement Director shall serve the remaining term of the vacancy. The Board's resolution for replacement shall be three-fourths majority votes of remaining Directors.

(2) Selection of Directors and Executives

The Executive Committee makes initial selection for individuals to be appointed as the President & CEO and senior executives, by filtering qualified persons having knowledge, skills and experience beneficial to the Company. The candidates must have good understanding about business and be able to manage operations to achieve goal and targets formulated by the Board of Directors. The candidate will be further proposed to the Corporate Governance, Nomination & Remuneration Committee to be considered and then proposed for approval by the Board of Directors.

Corporate Governance of Subsidiary

As a Holding Company, the Board emphasizes on corporate governance of the Company in order to strongly protect the Company's interests as well as sustainability development. Since 2018, the Company has established a compliance unit under Department Manager - Legal Services and Regulatory Affairs to oversee that the operations complies appropriately with both legal and government regulations. The guidelines for corporate governance of the subsidiary are as follows:

1. Encourage them to adopt good corporate governance principles.
2. Appoints representative Directors and members of management to serve on the boards of subsidiary.
3. Oversees business operations through the appointed representative Directors, members of management and group-wide policies.
4. Considers key matters such as strategic directions, business plans, capital increases or decreases and divestment.
5. Monitors operating results via members of management, the Executive Committee, and the Board itself.



6. Monitors compliance with the rules and regulations regarding: related party transactions, acquisition and disposition of assets and adequate and timely disclosure of information. This also includes maintaining proper accounting records and preparing financial reports in accordance with all applicable laws and Financial Reporting Standards.
7. Assigns the Company's internal audit unit to conduct audits at the subsidiary and affiliates in order to ensure the adequacy and effectiveness of their internal control systems.

Use of Insider Information

The Company has developed its policies to monitor the use of insider information cautiously and efficiently. Written policies are specified in the Company's Corporate Governance Guideline, while other preventive measures have been fostered to ensure effective monitoring of insider information expected to be used by the Board of Directors and executives.

The Board of Directors and executives possess complete knowledge and understanding on the obligation in reporting the holding of the Company's securities, held by their spouses, minors, and themselves. The Board of Directors and executives are also required to report on the change of the holding of the Company's securities in compliance with the requirements and penal provisions of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), and the Capital Market Supervisory Board (CMSB).

In case where the Board of Directors and executives shall announce the possession and/or change of the holding of the Company's securities, the Company Secretary would help

summarize and collect the related information to be proposed to the Board of Directors' meeting for acknowledgement of details, which shall also be disclosed in the annual report.

Additionally, the Company has implemented adequate internal control measures to supervise the use of insider information complying with good corporate governance principles, while defining a policy to prohibit the use of insider information for personal gain (Abusive Self-Dealing), for instance, trading of insider information (Insider Trading), requesting the Board of Directors, executives, and employees related to the financial information of the Company and its subsidiary to sign for acknowledgement of the violation of trading of securities specified below:

1. The above-mentioned persons are prohibited to trade Company's securities within 2 (two) weeks prior to the disclosure of the Company's quarterly financial statements and annual financial statements and within 24 (twenty-four) hours following the disclosure of the said financial statements to the SET (Blackout Period).
2. In case of being the non-disclosed significant information which may have a direct impact on the prices of the Company's securities, the Board of Directors would prohibit the trading of the Company's securities until the 24-hour period is due as such information has already been released to the public.

Directors and executives are required to notify the Board of Directors of the trading of the Company's securities within a period of 1 (one) day prior to the actual trading date.

The report of direct and indirect securities holding of directors and managements including any changes during the year 2021-22 are as follows;

Report on Securities Holding of Directors and Executives

(As at March 31, 2022)

| No. | Name | Ordinary Shares (No. of Shares) | | | | | |
|--------------------|-------------------------------|---------------------------------|--------------------------|--|----------------------|--------------------------|--|
| | | Tata Steel (Thailand) Plc. | | | Affiliated Companies | | |
| | | Reporter | Spouse or Minor child | increase (decrease) in FY2021-22 (1 April 2021- 31 March 2022) | Reporter | Spouse or Minor child | increase (decrease) in FY2021-22 (1 April 2021- 31 March 2022) |
| Board of Directors | | | | | | | |
| 1. | Mr. Peeyush Gupta | - | - | - | - | - | - |
| 2. | Mr. Alan Kam | - | - | - | - | - | - |
| 3. | Mr. Hatasakdi Na Pombejra | - | - | - | - | - | - |
| 4. | Ms. Anuttara Panpothong | - | - | - | - | - | - |
| 5. | Mr. Taratorn Premsoontorn | - | - | - | - | - | - |
| 6. | Mr. Sanjib Nanda | - | - | - | 475 ^(a) | - | - |
| 7. | Mr. Ashish Anupam | - | - | - | - | - | - |
| 8. | Mr. Rajiv Mangal | - | - | - | - | - | - |
| Executives | | | | | | | |
| 9. | Mr. Wanlert Kanwivat | - | - | - | - | - | - |
| 10. | Mr. Jayanta Chakraborty | - | - | - | - | - | - |
| 11. | Mr. Sirorote Matemasak | - | 220,000 | - | - | - | - |
| 12. | Mr. Paitoon Chuesook | - | - | - | - | - | - |
| 13. | Mr. Chaichalerm Bunyanuwat | - | - | - | - | - | - |
| 14. | Mr. Amit Khanna | - | - | - | - | 489 ^(a) | - |
| 15. | Mr. Pornchai Tangworrakulchai | - | - | - | - | - | - |
| 16. | Mr. Sakchai Loyfakhajohn | - | - | - | - | - | - |
| 17. | Mr. Rungroth Lert-a-rom | - | - | - | - | - | - |

- Remarks:**
1. Tata Steel (Thailand) Plc. has 8,421,540,848 Ordinary shares. The total Registered and Paid-up Capital are 8,421,540,848 Baht.
 2. As per the Public Limited Companies Act, "Affiliated Company" means a public company limited related to one or many of private company (ies) or public company (ies) limited with the following characteristics:
 - A company has the power to control the election and removal of directors who have power to manage the whole or majority of the other company.
 - One company holds the shares in the other company more than 50% of the issued shares.
 3. "Management" means directors, managers or the first 4 persons in the management level next below the manager, all persons who hold positions equivalent to the fourth person in the management, and including persons who hold positions in management level in the lines of Accounting or Finance at the level of department manager up or equivalent, according to the notification of SEC "Kor Jor 17/2551"
 4. (a) Tata Steel Limited share with Face value of Rs.10/- each



Compliance with Good Corporate Governance Principles in Other Matters

The Company follows the principles of good corporate governance for listed companies issued by SET. The Company also follows the OECD (Organisation for Economic Co-operation and Development) Principles of Corporate Governance. It comprises of five relevant principles and practices; (1) shareholders' right, (2) equitable treatment of shareholders, (3) role of stakeholders, (4) disclosure and transparency and (5) responsibilities of the Board of Directors. The Company incorporated this in its "Good Corporate Governance Policy" to improve the practices standard. The principles were adapted for appropriate use in relation to Company's circumstances and have been reviewed and improved to make it up-to-date and correspond to the ever changing situation.

In the year 2021, the Company maintained rating in the Corporate Governance evaluation from Thai Institute of Directors (IOD) in collaboration with the Stock Exchange of Thailand in "Excellence" category reflecting the continuous improvement on corporate governance.

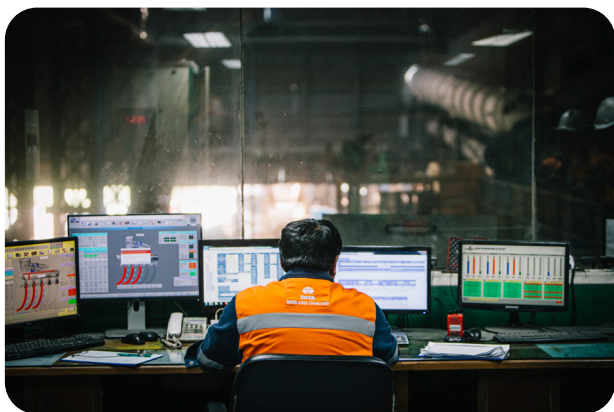
The implementation of Company's corporate governance report according to the five principles of OECD during the year 2021-22 is as follows:

Category I

Shareholders' Rights

The Company emphasizes and respects the rights of every individual shareholder in playing a key role in financing the Company. In doing so, every shareholder is encouraged to make maximum use of their rights in protecting the Company's overall interest, and refrain from doing any action that may diminish the rights of the shareholders which can be summarized as follows:

1. **Basic rights** include registering as a shareholder of the Company, buying or selling shares and receiving dividends equally, receiving sufficient Company newsletters and information. These may include changes in the structure of the capital, changes in the control of the Company's important assets, buy or sell as well as being equally entitled to share buybacks.
2. **The right to vote in shareholder meetings.** This means using their rights to vote for a director, fixing the director's remuneration, the allocation of profits and dividends, the appointment of the Company's auditor and fixing the auditor's fees, changes to the Memorandum of Associations and the Articles of Association, increasing or decreasing the Company's registered capital, and important transaction approvals that affects the business direction.



3. **Other rights as stated by law.** In addition to supporting and encouraging the use of the rights stated above, the Company also facilitates the rights of every shareholder in attending the shareholder's meetings. The policies that create ease for shareholders to attend shareholders' meetings are as follows:

- An easy process to attend shareholders meeting with minimum expenses.
- Setting a location that is convenient and can be reached through public transport.
- Providing a description of the documentation required to attend the meetings.
- Providing experienced personnel with the appropriate facilities in validating and registering the shareholder's attendance.
- Providing the opportunity for shareholders who are not able to attend the meeting in person to nominate a representative to attend the meeting. This means nominating their own representative or nominating an Independent Director of the Company as their proxies. This is an easy process as a result of the documents required to attend the meeting be sent out in advance to the shareholders to reduce the time required to check their documents before attending the meeting.
- Providing a stamp duty on the document that nominates a representative to attend the shareholders meeting in the event that such document did not already have a stamp duty.
- Applying Barcode system for registration process for quality registration procedure.
- Use QR Code in place of printed documents in order to access information more conveniently and promptly.
- Allowing shareholders to register their attendance 2 hours in advance prior to the meeting. Furthermore, after the meeting has started shareholders are able to register and vote on the agenda being considered.

The Corporate Secretary office facilitates and protects the rights of the shareholders. Shareholders can contact the Corporate Secretary Office on phone number 02 937 1000 Ext 3210 and 3156.

Category II

Equitable Treatment of Shareholders

The Company realizes its duty to look after the interest of every shareholder, whether it is the majority shareholder, institutional investor, foreign shareholder or minor shareholder by equitable treatments described as under:

Shareholders' meeting

Every year, the Company organizes a shareholders' meeting within four months from the end of the Company's financial year (within July). This meeting is the Annual General Meeting, while other meetings, if any, are called Extraordinary General Meeting. In the past financial year, no Extraordinary General Meetings was organized.

The Company is deeply concerned about health and safety of the Shareholders in view of the Covid-19 situation and decided to conduct the Annual General Meeting of Shareholders No. 20 through Electronic Meeting method (e-AGM) in accordance with the rules, procedures and conditions as stipulated by the laws without any Shareholder having to attend in person. Accordingly, in line with the measures of the Department of Disease Control, Ministry of Public Health, to reduce the risk from the outbreak and with regards to the health and safety of the Shareholders, the 2021 Annual General Meeting of Shareholders was conducted at 09:00 am on July 22, 2021 through electronics method. Those who were shareholders on the record date of May 24, 2021, were eligible to attend the meeting.

The Company has established a system and mechanism that allows an effective shareholders meeting. Information regarding the date, time, location, agenda, rules, and instructions to attend the meeting, the voting process, and agenda items were provided to the shareholders in advance. The Company did not undertake any action that would limit the shareholders' ability to receive such information or restrict the shareholders ability to attend the meeting.

The Company assigned The Thailand Securities Depository (TSD), the company's registrar, to process and deliver the notice of the meeting and relevant documents in both Thai and English to all shareholders 21 days prior to the meeting. The documents include:

1. Notice of Shareholders' meeting with clear details regarding the date, time, location and meeting agenda(s) for information/approval/consideration. The purpose and reasoning for each agenda, and the Board of Directors' opinion on each agenda item. This constitutes sufficient information for the decision of shareholders.
2. Proxy letter for the shareholders' meeting in the format as specified by the Ministry of Commerce both in the A format which is the easy and simple format to follow, or the B format that fully dictates each action as "Approved", "Disapproved", or "Abstained" for each agenda item. This proxy letter also allows the shareholders to vote for each director for appointment to the board.

3. Information about the Independent Directors that the Company has designated as proxies. These information include their name, age, address and their vested interest, if any, in the proposed agenda of the meeting.
4. The Company's Annual Report and Sustainability Report in both Thai and English in the form of a QR Code, as well as in paper form for the shareholders who notified the Company in advance of their desire to receive them in paper format.
5. Explanation about the documents that are required to be presented to attend the meeting.
6. Articles of association in connection with the Annual General Meeting.

In addition to this, the Company also:

1. Advertised the details of the Annual General Meeting through a Thai newspaper for 3 consecutive days and 3 days prior to the meeting
2. Notified via the Stock Exchange of Thailand's website (SETLink) that the shareholders' meeting information will be available via the Company website one month in advance so that the shareholders are able to stay informed about the meeting in a convenient and speedy manner. In addition to this, the shareholders will be able to study the necessary information in order to study most of the documents before providing by the Company
3. Distributed information via the Stock Exchange of Thailand's website (SETLink) to inform shareholders that they are able to submit questions regarding the meeting agenda in advance
4. The shareholders are able to submit questions to the Board of Directors or individual Independent Directors through the Company's Secretariat Office for proposing to the Board of Directors to consider during the period June 15 – July 15, 2021.

Furthermore, the Company provided channel for submitting written questions in advance via registered mail to "Corporate Secretary Office", Rasa Tower 2, 20th Floor, 555 Phaholyothin Road, Chatuchak, Bangkok 10900 or email to cso@tatasteelthailand.com. Related questions to the Company's business were answered in the meeting and subsequently disclosed on the Company website.

Before the Meeting

The Company Secretary informs shareholders of the Articles of Association related to the meeting and meeting procedures such as voting procedures, vote counting procedures and announcement of the result.

During the Meeting

The presiding Chairman conducts the meeting transparently according to the announced agenda with no additional agenda for consideration other than those specified on the notification inviting shareholders to the Annual General Meeting. Appropriate and sufficient time is allotted for consideration of each agenda before voting. Shareholders are allowed to vote for election of individual Director and encouraged to provide comments, recommendations and ask questions freely.

The Company uses voting ballots for convenience of shareholders and arranges for an independent inspector (Third Party) to supervise voting and vote counting for transparency according to

law and Company's Articles of Association. Vote counting is done by computer. Only shareholders' voting ballots of 'Disapprove' or 'Abstain' are compiled for calculation by deducting from number of overall eligible shareholders who have the right to vote. Shareholders have one vote per one share. Results of the vote for each agenda are announced after resolving of each agenda item by slide projection. The meeting is also recorded on a video media.

After the Meeting

The Company announces the meeting resolutions (Approve, Disapprove or Abstain) through SET news network (SETLink) immediately after the meeting and prepares the meeting minutes within the period specified by law. The minutes record details such as

1. Names and positions of the attended Directors, Executives including related persons
2. Announcement of voting procedures and vote counting
3. Questions and answers, comments and recommendations
4. Meeting resolutions and voting result on each agenda, classified as Approve, Disapprove, Abstain and Voided Ballot.

There were 768 shareholders who attended the Annual General Meeting of the shareholders on July 22, 2021 through electronics method and through proxy. This represents 5,793,325,363 shares or 68.79% of the 8,421,540,848 issued shares. The Chairman as the representative of the Board, the Chairman of individual committees namely the Audit & Risk Review Committee, the Corporate Governance, Nomination & Remuneration Committee, the Corporate Social Responsibility & Sustainability Committee and all members of the Board of Directors, the company's executives, the Company's auditor, as well as the company's legal department attended the meeting.

Use of insider information

Details of the Company's policy and measures to prohibit the use of insider information for the benefit of Directors and Executives are under "Use of Insider Information" on Page 108.

There has been no incident of the use of insider information for the benefit of securities trading by the Directors or Management representatives during the previous year.

Report on stakeholders

The Company has specified that its Directors, Executives and related persons must declare their own interest in the form as defined by the Board of Directors. When there is any appointment as the Directors or Executives or changes in the report, the Company Secretary has been assigned to compile and present to Chairman of the Audit & Risk Review Committee and Chairman of the Board of Directors for acknowledgement of such reports. The Company would use such information to monitor and supervise transactions that may lead to conflict of interest such as connected transactions.

Connected Transactions

The Company has a clearly defined principle and procedure of the connected transactions and strictly complies with the regulation of the Securities and Exchanges Commission, Capital Market Supervisory Board and the Stock Exchange of Thailand in regard to the conflict of connected transactions. The Directors and Executives having interests and/or connection on a matter do not attend the meeting and vote on such matter.

For new connected transactions, its transaction size and value are taken into account, and submitted to the Audit & Risk Review Committee for consideration before further submission for endorsement by the Board of Directors.

Besides, the Audit & Risk Review Committee is entrusted to review connected transactions on a quarterly basis to avert possible conflicts of interest. Disclosure of connected transactions is provided in the notes to the audited financial statements.

In the previous year, the Company never acted against the regulations of the SET and SEC on Connected Transactions or acquisition/disposition of assets, including a transaction of providing financial assistance to non-subsiary.

Category III

Role of Stakeholders

Engagement of all relevant stakeholders of the Company's operations, both directly and indirectly, is the most important component to analyze and determine the sustainability framework of the company. Therefore, the Company recognizes the rights and benefits of all relevant stakeholders, not only the statutory rights, but also includes mutual agreements by responsible for both internal and external stakeholders who are effected in term of sustainability with strict fairness. Key issues are communicated and stakeholder's engagement mechanisms are developed regularly.

The Company focuses on the stakeholders' engagement that effects Company's performance. The guidelines and responsibilities of each group of stakeholders are:

Shareholders

The Company is committed to create maximum benefits and maximize value for the shareholders sustainably and fairly. The operations of the Company are performed in line with corporate governance and vision of the Company. The Company is also committed to provide correct and complete information about the Company's business in accordance with the relevant regulations and agreements.

Employees

The Company recognizes that employees are the backbone for achieving the organisational goals. Accordingly, emphasis is placed in providing equal opportunities for all employees without discrimination against any social status, nationality, caste, religion, family, marital status, gender, sexual orientation, age, nationality and ethnicity. The remuneration and welfare of the employees, the quality of life of the employees and their families are enhanced and comparable to other leading companies. Provident Fund is applied as an instrument to motivate employees and to maintain long-term employee retention by providing a consistent savings as a guarantee for the life after retirement.

There is also a focus on safety, health and environment for all employees. Training and staff development at all levels is considered as an important factor in the journey towards sustainable development.

Customers

The Company has adopted "customer centricity" to ensure that the products and services delivered to the customers meet their needs and maximize customer satisfaction. The Company continues to improve the quality of products and services in terms of both quality standards and fair prices to satisfy the diversified needs of the customers. The Company has channels for receiving complaints, including return policy, if there any unqualified product is found. The Company maintains client confidentiality and does not use customer data to generate undue benefits.

Partners

The Company and its subsidiary have a clear policy and framework based on the TATA Code of Conduct (TCoC) for its business implementation with transparency and equitability in dealing with all partners. Compliance with the fair commercial competition framework and TCoC, maintain payment standard by close monitoring of payment status help to build good and long-term relationship with business partners. The Code covers joint operations between the Company and its partners, for instance, regular trainings on safety have been extended to transport contractors.

Competitors

The Company strives to operate with integrity and comply with the rules of fair competition. The Company does not use unfair or misleading information about the products or services of any competitors. The Company also cooperates with its competitors to create fair competition conditions.

Creditors

The Company carefully and strictly complies with the conditions and requirements of both trade creditors, lenders and makes timely payment. The Company also provides information with accuracy, transparency, equity and fairness to the creditors throughout the liable period.

Community and Society

The Company is committed to operate with carrying out business by being a good corporate citizenship. The corporate social responsibility is set as framework for operation to all levels of employees to perform to be conscious of the social responsibility throughout the process (CSR in Process), together with carry out business under the responsibility of community and society (CSR after Process). The Company also supports for community development and quality of life through activities in various forms to build sustainable cooperation and relationship with the community.

The Company focuses on environmental protection, rigorously and continuously throughout, in order to maintain good environment forever with the implementation and strict compliance in all production processes and all work procedures including compliance with strict environmental laws and regulations. TSTH Group has committed to make a significant leadership role in "Climate Change" as a result of global warming. "Green Process" (eco-friendly business operations) is applied in all stages of the organization's core business operations. The Company rapidly and effectively responses to the situation effected environment and community from the Company's operations by fully cooperating with the government, external agencies and relevant community.

Government authorities

The Company operates in compliance with the law. All employees are required to strictly abide by the laws and regulations of government agencies.

Media & Reporters

The Company gives importance to the disclosures in the media and ensures that the communications to the public are shared correctly, completely, transparently and with up to date information.

Code of Ethics

All employees adhere to the Company's Code of Conduct issued under the "Tata Code of Conduct (TCoC)" which defines guidelines and practices related to ethical business conduct with all stakeholders. Measures and channels for stakeholders to communicate/inform on unethical conducts are clearly spelt out along with process to protect the informant under the "Whistle Blower Policy" for Directors, Employees, Customers, Suppliers and other Stakeholders of Tata Steel (Thailand) Public Company Limited Group.

The Company has a well laid down system to address ethical issues through the team of ethics coordinators and counsellor. All stakeholders can suggest/ report/ appeal on the above Code of Conduct in person/ by letter/ Email/ telephone/ fax by contacting the Chairman of the Audit & Risk Review Committee or the Ethics Counselor, details of whom are as given below:

Chairman of the Audit & Risk Review Committee

Mr. Alan Kam

Email address: alank@libertasth.com

Ethics Counselor

Mr. Sirorote Matemanosak

Tata Steel (Thailand) Public Company Limited
Rasa Tower 2, 20th Floor,
555 Phaholyothin Road, Chatuchak, Bangkok 10900
Tel. : +66 2937 1000 ext. 1810
Fax : +66 2937 1224
Email address: sirorotem@tatasteelthailand.com

Apart from the above, the Company provides a TCoC Helpline. The Helpline is a third-party who is independent of Tata Steel (Thailand) group. There are experts in taking notes of the violated ethics concerns reported and notified by employees, contractors or suppliers. The service is completely confidential.

Workplace Safety

The safety and occupational health responsibilities of the Company are driven by the commitment to ensure zero harm to people we work with and society at large and are integral to the way we do business. The Company has a clear and concrete policy pertaining to the workplace safety and sanitation which is posted on the website of the company.

The Company is driven by the following Safety Principles:

- Safety is line management responsibility.
- All injuries can be prevented.
- Felt concern and care for the employee on "24 hours safety" shall be demonstrated by Leaders.
- Employees shall be trained to work safely.
- Working safely shall be condition of employment.
- Every job shall be assessed for the risk involved and shall be carried out as per authorized procedures/ checklist/ work permit and using necessary work permit and personal protective equipment.

The Company is also committed to continual improvement in the safety & occupational health performance and accordingly, sets objective-targets, develop, implement and maintain management standards and systems, and go beyond compliance of the industry standard, legal and other requirements.

The safety & occupational health performance during the last three years is shown in the following table:

| Content | Unit | FY22 | FY21 | FY20 |
|-----------------------------------|-----------------------|------|------|------|
| Lost time injuries frequency rate | Case/million man-hour | 0.63 | 0.21 | 0.00 |
| Health Index | Index | 10.0 | 10.5 | 10.9 |

Category IV

Disclosure and Transparency

The Company has always recognized the importance of taking responsibilities in disclosing the Company's financial and non-financial information to foster greater investment decision, transparency and accountability as well as the highest benefits of shareholders, investors, analysts, and stakeholders. Such information are accurate and complete, creating no misunderstanding or misinterpretation. Also, such information are up-to-date and timely as specified by the Securities and Exchange Commission (SEC) and relevant agencies.

The Management is responsible for the communication and disclosure of important information in accordance with the requirements of both periodic and non-periodic reports. The periodic report includes financial statements, annual statements (Form 56-1) and annual report (Form 56-2), while the non-periodic report involves disclosures, if any, relating to asset acquisition and disposal, participation and cancelation of joint venture, increase and decrease of investment capital, issuance of new securities, and buy-back of shares.

The Company has established the Corporate Secretary Office to serve as the Company's information disclosure center for both normal situations and urgent cases. Samples of information are described as follows:

1. Financial and non-financial information with complete, accurate, and unbiased details both in Thai and English languages complying with the SET's news system (www.set.or.th) / the Company's website (www.tatasteelthailand.com).
2. Management Discussion & Analysis of financial status and overall performance of each quarter (the SET's news system (www.set.or.th) / the Company's website (www.tatasteelthailand.com), newspaper.
3. The up-to-date shareholding structure with complete details of the proportion of major and minor shareholders. The structure can unveil the information of the Beneficial Owner as well as the shareholding information of the Board of Directors and executives. None of all Directors have shareholding of the Company (annual report / the Company's website (www.tatasteelthailand.com)).

4. The information in the annual report are disclosed clearly and completely for the benefits of shareholders' decision making, for instance, Management Discussion and Analysis on financial status and operating performance, industry overview and competition, business risk, profile of the Board of Directors and executives, remuneration of the Board of Directors and senior executives, and the Board of Directors' meeting attendance etc., the Company's website (www.tatasteelthailand.com).
5. Financial statements in accordance with generally accepted accounting principles audited by an independent auditor, qualified and approved by the Securities and Exchange Commission (SEC). In the past the Company did not delay the submission of quarterly and annually financial statements to the Stock Exchange of Thailand (SET) and the SEC (the SET's news system (www.set.or.th) / the Company's website (www.tatasteelthailand.com)).
6. The information on related party transactions (if any).

In addition to the disclosure of information specified by the Securities Exchange Commission (SEC), the Securities Exchange of Thailand (SET), and relevant authorities, the Company has assigned its President & CEO as "Speaker" to communicate on the Company's information to the public, while assigning the Company Secretary to manage the overall function of Investor Relation by being responsible for the communication and coordination with the external stakeholders i.e. shareholders, institutional shareholders, investors, analysts, and other related agencies. The Company provides convenient channels for accessing the Company's information such as disseminating company information in both Thai and English via the Company's website www.tatasteelthailand.com in relation to business operations, financial statements, press releases, shareholding structure, organisational structure, business group structure, information of the Board and Managements, Investor Relations, regulations and corporate governance including downloadable information such as annual report, notice of the shareholders' meeting and minutes of the shareholders' meeting, etc. This policy has been developed to strengthen investors' understanding and confidence towards the Company.

Furthermore, after quarterly and annual financial performance is disclosed to SET, the Company conducts quarterly Press conference to disseminate its operational performances and movement of steel business to the public via the Company's website www.tatasteelthailand.com.



Category V

Responsibilities of the Board of Directors

The Company has specified roles and responsibilities of the Board of Directors to ensure they can perform their duties based on integrity, carefulness, and circumspection with the objective to provide all shareholders with equitable treatment and create mutual confidence between shareholders and the Company. The Company's management system complying with good corporate governance principles has been implemented to ensure honest, reasonable, and independent supervision and operations under the legal framework and business ethics aiming for greater performances of the Board of Directors, particularly to maximize benefits for all stakeholders.

Structure of the Board

The Company has remained firm in checking and balancing the management principles (check and balance), while emphasizing clearly on the Board diversity strategy. The Board of Directors comprises of qualified persons with appropriate knowledge, ability, experience, professionalism, gender diversity (at least one woman Director), and leadership backed by organisational management skills and perspectives strictly committing to time and efforts for functioning and responding for the position of Director, who can express freely and independently to benefit the Company's business operations. Committees are also appointed to consider specific matters leading to appropriate decision making in compliance with corporate governance principles.

In addition, the Board of Directors has also appointed a qualified and experienced Company Secretary to be responsible for secretarial matters in accordance with the provisions of "Management Structure".

Duties, Roles, and Responsibilities of the Board of Directors

The Board of Directors shall devote time and effort for the Company and would never seek personal gain or be involved in any conflict of interest deemed to have competed with business operations of the Company and its subsidiary. The ultimate goal is to keep the business stable for the balanced and sustainable benefits of all stakeholders, while being able to increase the shareholders' value in the long run, conforming to the Company's vision and goal.

The Board of Directors is responsible for defining the Company's visions, missions, management strategies, long-term plans, and annual budgets by delegating the Management to propose the aforementioned matters to the Board of Directors, which would be discussed fully and mutually based on cautiousness, honesty, and accountability aiming for greater business efficiency.

During the financial year 2021-22, the Board of Directors has reviewed and approved the Company's vision, mission, policies, long term plan strategies,

annual budget including the Company's operations, risk management and budget allocation plans, while evaluating the overall performance of the Company and its committees on a quarterly basis. The Directors have also reviewed the strategies, objectives and annual budgets. The Board of Directors monitors the implementation of the Company strategy through the performance of the Company on quarterly basis. Furthermore, the Company has developed effective monitoring and supervision measures for senior executives to review, improve, and develop the Company's risk management, internal control, and audit systems in line with diversified circumstances, while being able to oversee and develop corporate governance principles to align with internationally accepted standards.

Authority of the Board of Directors

1. Approve annual business plan, annual investment plan, mid-term or long-term plan
2. Approve short/long term loan from banks/financial institutions, placing collateral as loan guarantee, signing on approved loan agreement or cancellation of loan term
3. Approve open/close bank accounts
4. Approve to use/change to accounting principle, or update/change to schedule of depreciation rate
5. Approve financial statements and allocation of accumulated profit
6. Approve purchase, sell, exchange, mortgage, sale with right of redemption, lease, rent, or let of land and buildings which the book value is not be over than 50 Million Baht
7. Approve selling tangible and other assets (excluding land and building)
8. Approve HR concerning matter in organisational structure, HR planning, nomination and recruitment of senior executive and budgeting for annual raises and bonus
9. Approve joint-venture, stock investment
10. Approve matters submitted to AGM
11. Board may not approve or decide on the following issues unless acknowledged by the majority of the attending Directors in the meeting of the Company/ or Subsidiary:
 - 11.1 Any loan exceeding Baht 50 million and not in the Group's annual budget.
 - 11.2 Granting loans, collaterals, indemnifications, guarantees, letters of support or commitments to any persons and not in the Group's annual budget.
 - 11.3 Any investments exceeding Baht 50 million and not in the Group's annual budget.
 - 11.4 Sales, transfers, rent out or permissions related to any properties or assets with the book value exceeding Baht 50 million and not in the group's annual budget.
 - 11.5 Approvals or amendments of the Group's annual budget.
 - 11.6 Any transactions with connected parties not regarding as normal business operation.
 - 11.7 Any Changing of the accounting policy, approval of the annual consolidated financial statements, annual separate financial statements and quarterly group financial statements.
 - 11.8 Any changes related to the Group's business operation or termination of any business operation.

Duties of Chairman of the Board of Directors

The primary function of the Chairman of the Board of Directors is to lead and manage the Board. The Chairman is responsible for all implementations of the Board and act as a direct liaison between the Board of Directors and the Management through the President & CEO of the Company. Also, the Chairman is expected to disseminate the Board's resolutions to all parties involved, ensuring that all requirements are implemented in the most productive and appropriate way.

With different responsibilities between the Chairman as a policy leader and the President & CEO as a leader of corporate management, the Company has determined to separate the roles and responsibilities between the Chairman and the President & CEO clearly. Accordingly, the Chairman would remain independent of the management and be involved in no business benefit or relationship that may possibly hinder his independent discretion.

Significant roles and responsibilities of the Chairman are as follows:

1. Guiding the Board to ensure its effective functioning.
2. Providing the President & CEO with independent advices.
3. Consulting with the President & CEO, and Company Secretary to propose meeting agendas.
4. Encouraging all members of the Board of Directors to freely debate issues, raise inquiries, and express productive opinions during meetings.
5. Fostering constructive relationship for members of the Board of Directors and the Management.
6. Ensuring effective communication with all shareholders.

The Audit & Risk Review Committee

The Audit Committee was first appointed by the Board in the year 2002. Currently it consists of three Independent Directors. The Audit Committee has been renamed as Audit & Risk Review Committee at the Board of Directors meeting held on April 20, 2021.

Mr. Alan Kam, Chairman of the Audit & Risk Review Committee, has extensive experience in the area of accounting and finance including reviewing the reliability of financial statements.

The Audit & Risk Review Committee has the duty to review the correctness of the financial statements and review the operations to be in compliance with the policy and Company's regulations, along with the laws, regulations and guidelines of the supervisory agencies responsible for developing financial and accounting system to be in line with international standards. It reviews the Company's risk management system and monitors the overall risk management framework of the Company. The review ensures that the Company has internal control system, internal audit system and risk management system which are concise, appropriate, up-to-date and efficient.

The Board has authorized the Audit & Risk Review Committee to express its opinion independently. Since 2009, the Board of Directors appointed an Internal Audit team within the Company that reports directly to the Audit & Risk Review Committee. When needed, the Audit & Risk Review Committee may seek an external independent advisory at the Company's expenses.

The Executive Committee

The Executive Committee was appointed by the Board in the year 2002. It consists of four Directors with the responsibility to supervise the Company's operation as assigned by the Board of Directors which includes refinement of policies and strategies along with sharing of best practices to correspond with the economic situation, consider and provide guidance on the business plan and annual budget allocation proposed by the management to the Board of Directors. It also has the duty to supervise, provide oversight and monitor the Company's operations to ensure its efficiency and appropriateness with the business situation to accomplish the objectives according to the policies and annual business plan as prescribed by the Board of Directors.

The Corporate Governance, Nomination & Remuneration Committee

The Board of Directors had established the Corporate Governance, Nomination Committee & the Remuneration Committee in the year 2004. Later on January 31, 2013, the Board of Directors approved merging of the two sub-committees to facilitate and streamline its working and reduce cost.

The Corporate Governance, Nomination & Remuneration Committee includes four members of the Board of Directors, half of these are independent directors and is chaired by an independent director. The Committee has the duty on corporate governance namely: to propose, review and supervise the functions of the Board of Directors and Executives in accordance with the Company's corporate governance guidelines; to consider selection process and recruit appropriate person for nomination as Director or President & CEO or replacement of the Director who retires by rotation or in other cases. It has also the duty of consider remuneration e.g. to study, consider and monitor the change and trend of the remuneration of the Board of Directors, Members of Committees, President & CEO and the senior management of the Company.

The Corporate Social Responsibility & Sustainability Committee

As a responsible corporate citizen, the Company has increased emphasis on long term sustainability and in accordance with the guidelines from Tata Group. The Board of Directors, by the consideration of the Corporate Governance, Nomination & Remuneration Committee, established Corporate Social Responsibility & Sustainability Committee in the year 2018.

The Corporate Social Responsibility & Sustainability Committee includes three members of the Board of Directors, and one of them being an Independent Director. The Chairman should be a Non-Executive Director. The Committee will assist the Board to formulate, monitor and review CSR strategy and policy of

the Company and the amount of expenditure to be incurred on CSR activities. The Committee will also guide the Management to formulate, implement and review policies, principles and practices to foster the sustainable growth of the Company that creates value consistent with the long-term preservation and enhancement of financial, manufactured, natural, social, human and intellectual capitals.

Terms of the Board of Directors and Committees

The term of office of each director shall be for three years, provided that at every Annual General Meeting of Shareholders, one-third of the directors retire. According to the Board of Directors policy, Directors have to jointly agree on the retiring sequence Director who retires will be re-elected. The term for Independent Directors shall not be over 10 years. The term of members of other Committees shall be equal to the tenure of the Director on the Board and the Director will vacate the Committee as soon as he/she steps down from the Board.

Serving on other Company Boards by Directors and President & CEO

The Company has a clear policy on maximum number of other listed companies allowed for each director to serve as the member of their boards. The Directors shall not serve more than five listed companies as the member of the boards. The President & CEO shall not serve in other listed companies except as a Director on the Board of other Tata Group Companies.

Currently the Board of Directors consists of four Thai directors and four foreign directors, of which five directors are residents in Thailand. None of the Thai directors are on the Boards of more than two listed companies in Thailand and none of the foreign directors are on the Board of any other listed company in Thailand. Each of the directors are capable to perform his/her duties and dedicate appropriate time and efforts for the company.

Since the President & CEO is an executive director, like other employees, he has to dedicate his full efforts for the Company according to the terms of the employment contract. He has not been appointed as a Director in any other listed company. Any association with other companies outside Thailand is declared in the resume included in the annual report.

Meeting of the Board of Directors

The Company schedules at least 5 (five) board meetings each year, where all members of the Board of Directors are informed in advance. Pre-circulated significant agendas are determined for each meeting, both for the Board of Directors and the Committees. The Company is also required to make a follow-up action on each implementation and its outcomes, while being prepared to call any ad-hoc meeting in case of specific requirement. For each meeting, the invitation letter as well as agenda and supportive documents are delivered to all the members of the Board of Directors at least 7 (seven) days prior to the actual meeting date.

For each meeting, in addition to the quorum required by law, there shall be at least half of the total number of the Board of Directors attending the meeting. The Company has also set a minimum quorum policy for the Board of Directors' voting, requiring at least two-thirds of the total number of the Board Directors to be in line with good corporate governance principles. Meanwhile, the Chairman presiding over the meeting would provide the Board of Directors with an opportunity to express their opinions freely and independently, with sufficient time allocated for discussion in the meeting. Each agenda would be discussed based on the fairness and benefits of all shareholders and stakeholders. For the resolution of each agenda, the majority vote would be adopted, where 1 (one) member of the Board of Directors would be eligible to cast 1 (one) vote. In case of equal votes, the Chairman of the meeting would be required to cast his final vote. However, any member of the Board of Directors having an interest in a discussing agenda would not be allowed to attend the meeting.

After the meeting, all agendas are recorded clearly in a written form, with significant details including the list of members of the Board of Directors attending the meeting, members of the Board of Directors not participating in the meeting, participants in the meeting, and feedbacks and comments on different agendas. The draft of minutes is circulated to all members through e-mail and is proposed for approval in the next meetings. Directors can add comments for completion and correctness before it is put up for the signature of the Chairman.

During 2021-22, the Company has held 6 (six) board meetings, all of which were attended by 7 Directors and 1 Directors attended 4 meetings. The attendance proportion of Directors was 95.83% of the whole year meetings (including attendance of meetings through electronics media). The management team is present for the meetings on a regular basis, as part of the strategy to provide further information for those who directly encounter problems, where the Board of Directors' policies and decisions can be acknowledged immediately to stimulate greater operational effectiveness. However, in some cases, only the Board of Directors or non-executive directors would be required to attend certain meetings to ensure genuine independence in making decisions and expressing opinions. Additionally, non-executive directors hold further discussion outside the meeting requirements on a quarterly basis.

The summary of the total number of meetings and attendance of the Board of Directors during 2021-22 is detailed in the section on "Corporate Governance Structure".

Performance Evaluation of the Directors

According to the good Corporate Governance, the Board of Directors require the Directors and Committees to evaluation the performance annually to ensure that the Directors' performance is effective and fair toward all Stakeholders. The evaluations are both as a whole Board and as individual. The Board of Directors regard that the evaluation would be the tool to help considering the result of the performance including the obstacle during the past year. The result will be analyzed and considered to find the conclusive standard for further development.

During 2021-22, the Board's performance evaluation is consider from 1) Self-assessment form of the entire Board 2) Self-assessment form of committees which consists of 3 committees; 2.1) the Audit & Risk Review Committee 2.2) the Corporate Governance, Nomination & Remuneration Committee and 2.3) the Corporate Social Responsibility & Sustainability Committee 3) Individual Assessment form of the Board and committees. The assessment criteria are as follows;

| Assessment criteria | Board | Committees | Individual |
|--|-------|------------|------------|
| 1 Structure and Characteristics of the Board | / | / | / |
| 2 Roles and Responsibilities of the Board | / | / | / |
| 3 Board Meetings | / | / | / |
| 4 Relationship with Management | / | X | X |
| 5 Self-development of Directors and Management's development | / | X | X |

The details of the performance evaluation process of the Board, committees and individual directors, are as follow;

1. The Corporate Governance, Nomination & Remuneration Committee considers and reviews the performance evaluation for completion, correction and proposes to the Board of Directors for approval to use the assessment forms.
2. The Company Secretary circulates the assessment forms, duly approved by the Board of Directors, to all directors and compiles the result and comments of the performance evaluation.
3. The Company Secretary concludes the result of the evaluation and proposes to the Board of Directors through the Corporate Governance, Nomination & Remuneration Committee scrutinized for further development.

The level of performance evaluation of the Board and committees can be divided into 6 groups which are;

| Score | Rating |
|--------|--------------|
| 90-100 | Excellent |
| 80-89 | Very good |
| 70-79 | Good |
| 60-69 | Satisfactory |
| 50-59 | Pass |
| < 50 | N/A |

The performance evaluation for the financial year 2021-22 of the Board of Directors and committees both for the entire Board and for individual directors, is rated "Excellent". The Directors shared their comments completely and independently in the performance evaluation form.

Performance Evaluation of the President & CEO

The Corporate Governance, Nomination & Remuneration Committee reviews President & CEO's performance on a yearly basis. The Board of Directors consider and grant an approval for a performance result in accordance with principles of the Corporate Governance, Nomination & Remuneration Committee. The evaluation is based on the President's performances in various aspects, for instance, leadership, policy and strategy determination, financial management, relationship with the Board of Directors and other stakeholders, product and service knowledge, and performances compared to other business companies in the same industry. During 2021-22, the overall evaluation result is in line with the standards and requirements set by the Company.

Training and development Programs for Directors and Executives

As the Company has always recognized the importance of duties and responsibilities of the Board of Directors and executives, it is necessary to provide them with knowledge development programs related to the Company's business operations. The Company arranges an orientation for new members of the Board of Directors and executives. The schedule for the 2 day "Induction Program" is with the President & CEO and Vice Presidents sharing the update on the performance, opportunities, concerns and risks of the Company as a whole and individually in the areas of Operation, Finance, Marketing and Sales, Procurement, Business Excellence and Shared Services. The program includes the new Directors visiting the Plants and understanding the operations. The Company Secretary prepares a dossier with the Director's Manual and other useful documents for the new Directors.

The Company allocates budget and encourage the Board of Directors to attend further training programs and seminars which enhances their understanding on directors' roles from the reputed institutions including the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), the Thai Institute of Directors (IOD), and nationally renowned universities, aiming to maximize knowledge and ability to perform work effectively and keep pace with changing business situations. All Thai directors, President & CEO and Vice President – Finance & CFO have attended various training programs organized by IOD.



BUSINESS ETHICS



**HAVE YOU SEEN
FRAUD AND
MISCONDUCT
AT WORK?**

From 1 May 2021 onwards, report can be made to KPMG, independent 3rd party in both Thai and English via 3 channels as follows:



Please call the **TCOC Helpline Services** at
1-800-292-777 (Toll Free) or 02-677-2800
Call times: **8:30 am - 5:30 pm**
Monday - Friday (Except public holidays)



Email: **tell@thailand-ethicsline.com**
Subject: **TCOC Helpline Services**



Post: **TCOC Helpline Services**
P.O. Box 2712, Bangrak Post Office,
Bangkok 10500

The Company conducts its business based on five core values of Pioneering, Integrity, Excellence, Responsibility and Unity under Tata Code of Conduct (TCoC). This code represents Company's core values and principles that guide and direct the business operations for the Tata Group. This ensures that the Company operates at the highest level of ethical standards.

TCoC has been translated into Thai language with exactly the same format as original copy for easy understanding. A copy of the same has been distributed to the Board of Directors, Management Committee, Company's Executives, and every employees. The distribution of this document has also been extended to external stakeholders both in the public and private sectors that conduct business with Tata Steel (Thailand). In addition to this, the Company's management has organized an appropriate level of oversight and communication to encourage employees at all levels to uphold these Code of Conduct in the day to day business activities in spirit and words. This refers to the transparency, honesty, and fairness. All employees of the Company are required to attend ethics seminars and have been tested accordingly. Furthermore, employees are required to sign a pledge to abide by the strict guidelines set out in the Code of Conduct.

Tata Code of Conduct is treated as a live document. As such, it is continuously modified and improved to reflect the cultural norms and rules that constantly change. In the event that the Company's Code of Conduct is violated, a report must be made to the superiors according to the Company's hierarchy. Since 2008, the Company has established an Ethics Counselor to encourage employees to send complaints or report on actions that violate the Company's Code of Conduct.

Furthermore, the Company has announced "Whistle blower Policy" for the Directors, employees, customers, suppliers and other stakeholders of Tata Steel (Thailand) Public Company Limited Group to safeguard employees and external stakeholders who may choose to report on the violation or possible violation of the Code of Conduct to the Chairman of the Audit & Risk Review Committee or the Ethics Counselor or to company's other specific units safely and practically.

Since October 1, 2017, The Company started TCoC Helpline to connect employees, contractors and partners to the third party who is independent from Tata Steel (Thailand) Group and expert in taking note of the code of conduct violation from employees or contractors. The service is totally confidential. The Helpline can call on 1-800-292-777 (Toll Free) or 0-2677-2800 available on Monday-Friday from 08:30 – 17:30 hrs. [Except Public Holidays] and via email address tell@thailand-ethicsline.com Alternatively, the users can make a report via post P.O. Box 2712, Bangrak Post Office, Bangkok 10500. The whistle blower's identity is not recorded to ensure confidentiality and the whistle blower's identity remains anonymous.

Anti-Bribery and Anti-Corruption

The Company operates fairly and transparently by enforcing covenants relating to the prevention, stopping, and investigating of racketeering, corruption, and bribes. In addition to this the Company established a clear policy that discourages bribes and all forms of corruption. Furthermore, the Company also cooperates with both the public and private sectors to build standards on clean business conducts.

The Company signed Thailand's private sector's declaration of intent for Thai Private Sector Collective Action Against Corruption (CAC) in resisting and discouraging corruption in all of its forms since 2014. The CAC directors have approved the Company as "a company that has been evaluated to have full procedures and clear standards that prevents corruption within the organisational up to the level that is required by the CAC" since 2015. The Company also continuously cooperated with Thai Private Sector Collective Action Against Corruption Council (CAC) to improve ethical policy and practices. In addition, the Company had trained Tata Code of Conduct and related policies to all employees and arranged communication's sessions with customers, vendors and contractors in annual meetings for clarification the Tata Code of Conduct and related policies.

The Company is also a certified member of Partnership against Corruption for Thailand (Pact) and signed a declaration to promote children's rights and business principles at The Children Sustainability Forum hosted by Thaipat Institute and UNICEF.

All Board Members, senior executives and all employees comply with these policies. The Company takes a zero-tolerance approach to corruption and does not, either directly or indirectly, through intermediaries or other third parties, solicit, receive, offer, promise or provide any financial or other advantage of material value or otherwise exercise improper influence with the intention of obtaining advantage in the conduct of its business.

Internal Control and Internal Audit

The Company encourages employees at all levels to realize the importance of internal control and internal audit system by setting up efficient controlling/monitoring procedures throughout the organisational. The intent is to have a compliant process to maintain flexibility where employees can control, supervise, evaluate and review their own work to minimize the risk of fraudulent acts and improper exercise of power and to prohibit illegitimate activities.

Since 2009, the Company has set up its own internal audit function reporting to Senior Department Manager – Internal Audit. This Internal Audit team has the responsibility to supervise the internal audit work of the Company and its subsidiary.



Internal Audit team operates under the supervision of the Audit & Risk Review Committee. The Audit & Risk Review Committee carries out quarterly review to oversee compliance with the policies, plans, authority and regulations, including evaluating the risk management and internal control for appropriateness and effectiveness. This is done to ensure that major operations and significant financial transactions are carried out according to the prescribed guidelines and regulations.

Additional details appear in "Internal Control System."

Handling of Conflict of Interest

The Company places high importance on the handling of Conflict of Interest issues with caution. Directors, Executives and employees are expected to work with honesty, independence and in a transparent manner in the overall interest of the Company and Shareholders by following the guidelines of SEC, SET, Company's Article of Association and relevant laws. It also reports and discloses complete and clear information on Company's operation. Care is taken to not disclose insider information or uses such information for personal advantage. If any of the Directors has a stake or interest in the matter discussing, he/she will not attend such meeting or will abstain his/her vote.

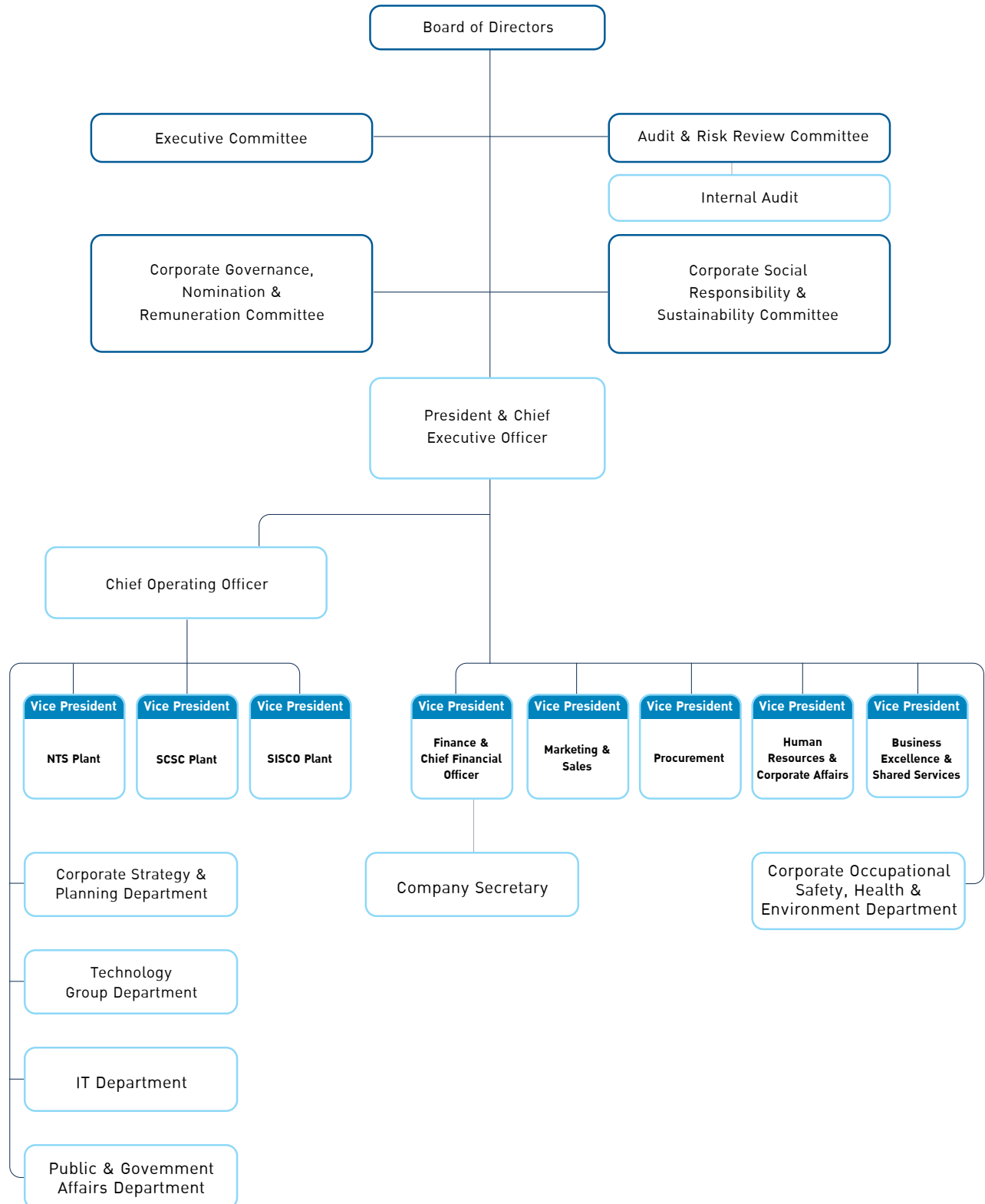
Moreover, the Company emphasizes the strict compliance with the Code of Conduct in business operation and has set clear guidelines on the subject for employees at all levels.





CORPORATE GOVERNANCE STRUCTURE

Organisational of the Company as on March 31, 2022





THE BOARDS OF DIRECTORS



1 MR. PEEYUSH GUPTA

- Chairman of the Board of Directors
- Chairman of the Executive Committee
- Member of the Corporate Governance, Nomination & Remuneration Committee

2 MR. ALAN KAM

- Independent Director
- Chairman of the Audit & Risk Review Committee
- Member of the Corporate Governance, Nomination & Remuneration Committee

3 MR. HATSAKDI NA POMBEJRA

- Independent Director
- Member of the Audit & Risk Review Committee
- Chairman of the Corporate Social Responsibility & Sustainability Committee

4 MS. ANUTTARA PANPOTHONG

- Independent Director
- Member of the Audit & Risk Review Committee
- Chairperson of the Corporate Governance, Nomination & Remuneration Committee



5 MR. TARATORN PREMSOONTORN

- Director (Non-Executive Director)
- Member of the Corporate Governance, Nomination & Remuneration Committee

6 MR. SANJIB NANDA

- Director
- Member of the Executive Committee

7 MR. ASHISH ANUPAM

- Director
- Member of the Executive Committee
- Member of the Corporate Social Responsibility & Sustainability Committee

8 MR. RAJIV MANGAL

- Director
- Member of the Executive Committee
- Member of the Corporate Social Responsibility & Sustainability Committee
- President & CEO



MANAGEMENT



1 MR. RAJIV MANGAL
President & CEO

2 MR. WANLERT KANWIAT
Chief Operating Officer

3 MR. JAYANTA CHAKRABORTY
Vice President — Finance &
Chief Financial Officer

4 MR. SIROROTE MATEMANOSAK
Vice President — Human
Resources & Corporate Affairs

5 MR. PAITON CHUESOOK
Vice President — Procurement

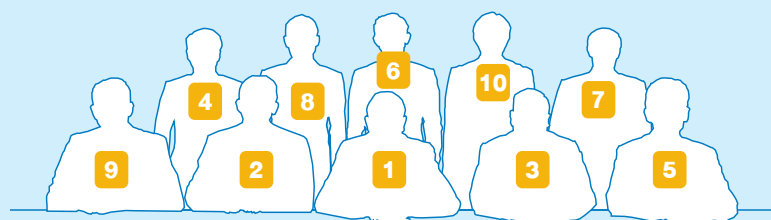
6 MR. CHAICHALERM BUNYANUWAT
Vice President — Marketing & Sales

7 MR. AMIT KHANNA
Vice President — Business
Excellence & Shared Services

8 MR. PORNCCHAI TANGWORRAKULCHAI
Vice President — NTS Plant

9 MR. SAKCHAI LOYFAKHAJOHN
Vice President — SCSC Plant

10 MR. RUNGROTH LERT-A-ROM
Vice President — SISCO Plant



Organisation Structure

Company's management structure consists of the Board of Directors and Committees namely, the Audit & Risk Review Committee, Executive Committee, Corporate Governance, Nomination & Remuneration Committee, Corporate Social Responsibility & Sustainability Committee and Management.

The Board of Directors

The Company's Article of Association specifies that the Board of Directors will consist of not less than five and not more than fourteen Directors. Currently, there are eight Directors including three Independent Directors, equal to one-thirds of the total number of Directors.

The Board of Directors as on 31 March 2022

| Name | Position | Number of Meeting (During financial year 2021-22) | Attendance |
|--|----------------------|---|------------------|
| 1. Mr. Peeyush Gupta | Chairman | 6 | 6 ^(d) |
| 2. Mr. Alan Kam | Independent Director | 6 | 6 ^(c) |
| 3. Mr. Hatasakdi Na Pombejra | Independent Director | 6 | 6 ^(d) |
| 4. Ms. Anuttara Panpothong | Independent Director | 6 | 6 ^(c) |
| 5. Mr. Taratorn Premsoontorn | Director | 6 | 6 ^(d) |
| 6. Mr. Ranganath Raghupathy Rao (Resignation on August 27, 2021) | Director | 6 | 3 ^(a) |
| Mr. Sanjib Nanda (Replacement with Mr. Ranganath on October 18, 2021) | Director | 6 | 3 ^(a) |
| 7. Mr. Ashish Anupam | Director | 6 | 4 ^(b) |
| 8. Mr. Rajiv Mangal | Director | 6 | 6 |

Remarks: (a) Attended three meetings through electronics media
(b) Attended four meetings through electronics media
(c) Attended five meetings through electronics media
(d) Attended six meetings through electronics media

Authorized Directors and Binding Signatory Procedures

Mr. Peeyush Gupta, Chairman of the Executive Committee and Mr. Rajiv Mangal, President & CEO are authorized to sign jointly with the Company's seal affixed, or Mr. Peeyush Gupta, or Mr. Rajiv Mangal are authorized to sign jointly with Mr. Taratorn Premsoontorn together with the Company's seal affixed.

Scope of authority of the Board of Directors

The Board of Directors has the duty and authority to manage the Company in compliance with the objectives, Articles of Association and resolutions of the shareholder's meeting. However, the Board may not approve or decide on the following issues unless acknowledged by the majority of the attending Directors in the meeting of the Company and/or Subsidiary:

- Any loan exceeding Baht 50 million which is not in the Group's annual budget.
- Granting loans, collaterals, indemnifications, guarantees, letters of support or commitments to any persons and not in the Group's annual budget.
- Any investments exceeding Baht 50 million which is not in the Group's annual budget.
- Sales, transfers, rent out or permissions related to any properties or assets with the book value exceeding Baht 50 million and not in the group's annual budget.
- Approvals or amendments of the Group's annual budget.
- Any transactions with connected parties which is not in the course of normal business operation.
- Changing of the accounting policy, approval of the annual consolidated financial statements, annual individual financial statements and quarterly group financial statements.
- Changes related to the Group's business operation or termination of any business operation.

The Audit & Risk Review Committee

| Name | Position | Number of Meeting (During financial year 2021-22) | Attendance |
|---|----------|--|------------------|
| 1. Mr. Alan Kam ^[a] | Chairman | 4 | 4 ^[b] |
| 2. Mr. Hatasakdi Na Pombejra ^[a] | Member | 4 | 4 ^[c] |
| 3. Ms. Anuttara Panpothong ^[a] | Member | 4 | 4 ^[c] |

Remarks: [a] Independent Director

[b] Attended three meeting through electronics media

[c] Attended four meetings through electronics media

Scope of authority of the Audit & Risk Review Committee

- Supervise and review to ensure that the Company's financial reporting complies with the accounting standards as specified by the laws with transparency, accuracy and adequacy.
- Encouraging development of a financial reporting system to meet with international accounting standards.
- Review the Company's internal control system for appropriateness and effectiveness.
- Review the risk management system and monitoring of the overall risk management framework of the Company.
- Review the Company's compliance with laws on securities and securities exchange and other laws & regulations related to Company's business.
- Review internal audit plans and audit procedures including audit evaluation of the Company's various operations.
- Disclosure of the Company's information in case of connected transaction or transaction that may induce conflict of interest for accuracy and completeness in compliance with the Securities Exchange's regulations. This is to ensure that those transactions are reasonable and to the best interest of the Company.
- Review and provide recommendations on Internal Audit function's performance and coordinate with the auditors.
- Prepare report on business supervision of the Audit & Risk Review Committee for publishing in the Company's annual report. Such report to be signed by Chairman of the Audit & Risk Review Committee and should contain at least the following information
 - Opinion on accuracy, completeness and credibility of the Company's financial reports.
 - Opinion on adequacy of the Company's internal control system.
 - Opinion on compliance with the Securities and Exchange laws, Securities exchange regulations and other laws related to Company's business.
 - Opinion on appropriateness of the audit process.
 - Opinion on transactions that may induce conflict of interest.
 - Number of the Audit & Risk Review Committee meetings and attendances of each Committee member.
 - Opinion or overall remark perceived by the Audit & Risk Review Committee upon carrying out their duty according to the Charter.
 - Other transactions that should be noted by shareholders and general investors, under the scope of duties and responsibilities delegated to by the Board of Directors.
- Consider, select, nominate or remove an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a meeting with the auditor and without the presence of the management at least once a year.
- Appoint, revoke, transfer or terminate the Head of the Internal Audit Office (if any) or employ or change the employment terms of other members of the Internal Audit Offices.
- Consider budget and manpower of the Internal Audit Office (if any) or employment budget of Internal Audit Offices.
- Other functions as specified by laws or as delegated to by the Board of Directors.

The Corporate Governance, Nomination & Remuneration Committee

| Name | Position | Number of Meeting (During financial year 2021-22) | Attendance |
|---|-------------|--|------------------|
| 1. Ms. Anuttara Panpothong ^(a) | Chairperson | 3 | 3 ^(b) |
| 2. Mr. Peeyush Gupta | Member | 3 | 3 ^(c) |
| 3. Mr. Alan Kam ^(a) | Member | 3 | 3 ^(c) |
| 4. Mr. Taratorn Premsoontorn | Member | 3 | 3 ^(c) |

Remarks: (a) Independent Director
(b) Attended two meeting through electronics media
(c) Attended three meetings through electronics media

Scope of authority of the Corporate Governance, Nomination & Remuneration Committee

- To examine, review, and propose to the Board of Directors guidelines for corporate governance of the Company.
- To advise the Board of Directors and the management in line with the Company's established corporate governance principles.
- To present to the Board of Directors, norms and principles, as well as nominees for filling board vacancies as a result of directors' term completion or other cases. To join the Board, the nominees must obtain approval from the shareholders' Meeting.
- To nominate prospective President & CEO to the Board of Directors for approval.
- To facilitate directors in evaluating performance of the Board of Directors collectively and summarize the evaluation result to the Board of Directors so as to enhance the Board's supervision effectiveness.
- To review and recommend remuneration for the Board of Directors and other board appointed Committees and propose to the Board of Directors and shareholders' meeting for approval.
- To review and recommend remuneration (including Salary increase and Bonus) for the President & CEO, Senior Management (COO and VPs) of the Company and propose to the Board of Directors for approval.
- To define guidelines, procedures and determination of such remuneration to correspond with the Company's operating result with regard to the various factors and other companies in the industry.
- To review and recommend the budget for the salary increases, bonus and compensation for employees of the Company and its subsidiary and propose it to the Board of Directors for approval.
- Other duties assigned by the Board of Directors.

The Executive Committee

The Executive Committee comprises of four Directors chaired by Mr. Peeyush Gupta, and members are Mr. Ashish Anupam, Mr. Sanjib Nanda, and Mr. Rajiv Mangal. In 2021-22, each committee member performed their duties according to the charter as set by the Board. The committee carried out its supervisory tasks that are managed in pursuance to their scope of authority.

During 2021-22, the Committee continued to guide the management on selected matters from time to time through electronic media including e-mails, video conference and circular resolutions.

Scope of authority of the Executive Committee

- Define policies, strategies, management structure and authority to correspond with and support the economic situation for approval by the Board of Directors.
- Consider and comment on the business plan and annual budget allocation proposed by the management to the Board of Directors for approval.
- Supervise, oversee and monitor the Company's operations to ensure its efficiency and appropriateness with the business situation to accomplish the objectives according to the policies and business plan prescribed by the Board of Directors.
- Other functions as designated by the Board of Directors. The Executive Committee may authorize any executive with the authority to perform a specific function or functions as deemed appropriate.

The Corporate Social Responsibility & Sustainability Committee

| Name | Position | Number of Meeting (During financial year 2021-22) | Attendance |
|---|----------|--|------------------|
| 1. Mr. Hatasakdi Na Pombejra ^(a) | Chairman | 2 | 2 ^(b) |
| 2. Mr. Ashish Anupam | Member | 2 | - |
| 3. Mr. Rajiv Mangal | Member | 2 | 2 |

Remarks: (a) Independent Director

(b) Attended two meetings through electronics media

Scope of authority of the Corporate Social Responsibility & Sustainability Committee

The Committee has the powers to seek any information or explanation from any employee or Director of the Company that is necessary to discharge its duties under the terms of reference. The Committee may also engage advisers, consultants or legal counsel as deemed appropriate and necessary.

- Formulate the CSR Policy and recommend the same to the Board.
- Recommend the activities and expenditure to be incurred by the Company under the CSR Policy and monitor the same.
- Review and monitor the CSR activities to ensure that it is in compliance with the CSR Policy.
- Discuss with the management, its perspective on social trends and public issues, and concerns which they believe may affect the Company's business activities or performance, and make recommendations to the Board regarding how the Company should respond to these trends, issues and concerns to more effectively achieve its business and CSR goals.
- Review management's position on key stakeholder expectations involving Corporate Social Responsibility and provide perspectives for the Board's consideration.
- Review on a continuing basis, the partnerships and relationships, both current and proposed that support the Company's sustainable growth. Review the Company's annual Sustainability Report prior to its issuance.
- Review benchmarking of the policies, systems and monitoring processes against global best practices in CSR.
- Review and recommend to the Board the annual budget for CSR.
- Review reports by management on CSR initiatives.
- Review on a continuous basis, the Company's communication strategies relating to Corporate Social Responsibility and sustainable growth.
- Review whether the Company's disclosure requirements on CSR are in compliance with the requirement of the Stock Exchange of Thailand.
- Review and assess the remit and reports of any audit processes to gain assurance over the CSR activities.
- Oversee the Company's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen.
- Oversee activities impacting the quality of life of various stakeholders.
- Monitor the CSR policy and expenditure of the subsidiary companies.
- Assist management in formulation, implementation and review of policies, principles and practices to foster the sustainable growth of the Company that creates value consistent with the long-term preservation and enhancement of financial, manufactured, natural, social, human and intellectual capital. Oversee Company's Occupational Safety, Health and Environment (OSHE) Plans and compliance.
- Provide formal feedback to the Board on the matters discussed by the Committee.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable

Annual General Meeting of the Shareholders for the year 2021

| Name | Position | Number of Meeting |
|---|----------------------|-------------------|
| 1. Mr. Peeyush Gupta ^(a) | Chairman | 1 ^(e) |
| 2. Mr. Alan Kam ^(b) | Independent Director | 1 ^(e) |
| 3. Mr. Hatasakdi Na Pombejra ^(d) | Independent Director | 1 ^(e) |
| 4. Ms. Anuttara Panpothong ^(c) | Independent Director | 1 ^(e) |
| 5. Mr. Taratorn Premsoontorn | Director | 1 ^(e) |
| 6. Mr. Ranganath Raghupathy Rao | Director | 1 ^(e) |
| 7. Mr. Ashish Anupam | Director | 1 ^(e) |
| 8. Mr. Rajiv Mangal | Director | 1 |

Remarks : (a) Chairman of the Board of Directors
Chairman of the Executive Committee
(b) Chairman of the Audit & Risk Review Committee
(c) Chairperson of the Corporate Governance, Nomination & Remuneration Committee
(d) Chairman of the Corporate Social Responsibility & Sustainability Committee
(e) Attended the meeting through electronics media

The Management as on 31 March 2022

| Name | Position |
|----------------------------------|--|
| 1. Mr. Rajiv Mangal | President & CEO |
| 2. Mr. Wanlert Kanwiwat | Chief Operating Officer |
| 3. Mr. Jayanta Chakraborty | Vice President – Finance & Chief Financial Officer |
| 4. Mr. Sirorote Matemanosak | Vice President – Human Resources & Corporate Affairs |
| 5. Mr. Paitoon Chuesook | Vice President – Procurement |
| 6. Mr. Chaichalerm Bunyanuwat | Vice President – Marketing & Sales |
| 7. Mr. Amit Khanna | Vice President – Business Excellence & Shared Services |
| 8. Mr. Pornchai Tangworrakulchai | Vice President – NTS Plant |
| 9. Mr. Sakchai Loyfakhajohn | Vice President – SCSC Plant |
| 10. Mr. Rungroth Lert-A-Rom | Vice President – SISCO Plant |

Scope of authority of the President & CEO

- Supervise, oversee and manage the normal business operation for the benefit of the Company with regards to the objectives, Articles of Association along with the regulations, resolutions, policies, plans and allocated and approved budget by the Board of Directors within related legal framework and scope of authority prescribed by the Board of Directors.
- Prepare annual business plan and budget in accordance with the Board of Directors' policies and present to the Executive Committee and the Board of Directors.
- Scrutinize information and facts on issues related to business operation before presenting to the Executive Committee and the Board of Directors.
- Has the authority to approve normal business transactions such as raw materials procurement, operating expenses, sales and administrative expenses and investment expenses within the authority limits defined by the Board of Directors.
- Other functions as designated by the Board of Directors.

Company Secretary

The Company has appointed a Company Secretary since 2003. The Company Secretary has to carry out the duty with responsibility, precaution and faithfulness. Presently, Ms. Somjai Jarukitcharoon is the Company Secretary. She has knowledge and experience to carry out the functions of Company Secretary as well as completed the courses related to Company Secretary matter i.e. Company Secretary Program, Fundamental Practice for Company Secretary.

Company Secretary has the following duties and responsibilities:

1. Organize and facilitate board and board committee meetings
2. Organize and facilitate the annual general meeting of shareholders, record and publish the related minutes.
3. File documents and related records as required under various regulations issued by the Securities and Exchange Commission Thailand, the Stock Exchange of Thailand and Ministry of Commerce, Thailand.
4. Monitor and ensure that the Board and the Company are in compliance with all related laws and regulations.
5. Handle corporate governance issues and provide advice on these to the Board.
6. Assist shareholders, directors and members of management with any board-related matters.
7. Follow up on all resolutions passed and instructions given by the Board and shareholders' meetings.

Remuneration of the Board of Directors and Executives

The Company has set a policy and guideline on remuneration of Director and Executives so that competent Directors and Executives can be retained.

The Corporate Governance, Nomination & Remuneration Committee proposes the remuneration of the Board of Directors and Committees by considering the duties, responsibilities, overall performances and Company's operating result to shareholders for approval. The remuneration is appropriate when compared within the same industry. As per the policy of the Company, the Executives who are nominated as a Director on the Board of the subsidiary are not paid any remuneration for the position they hold as the Director of the subsidiary.

The Board of Directors, by acknowledgement of the Corporate Governance, Nomination & Remuneration Committee, considers the duties, responsibilities, individual performance and Company's operating result in both short and long terms while deciding on the remuneration for the President & CEO and Executives of the Company and its subsidiary. The agreed baseline remuneration is decided to create motivation in company's administration and implementation to achieve objectives and sustainable growth.

Total Remuneration of the Board of Directors

There are two types of remuneration for the Directors. The fixed remuneration is paid every quarter and a meeting allowance, which is paid after each meeting to the Directors attending the meeting.

In case of the retiring or incoming Directors, the remuneration is paid pro-rata by calculating for the actual days in office during that quarter.

Details of Director's remuneration effective until resolved otherwise by the shareholders' meeting:

| | Position | Remuneration (Baht/year) | Meeting Allowance (Baht/meeting) |
|--|----------|--------------------------|----------------------------------|
| Board of Directors | Chairman | 630,000 | 42,000 |
| | Director | 472,500 | 21,000 |
| Audit & Risk Review Committee | Chairman | 168,000 | 15,750 |
| | Member | 115,500 | 10,500 |
| Executive Committee | Chairman | - | 15,750 |
| | Member | - | 10,500 |
| Corporate Governance, Nomination & Remuneration Committee | Chairman | 150,000 | 15,750 |
| | Member | 75,000 | 10,500 |
| Corporate Social Responsibility & Sustainability Committee | Chairman | 150,000 | 15,750 |
| | Member | 75,000 | 10,500 |

The remuneration rate has remained unchanged since 2012.

Details of the Directors Remuneration in 2021-22

| No. | Names | Remuneration (Baht) | | | | | |
|--------------|---|---------------------|-------------------------------|---------------------|---|--|------------------|
| | | Board of Directors | Audit & Risk Review Committee | Executive Committee | Corporate Governance, Nomination & Remuneration Committee | Corporate Social Responsibility & Sustainability Committee | Total |
| 1. | Mr. Peeyush Gupta^(a) Chairman of - The Board of Directors - The Executive Committee Member of the Corporate Governance, Nomination & Remuneration Committee | - | - | - | - | - | - |
| 2. | Mr. Alan Kam Independent Director Chairman of the Audit & Risk Review Committee Member of the Corporate Governance, Nomination & Remuneration Committee | 598,500 | 231,000 | - | 106,500 | - | 936,000 |
| 3. | Mr. Hatasakdi Na Pombejra Independent Director Member of the Audit & Risk Review Committee Chairman of the Corporate Social Responsibility & Sustainability Committee | 598,500 | 157,500 | - | - | 181,500 | 937,500 |
| 4. | Ms. Anuttara Panpothong Independent Director Member of the Audit & Risk Review Committee Chairperson of the Corporate Governance, Nomination & Remuneration Committee | 598,500 | 157,500 | - | 192,000 | - | 948,000 |
| 5. | Mr. Taratorn Premsoontorn Director Member of the Corporate Governance, Nomination & Remuneration Committee | 598,500 | - | - | 106,500 | - | 705,000 |
| 6. | Mr. Ranganath Raghupathy Rao Director Member of the Executive Committee (Resignation on August 27, 2021) | 257,250 | - | - | - | - | 257,250 |
| 7. | Mr. Ashish Anupam^(a) Director Member of the Executive Committee Member of the Corporate Social Responsibility & Sustainability Committee | - | - | - | - | - | - |
| 8. | Mr. Rajiv Mangal^(a) Director Member of the Executive Committee Member of the Corporate Social Responsibility & Sustainability Committee President & CEO | - | - | - | - | - | - |
| Total | | 2,651,250 | 546,000 | - | 405,000 | 181,500 | 3,783,750 |

Remarks: (a) Effective June 30, 2016, current employees of Tata Steel Limited and its subsidiaries who are nominated on the Board of subsidiaries do not receive any sitting fee or other remuneration as a Director.



REMUNERATION POLICY FOR SENIOR MANAGEMENT EXECUTIVES



The Corporate Governance, Nomination & Remuneration Committee assesses the performance of the President & CEO based on the Company's operating results, implementation of the Board's policies, sustainability aspects (economy, environment and society), international compensation trends, 360-degree behavioral assessment as well as economic indicator and recommends Annual Salary Increase (ASI) for next year and Variable Bonus (VB) for current year to the board of directors for approval.

Simultaneously CG & NRC assesses and recommends to the board ASI for next year and VB for current year for rest of the employees of the company taking into account the following information regarding the current and previous years:-

1. The business operating results based on EBITDA, PBT and PAT.
2. The capability to develop the business and improve operational efficiency for the business each year.
3. The operating results of other companies in the same industry.

Based on the approval from the board of directors, remuneration in terms of Promotion Adjustment (if any), Annual Salary Increase and Variable Bonus for Chief Operating Officer (COO) or Vice President (VP) are considered and approved by President & CEO as per the Delegation of Authority.

The remuneration policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Senior Management Executives to perform successfully. The remuneration mix for the Senior Management Executives includes;

1. Basic salary and Fixed Bonus
2. Variable Bonus based on the executive's performance in a particular financial year and the performance of the Company
3. Certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings
4. Medical welfare and hospitalization through re-imbursements and accidental insurance
5. Retirement benefits as per the law

Remuneration for Senior Management Executives of the Company and for Directors and Senior Management Executives of the core business subsidiary

Total remuneration in the form of salary, bonus and other incentives for the financial year 2021-22 (1 April 2021 – 31 March 2022) for the 10 Senior Management Executives was Baht 69.74 million (financial year 2020-21: Baht 54.26 million).

Other forms of remuneration paid to Senior Management Executives of the Company

Other remuneration in the form of up-country allowance/housing allowance and driver allowance for the financial year 2021-22 was Baht 6.64 million (financial year 2020-21: Baht 6.61 million).

The Company has provided Company cars to Company's Senior Management Executives and contributes to the Provident Fund for all Senior Management Executives of the Company at the rate of 10% of total payroll. The contribution in financial year 2021-22 on this account was Baht 3.87 million (financial year 2020-21: Baht 3.70 million).



Total remuneration of Directors of core business subsidiary

The Senior Management Executives of the Company who are assigned to be Directors of the core business subsidiary, are not paid any additional remuneration in the form of salary or bonus for being the Directors. The Company does not pay any remuneration to the Directors of its subsidiary.

Other forms of remuneration paid to Directors of core business subsidiary

There is no other remuneration paid to the Directors of its subsidiary.

Total remuneration of Senior Management Executives of core business subsidiary

Total remuneration in the form of salary and bonus for financial year 2021–22 is included in the remuneration of the above-mentioned Senior Management Executives of the Company.

Other forms of remuneration paid to Senior Management Executives of core business subsidiary

The total remuneration for financial year 2021–22 is included in the remuneration of the Senior Management Executives of the Company as mentioned above.

Currently, the Company has the policy to offer the Long Term Incentive Plan (LTIP) which is applicable to President & CEO position in order to create deferred cash based incentive scheme for achieving long term sustainable and profitable growth of the organisation.

Employees

The total number of employees of the Company and its subsidiary as at 31 March 2022 was 1,092. For the financial year 2021–22, the Company has paid remuneration to its employees totaling to Baht 291.42 million. The remuneration includes salary, overtime, variable bonus, upcountry allowance/metro allowance and as benefit-in-kind such as social security and provident fund contributions.

In addition, the subsidiary has paid in the same way to its employees an amount of Baht 825.08 million.

Number of the employees and remuneration

| 2021–22 (as of March 31, 2022) | Tata Steel (Thailand) Plc. (*) | Tata Steel Manufacturing (Thailand) Plc. | Total |
|-----------------------------------|-----------------------------------|---|----------------------|
| Management Employee (persons) | 30 (41) | 40 (32) | 70 (73) |
| Supervisory Employee (persons) | 107 (117) | 221 (200) | 328 (317) |
| Operational Employee (persons) | 23 (26) | 671 (685) | 694 (711) |
| Total (persons) | 160 (184) | 932 (917) | 1,092 (1,101) |
| Employee's Remuneration (MB) | 291.42 (267.10) | 825.08 (671.26) | 1,116.50 (938.36) |

*Includes 152 (154) employees in Headquarters

Previous year (2020–21) data are shown in bracket.

During the past 3 years, the Company has not received any significant labour disputes.

Human Resources Management and Development Policy

The Company strives to align Human Resources Management with its corporate vision to keep the employees happy as well as to set the goal of creating a high performance organisation in which employees are the most important asset driving the organisation to its goal. It, thus, always prioritizes on strategic workforce planning and working agility, strengths in employee's capabilities, and labour relation management to enable corporation among employees for smooth operations and timely response to the changing business scenarios. This includes responding to crisis such as the situation of the prolonged COVID-19 outbreak.



In 2021 – 22, the major Human Resources Management strategies implemented by the Company are as follows:

Crisis Management due to the situation of COVID-19 outbreak

The COVID-19 pandemic has brought lot of uncertainties since last year and continues to be a major challenge, the Company responds to and manages the incidents that arise in a timely manner and has decided to determine key measures in various fields to prevent and monitor the spread of COVID-19. These measures are constantly improved and updated to keep up with the situation as well as in line with government measures, including;

- Purchase vaccines to provide to employees, employees' families and contractors as well as support and urge employees and contractors to receive Booster Dose Vaccine. At the end of FY23, the coverage of 3rd dose vaccination is more than 97 percent.
- Establish screening measures by asking employees and contractors to take Antigen Test Kit (ATK) prior to working at the Company premises.
- Categorize people at risk of COVID-19 according to the level of risks and determine guidelines for each individual group which is constantly updated to be in line with the government guidelines.
- Determine measures when coming to work at the Company's premises/plants, for example, wearing face mask, using the online communication channels as much as possible, such as video conference or VDO Call, etc. In case the physical meeting is necessary or unavoidable, social distancing measures must be strictly followed, setting eating space, not sharing utensils, plates, bowls, spoons, glasses with others, not talking while eating, work at areas that are relevant to

themselves only and not go to the areas that are not related to employees' work or going to face-to-face meetings with other employees or other persons within the Company/plants unnecessarily, temporarily refrain from going to work outside or visiting customers, cancel or postpone any activities or internal training and seminars and sending employees to site visits or attending public seminars. This includes temporarily refrain from any activities with outsiders, etc.

- Implement the Virtual Office Policy which has a set of procedures clearly defined for work, meetings, job tracking, check-in and check-out through the application specified by the Company before starting and after working. This is a long term policy that the Company considers that it is appropriate for the current situation and in the future according to the new normal.
- Arrange communication sessions on COVID-19 cases of employees and contractors, so that concerned persons are aware of the situation, share learning from the COVID-19 cases, as well as preventive measures and solutions.

Workforce management and working agility for increasing manpower productivity

The Company has the policy to manage manpower at an appropriate level by practicing tight control on new recruitment for necessary jobs only. The company encourages internal candidates to be given first preference to get promoted or rotated in case any vacancy arises. Employees are given new job assignments or job rearrangements to have opportunity to learn multi functions which is considered as part of the goal to increase manpower productivity of the employees, thereby reducing non-value jobs such as redundant work, repetition. This includes staff planning to suit the workload, resulting in optimization of labor costs per unit. There are also the reorganisation of some departments in the form of Shared Services to make use of knowledge, the expertise of the available resources for maximum efficiency.

The Company focuses on recruitment and selection of capable staff who are intelligent and ethical. The recruitment of new employees both internally and externally is based on the principle of equal opportunity and focuses on merit system to ensure that most appropriate person is selected through an interview committee based on technical and behavioral competencies and also fit with the organisation culture. In addition, the company gives importance to merit and fairness of thinking and cultural diversity which can be witnessed by a recruitment policy opening to both experienced and new graduated candidates, expatriate and local, and women employees.





The Company arranges orientation program for new employees joining the company to get better understanding of group's operation and of individual units through knowledgeable lectures, plant visits and on the job training. The company arranges a buddy to take care and assist new employees in the first two years of working. This helps a new employee to fasten adjustment to the organisation. The design of challenging duty, responsibility and job specification are for the employees to know scope of work for each position including key performance indicator and expectation plus necessary qualification for that position in order to deliver most efficient performance. In addition, the Company also stresses on the performance in compliance with core business values and corporate culture, including readiness for change to respond to rapidly changing business environment and related challenges.

Quality and competence of the employees are the keys to business success

The Company gives priority to continuously develop human resources at all levels and takes responsibility for professional development and career growth of its staff by focusing on four areas. The same are:

- Core foundation knowledge required in all functions, i.e., Safety, Business Ethics, Tata Values, Product Knowledge, Total Quality Management (TQM), Customer Centricity, etc.
- Functional Development
- Business Development
- Leadership Development

The Company strives for multiple approaches for development, not limited to classroom training only but includes on the job training and self-learning. The intention is to have a development approach that creates meaningful experience for the employees, including Job Rotation, Special Assignment, be a member in cross functional task force, Best Practice Sharing, Shop Floor Knowledge Transformation - SKT, "One Dept. One Share" program which is about sharing experience and expertise with fellow colleagues.

In addition, the Company continues to focus on development through E-Learning programs that can be accessed anywhere any time which is as per goal and in response to the COVID-19 situation. In the year 2021 – 22, the Company organized training sessions for all employees with an average time of 6.8 hours per person, higher than many years in the past.

In order to keep constant growth and stability of the organisation, the company is always aware of the continuity of workforce through succession planning. The Company has succession plan for all the critical positions, Senior and Middle Management Executives of the Company to ensure that the Company has knowledgeable employees and appropriate ability to work in the key positions continuously. Human Resource Committee (HRC) – TSTH Group and the Corporate Governance, Nomination & Remuneration Committee consider the succession plan and propose to the Board of Directors for approval. The processes are as follows:

- Determine the key positions of the Company which are critical and have significant impact on the business operations of the Company.
- Determine competencies required for the key positions.
- Identify suitable candidates to be the successors.
- Develop successors as per Individual Development Plan, assign challenging assignments, involve in the working committee and important projects as well as rotation to develop leadership skills and knowledge in all aspects.

Compensation Management and Building Employee Engagement

The company strives for appropriate and fair employee compensation policy management to be in line with company's performance, both for short and long term, by considering the following factors:

- Merit Principle within organisation: consider appropriate compensation according to job specification, responsibility and performance appraisal.
- Merit Principle outside organisation: consider market competitive compensation level based on compensation survey and adjust suitable compensation in line with market environment by using Customer Pricing Index as a part of consideration on annual increasing review.
- Individual Merit: examine individual compensation according to personal performance and capability in form of annual increasing, special increased compensation, and variable bonus based on company and individual performance

The Company has instituted employee welfare and other compensation programs apart from salary, bonus, and provident fund contributions for the management and other employees which are extended beyond regulatory requirements. The Company seeks to listen and understand employees through various channels such as Welfare Committee, Employee Committee, and Suggestion Box and has a review process in place to consider improving welfare and benefits from time to time. The company also pay attention to employee and family care for better living and quality of life by providing welfare and various assistant fund to employee, family, and parents such as holiday and leave, medical support plus dental care, medical check-up, provident fund, employee uniform, per diem for working upcountry, emergency loan etc. In addition, in response to the needs of individual employees, the company has adopted on Flexible Benefit policy for employees to choose based on terms and conditions determined by the company. Moreover, the Company opens for employees at all level to participate and be part of the Provident Fund Committee, employee choices for provident fund are also available for employees to encourage appropriate employees' financial planning and preparation for retirement.

The Company has focused on promoting good relationship between employees and the Company by encouraging various communications related to company performance to all employee



levels on a regular basis. There is a quarterly President & CEO and top management meeting with the employees of 3 factories and head office discussing and answering various questions together with an increase of communication through different media such as Suggestion Box directly to President & CEO, order, announcement, internal journal, intranet, and employee brief from Employee Dialogue is summarized and published on intranet, etc.

In the time of COVID-19 pandemic, the Company has been communicating policies and measures related to COVID-19 through a variety of channels such as email, line group, weekly meeting of departments/divisions. Newsletters, public relations media to educate people about COVID-19 and advice on disease prevention are done on a regular basis. In addition, the Company has coordinated with the parent company in India in sending daily situation reports and there are also meetings with other companies in the Tata Group to update the situation and share Best Practices. Relevant to taking care of the employees, the Company has provided face masks to all the employees and contractors, add washing stations, increase the frequency of cleaning the workplace, common areas, meeting rooms and other areas in the Company's premises/plants. In this regard, there has not been any lay-off or salary/welfare reduction of employees in any way. The Company has also taken actions in accordance with the measures set by the government, such as reducing the social security contribution rate.

In the year 2021 – 22, the Company has conducted Employee Engagement and Satisfaction Pulse Survey. Newly added topics such as employee satisfaction towards Crisis Management due to the situation of COVID-19, Virtual Office Policy are included in which the survey results on such topics are at satisfactory level.

In terms of activities, various activities are conducted throughout the year for the employees and family participation by building happy workplace in all 8 dimensions which are Happy Body, Happy Heart, Happy Society, Happy Relax, Happy Brain, Happy Soul, Happy Money and Happy Family. Examples of activities are Buddhist Lent Ceremony, Songkran Festival, including other activities such as various sport and recreation activities, employee birthday and activities on different important days like children day, Valentine, Chinese New Year, Father's Day, Mother's Day, Company's Birthday, and Tata Group Foundation Day etc. During COVID-19 pandemic, the Company initiated new ways of online activities such as virtual ceremony for Diamond Scholarship to support education of employees' children, Mental Health Talk Program which invite specialist instructors on mental care. Such programs have received much compliments from the employees.

The company truly believes that proper communication and constant information exchange among employees and company will create smooth relations, cooperation and engagement from employees, thus driving the organisation towards goal achievement. In the year 2021 – 22, the Company had an attrition rate of 1.6% which is the lowest rate ever.



AUDITOR'S FEE



The shareholders in the annual general meeting of shareholders held on July 22, 2021, had approved the appointment of PricewaterhouseCoopers ABAS Ltd. as the Company's auditors for the financial year 2021-22 (April 2021 - March 2022). The engagement team are independent of the Group and have complied with relevant ethical requirements regarding independence in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants and IESBA's Code of Ethics for Professional Accountants

(1) Audit Fee

For the financial year 2021-22, the Company and its subsidiary paid audit and quarterly review fee of Baht 3,862,000

(2) Non-audit Fee

For the financial year 2021-22, the Company and its subsidiary paid a fee such as for audit procedures of the consolidated reporting packages under the Group Accounting Policies of Baht 898,000 and travelling, per diem, lodging etc. of Baht 166,280 to its auditor, the audit firm affiliated with the auditor, individuals or business entities related to the auditor and its affiliated audit firm.



REPORT OF THE EXECUTIVE COMMITTEE

Dear Shareholders,

The Executive Committee comprises of four Directors. The Committee is chaired by Mr. Peeyush Gupta, and members are Mr. Ashish Anupam, Mr. Sanjib Nanda, and Mr. Rajiv Mangal. During the financial year 2021-22, each committee member performed their duties according to the charter as set by the Board. The Committee carried out its supervisory tasks that are managed in pursuance to their scope of authority.

During 2021-22, the Committee continued to guide the management on selected matters from time to time through electronic media including e-mails, video conference and circular resolutions.

Significant duties performed by the Committee during 2021-22 were as follows:

1. Refined policies, strategies and shared best practices to correspond with the economic situation.
2. Considered and provided guidance on the business plan and annual budget allocation for the year 2021-22.
3. Supervised, provided oversight and monitored the Company's operations to ensure its efficiency and appropriateness with the business situation to accomplish the objectives according to the policies and business plan for the year 2021-22 as prescribed by the Board of Directors.

PEEYUSH GUPTA

Chairman of the Executive Committee



REPORT OF THE AUDIT & RISK REVIEW COMMITTEE

Dear Shareholders,

The Audit & Risk Review Committee of Tata Steel (Thailand) Public Company Limited consists of three Independent Directors, who possess appropriate qualifications to serve on the Audit & Risk Review Committee.

During the fiscal year 2021-22, the Committee held 4 meetings, with the attendance of the Audit & Risk Review Committee members as under:

| Name | Position | Number of Meetings | Attendance |
|------------------------------|----------|--------------------|------------------|
| 1. Mr. Alan Kam | Chairman | 4 | 4 ^[a] |
| 2. Mr. Hatasakdi Na Pombejra | Member | 4 | 4 ^[b] |
| 3. Ms. Anuttara Panpothong | Member | 4 | 4 ^[b] |

Remark : [a] Attended three meetings through electronics media
[b] Attended four meetings through electronics media

The Audit & Risk Review Committee has performed the tasks in accordance with the scope of its responsibilities as assigned by the Board of Directors, as per the Audit & Risk Review Committee Charter and in alignment with the regulations of the Stock Exchange of Thailand (SET).

Significant activities of the committee during the year are summarised hereunder:

- 1) The Committee reviewed the quarterly financial statements and the annual financial statements of the Company, discussed the significant accounting policies, internal controls etc. with the management, internal auditor and external auditors of the Company before recommending the financial statements to the Board of Directors for approval.

Based on the review and discussions with the external auditors of the Company, the Committee believes that the Company's financial statements are correct, complete, presented fairly with adequate information in compliance with Financial Reporting Standards and relevant regulations.

- 2) The Committee supervised and reviewed related transactions or transactions that may involve conflict of interest including connected transactions in order to ensure that the Company has operated in accordance with normal business conditions reasonably and complied with the measures and procedures in accordance with the announcements and regulations of the Securities and Exchange Commission, The Stock Exchange of Thailand and the Revenue Department.

- 3) The Committee supervised and reviewed the process of whistle blower including raising concerns about violations of the code of conduct ("Whistle Blower Policy and Practices") and provided suggestions for improving the process in order to increase efficiency and effectiveness in accordance with the Company's code of conduct as well as scrutinize consideration complaints for fairness to all parties with appropriate protection measures for complainants.

- 4) Each quarter of the year, the Committee deliberated on the Management Discussion and Analysis (MD&A) in consultation with the management. The Committee approved the quarterly MD&A reports and reviewed the annual MD&A report before recommending the same to the Board of Directors.

The Committee believes that the Management Discussion and Analysis (MD&A) report is presented fairly with adequate information.

- 5) The Committee reviewed and approved the Annual Internal Audit Plan for the fiscal year 2021-22. The audit findings were reviewed by the committee and recommendations were given to follow up the corrective actions. The Committee reviewed quarterly presentation of Internal Audit which include progress of audit coverage according to the plan, significant findings and follow up status of audit recommendations. The Committee also reported some of the significant audit issues to the Board for their information.

Based on its review, the Committee is of the opinion that the Company's internal audit function, including its independence and team size, is adequate and effective.

- 6) The Committee assessed the adequacy of internal control systems with the Company's management, external auditors and internal audit and reviewed significant findings on internal controls of the subsidiary of the Company, recommended corrective actions. The Committee works together with the internal audit and management to streamline the internal control systems and procedures as a continuous process.
- 7) The Committee reviewed the Enterprise Risk Management of the Company in its quarterly meetings. The risk register covers several corporate risks related to operations, climate change risk, reputational risk, and product stewardship. The committee took note of these risks, risk mitigation plans and also provided recommendations for further improvement in the risk management process.
- 8) The Committee has conducted a self-assessment to review and evaluate its performance by benchmarking it with the Audit & Risk Review Committee Charter and best practice guidelines. The Audit & Risk Review Committee is satisfied that it has been effective in carrying out its duties and has followed the terms of reference in its charter. The results of the self-assessment were reported to the Board of Directors of the Company.

- 9) The Committee considered, proposed the appointment and remuneration of the external auditors by assessing their knowledge, ability, experience and independence of the performance for the fiscal year 2021-22 and resolved to propose to the Board of Directors to propose to the shareholders' meeting to consider reappointment of the auditors for the fiscal year 2022-23.

In summary, the Audit & Risk Review Committee performed its duties as specified in the Board-approved charter with competence, prudence, and independence in equitable interests of stakeholders. In the opinion of the Committee, The Company's financial reports were accurately prepared in all material aspects under Financial Reporting Standards. The Company has adequate risk management practices, appropriate internal control and internal audit system, compliance with good corporate governance, legislation, requirements, and obligations relevant to its businesses.

Alan Kam

Chairman of the Audit & Risk Review Committee





REPORT OF THE CORPORATE GOVERNANCE, NOMINATION & REMUNERATION COMMITTEE

Dear Shareholders,

The Corporate Governance, Nomination & Remuneration Committee comprises of four Directors of which half are Independent Directors and the Committee is chaired by an Independent Director. During Financial Year 2021-22, Committee members performed their duties according to the charter as set by the Board. The Committee carried out its supervisory tasks in pursuance to the regulations concerning the good corporate governance principles.

During the fiscal year 2021-22, the Corporate Governance, Nomination & Remuneration Committee had three meetings, with attendance record as shown below.

| | Name | Position | Number of Meetings | Attendance |
|---|--|-------------|--------------------|------------------|
| 1 | Ms. Anuttara Panpothong ^[a] | Chairperson | 3 | 3 ^[b] |
| 2 | Mr. Peeyush Gupta | Member | 3 | 3 ^[c] |
| 3 | Mr. Alan Kam ^[a] | Member | 3 | 3 ^[c] |
| 4 | Mr. Taratorn Premsoontorn | Member | 3 | 3 ^[c] |

Remark : [a] Independent Director

[b] Attended two meetings through electronics media

[c] Attended three meetings through electronics media

Significant duties performed by the Committee during 2021-22 were as follows:

Corporate Governance and Nomination

- Reviewed the CG score for CY 2021 and advised the management of ways to improve it further.
- Proposed to the Board to consider the action plan for the improvement of CG score in CY 2021.
- Considered the candidature and proposed the Board to consider re-appointment of Directors who retired in accordance with the Company's CG Policy.
- Reviewed the succession planning process and talent pipeline for the top management in the Company.

Remuneration

- Proposed the Board for consideration of remuneration to Directors for the fiscal year 2021-22.
- Considered Annual Salary Increase and Variable Bonus (ASI and VB) and long term remuneration for the President & CEO and recommended the same to the Board.
- Considered ASI and VB for the employees of Company and its subsidiary and recommended the same to the Board.

Anuttara Panpothong

Chairperson of Corporate Governance, Nomination & Remuneration Committee



REPORT OF THE CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY COMMITTEE

Dear Shareholders,

For the financial year 2021 - 22, the Corporate Social Responsibility & Sustainability Committee has performed its duties according to the charter approved by the Board of Directors. The Company is committed to operating its business on the basis of the Tata Group Philosophy and its vision to become a sustainable organisation with high standards of corporate citizenship.

There were 2 meetings during the year. The attendance record of the directors is as shown below:

| | Name | Position | Number of Meetings | Attendance |
|---|--|----------|--------------------|------------------|
| 1 | Mr. Hatasakdi Na Pombejra ^(a) | Chairman | 2 | 2 ^(b) |
| 2 | Mr. Ashish Anupam | Member | 2 | - |
| 3 | Mr. Rajiv Mangal | Member | 2 | 2 |

Remark : (a) Independent Director

(b) Attended two meetings through electronics media

The Committee has focused on providing oversight and monitoring of performance across three main verticals namely, (1) Occupational Safety, Health and Environment, (2) Corporate Social Responsibility and (3) Sustainable Development by recognizing the importance of all stakeholders and extending necessary assistance to employees and their families, contractors, customers, business partners, communities nearby the plants in order to get through the COVID-19 crisis together. The progress has been regularly reported to the Board of Directors. Key highlights are as follows:-

1. Occupational Safety, Health and Environment (OSHE)

Six strategic priorities in this area are 1) Safety Leadership Development to be role model for employees 2) Organisational Safety Competency and Capability Enhancement 3) Contractor Safety Management 4) Road Safety 5) Process Safety Management and 6) Occupational Health and Industrial Hygiene. The Company's Apex Safety Council (ASC) has determined, monitored and reviewed the effectiveness of implementing the OSHE policies on a monthly basis. There are six Apex Safety Sub-Committees (ASSC) responsible for deploying the policies across the Company in all areas through Plant Implementation Committees (PIC) and Department Implementation Committees (DIC). The PIC and DIC have listened to the opinion and worked with the Committee of OSHE of each plant and the Head office which consists of representatives of employees as specified by the labour law.

The key performance following the Annual Business Plan (ABP) and the safety strategic priorities are as follow:

- The Company conducted quarterly campaigns to raise occupational safety awareness at work for employees and contractors. During this year, the themes were: Confined Space, Slip Trip Fall, Non-Routine Work and Working at Height.
- Health: Determination and implementation of COVID-19 prevention measures at all 3 plants and head office according to measures of the Ministry of Public Health such as social distancing, providing face masks and hand sanitizer, checking the temperature, and improving the workplace as well as encouraging employees and contractors to get fully vaccinated for COVID-19 including the booster dose and provided Antigen Test Kits testing before entering the workplace. In addition, the Company has promoted good health for employees in the program "We all can be Better than Before" for the second consecutive year by motivating employees to participate and improve their individual health index in four factors which are Body Mass Index (BMI), Blood Pressure, Diabetes, and Cholesterol.
- The Company has implemented E-Work Permit system for employees and contractors to request permission before performing any non-routine work and eight types of high risk works such as working at height, confined space, hot work, mobile cranes, etc.
- Compliance with Process Safety Management (PSM) as per 14 module requirements of Industrial Estate Authority of Thailand by expanding its operations at SISCO and NTS plants. For SCSC plant, other areas have been implemented in addition to the previous year.

- Providing training and development of knowledge and skills in occupational safety and health to employees by focusing on the safety standards covering 99.9% of employees and 99.1% of contractors who have been trained at least one course per person.
- Continuing the implementation of Contractor Safety Management (CSM) by implementing Star ratings and granting awards to contractors who performed well at the specified level.

2. Corporate Social Responsibility (CSR)

The Committee has supervised and monitored the CSR performance in accordance with the annual business plan of the Company and its subsidiary by complying with the long-term mission and expectations of the communities. The Company has focused on the importance of improving the quality of life of people in the communities nearby the workplace and the plants to create trust and accept the Company as a part of building the sustainable community, especially during the COVID-19 pandemic.

The key performance in the fiscal year 2021 - 22 consists of:-

- Supporting prosperity and income for the community with social missions. This would help strengthen the community enterprises to develop their local products and be able to expand business on their own according to the Thailand Board of Investment promotion program (CSR-BOI) totaling 3 projects. In this fiscal year, the Curry Puff project by SISCO plant in collaboration with Ban Moh community enterprise, Saraburi Province, the product has been sent to Central Laboratory (Thailand) Co., Ltd., for analysis of nutrition information in the preparation of boxes and product labels. The Company has also provided a vacuum fryer and vacuum sealer to the mentioned community enterprise. For Chinese sausage and egg noodles project by NTS plant in collaboration with Noen Kra Bok community enterprise, Chonburi Province, the Company has cooperated with the Industrial Promotion Center Region 9, Chonburi Province in the packaging design and product logo. Another CSR-BOI project of Chocolate-covered rice-berry snack bar project by SCSC plant in collaboration with Koh Kok Community Enterprise, Rayong Province, and the Company has delivered chocolate coating machine to Koh Kok community. In addition, all 3 plants have encouraged their employees to participate as volunteers in community development by sharing knowledge of management and business processes to assist them in building stability for the community enterprises on a regular basis.
- Continuously strengthening relationships with communities and government agencies e.g. regular meetings with community representatives and local press, donation of 400,000 Baht from employees and the Company to help medical personnel in the situation of COVID-19 pandemic to 4 hospitals; Chulalongkorn Hospital Thai Red Cross Society, Saraburi Hospital, Rayong Hospital, and Somdej Phra Boromratchathewi Na Sriracha Hospital, in the province where our workplaces located, including supporting the community by opening a market for the communities to bring their local products to sell at the plants at the end of every month.
- Supporting religion, culture and education: participated in community events and traditional occasions such as Buddhist Lent Day Candle Ceremony, Kathin - Pharpa Samaggi Ceremony, Annual Masjid Tea Tradition Ceremonies of Islamic Community, etc., cooperated with the Mirror Foundation to donate 40 sets of second-hand's notebook computers from the Company to Wat Muang Noi School, Saraburi Province and Wat Krok Yai Cha School, Rayong Province, granted scholarships to underprivileged students in schools nearby the plants and renovated and painted playground equipment in various schools, etc.
- Promoting good health and safety in communities by arranging motorcycle safety driving training, blood donation for The Thai Red Cross Society, painting social distancing signs at schools to prevent the COVID-19 pandemic, online training on making alcohol gel and alcohol spray for communities, donation of 9,069 pairs of PPE leg covers and made by employees in "Help Doctor Box Project" to 4 hospitals: Panyanaphikku Chonprathan Medical Center, Nonthaburi Province, Saraburi Hospital, Queen Savang Vadhana Memorial Hospital, Chonburi Province, and Rayong Hospital. The Company also donated 900 face shields to Ban Moh Hospital, Saraburi Province.
- Environmental conservation: Through "The Queen Mother's Birthday Reforestation Project Year 8th" by planting 1,000 trees and releasing 5,000 fishes to restore the area affected by big flooding at Khok Nong Na Model, Ban Moh Sub district, Saraburi Province, and "Forest For Life For our Beloved KING Year 10th" project by planting 1,000 mangroves and releasing 10,000 fishes in remembrance to His Majesty King Bhumibol Adulyadej The Great and to honor His Majesty King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua at Mangrove Forest Conservation Learning Center, Klong Tumru Sub district, Chonburi Province. Furthermore, the employees also participated in 5s activity by cleaning the beach at Namrin-Beach, Banchang District, Rayong Province.

3. Sustainable Development

The Committee had supervised and monitored the performance in accordance with annual business plan on five key materiality issues identified by the management. The performance highlights are as follow:

- 1) Customer Satisfaction: The Company has conducted Customer Satisfaction survey 2020 - 21 and received score at 86, higher than the score in last survey in 2017-18. The Company has promoted Customer Centricity across the organisation with the aim to improve customer satisfaction. During the pandemic year, regular contact was maintained with the customers to listen to their opinions and develop customized products through face to face,

telephone and meetings through video conference. The Company strived to continuously improve the quality of its products and services. These include improving surface quality of wire rods with respect to quality of scale, developing new grades and sizes, enhancing drawability as per end application including in automotive sector, improving bundling standard and transportation to avoid damage during transportation. There is a continuous effort to develop and deliver innovative products that goes beyond the stated need of the customers, for instances, Seismic Rebar that enhance safety for end consumers, Cut and Bend product that helps reduce the waste of unused steel from cutting and bending at the site, Grade SD50 rebar that has higher strength compared to SD40, Readymade Dowel to replace import steel, Readymade Deformed Bar Stirrup that used for the reinforcement of concrete structures, Readymade Footing to make construction easier and faster and GB grade rebar for Thai-Chinese High Speed Rail project. Aligned with digital revolution, during the year the Company developed online services mobile application 'TATA Steel TH connect' and online sales channel 'www.BaanClickBuild.com' for customers to be more convenient and be able to respond to customer requirements faster.

- 2) Corporate governance and promoting ethical behavior: The Company has received CG score of 93 in 2021 (Excellent level), higher than the average scores of all listed companies rating of "Very good" at the score of 84. In addition, the Company has organized training Tata Code of Conduct (TCoC) and related policies, such as Whistle Blower Policy, Anti-Bribery and Anti-Corruption Policy to 100% of new employees and arranged communication's sessions with customers, vendors and contractors in annual meetings for clarification the Tata Code of Conduct and related policies. The Company also continuously cooperated with Thai Private Sector Collective Action Against Corruption Council (CAC). The Company has designated KPMG Thailand as the third party for TCoC's reporting of any concerns of misconduct. The Company also received Thai Chamber of Commerce Best Awards 2021 as an organisation that adheres to ethics and good corporate governance from The Thai Chamber of Commerce and Board of Trade of Thailand.
- 3) Air Emissions: The Company's CO₂ emission rate was 0.606 ton/ton of crude steel, better than previous year of 0.637 ton/ton of crude steel. This was achieved through more efficient use of energy and key inputs from the implementation of the project to reduce the electrical energy by using Tap 20 at the SISCO plant, upgrading RHF1 control system Level 2 at NTS plant and using Solar Power. Furthermore, SISCO plant received the certificate of Carbon Footprint for Organization (CFO) from Thailand Greenhouse Gas Management Organization (Public Organization)

for participating in reducing global warming from the greenhouse effect. Moreover, all 3 plants also received Green Mining Awards 2021 for the fourth consecutive year from the Department of Primary Industries and Mines (DPIM), Ministry of Industry. NTS and SCSC plants also received the Gold Plus prize of Eco Factory - Environment Award 2021 from Department of Industrial Works (DIW), Ministry of Industry.

- 4) Community Engagement: In fiscal year 2021 - 22, 100% of employees participated in CSR activities in various projects complying with annual business plan with total number of man-hour spent on CSR activities 9,660 hours or an average of 8.9 hours per person per year and impacted to more than 63,148 people in the community. NTS and SISCO plant received CSR-DPIM Continuous Award 2021 and SCSC plant received CSR-DPIM Award 2021 from Department of Primary Industries and Mines, Ministry of Industry and all 3 plants also won CSR - DIW Continuous Award 2021 from Department of Industrial Works, Ministry of Industry.
- 5) Occupational Health and Safety: The Company has focused its operations in accordance with six safety strategies including health care for employees and contractors to prevent the spread of COVID-19 according to the measures of the Ministry of Public Health as well as encouraging employees to work from their home. In the fiscal year 2022, the Company had Loss Time Injury Frequency Rate (LTIFR) at 0.63 time/million working hours. The number of minor injuries reduced to 6 from 8 cases in the previous year. SCSC and SISCO plant received National Safety Excellence Award 2021 from the Labour Protection and Welfare Department, Ministry of Labour.

Overall, the Company has confidently continued on its journey on the path of sustainability development. The Company has been announced by the Stock Exchange of Thailand to be on the list of Thailand Sustainability Investment (THSI) for the year 2021 and has received the "Sustainability Disclosure Award 2021" from Thaipat Institute as well.

The Corporate Social Responsibility & Sustainability Committee would like to thank all shareholders and stakeholders for their continued support to the Company. We sincerely hope that we will continue to receive your valuable support and advice in taking our mission further.

Mr. Hatasakdi Na Pombejra

Chairman of the Corporate Social Responsibility & Sustainability Committee



INTERNAL CONTROL SYSTEM



The Board of Directors of the Company is responsible for the financial statements of Tata Steel (Thailand) Public Company Limited and its subsidiary, including financial information disclosed in the 56-1 One Report for the year 2021-22, which have been prepared in accordance with Financial Reporting Standards prevailing in Thailand, and the financial reporting requirements of the Securities and Exchange Commission ("SEC") under the Securities and Exchange Act. The policies pursued are appropriate and applied consistently with regard to reasonableness and careful preparation. Important information is also adequately and transparently disclosed in the notes to financial statements for the Company's shareholders and investors.

The Board of Directors has assigned the Audit & Risk Review Committee to review the financial reporting process of the Company and its subsidiary in accordance with Financial Reporting Standards and consistently applied accounting standards in line with the rules and regulations of the Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand ("SET") as well as concerned legislation. The responsibilities of the Audit & Risk Review Committee include reviewing the Company's performance in compliance with corporate governance principles, monitoring of the overall risk management framework, maintaining suitable, effective and well-recognized internal control and audit systems, the selection and recommendation of external auditors, and any other tasks assigned by the Board of Directors.

The Company's Internal Audit Department reports to the Audit & Risk Review Committee. The Internal Audit Department is responsible for reviewing the adequacy and effectiveness of the Company's internal control systems. The department reports its findings and recommendations to the management and the Audit & Risk Review Committee. The internal control reviews are performed to ensure the existence of an effective system of internal controls which provide reasonable assurance for achievement of the Company's objectives. The Risks at all levels of the Company are managed through an effective internal control system and documented in the Internal Control System evaluation form of sufficiency, in line with the requirements of The Securities and Exchange Commission (SEC) of Thailand.

The internal control system in use at the Company has adopted the internal control framework as advocated by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). The Board of Directors of the Company has considered the recommendations of the Audit & Risk Review Committee, evaluated its opinion on the internal control systems of the Company and its subsidiary and found the internal control systems to be adequate. The summary of the Company's internal control system, in line with the COSO principles is detailed below.

CONTROL ENVIRONMENT

The Company prepares annual and long term plans which are approved by the Board of Directors. These plans form the basis of arriving at employee goals and objectives at all operating units and the steps to be followed to achieve the Company's objectives. These objectives are reviewed from time to time. The Company has a well-structured organisation in place that describes the individual's responsibilities for key businesses and other functions. All employees have been provided with the TSTH Policies Handbook which contains all of the policies that facilitate in improving the control environment. TSTH has detailed Code of Conduct for its directors, executives, stakeholders and employees. The Code of Conduct of the Company has been announced to, read, and signed by all employees. The Anti-Corruption Policy has been implemented by TSTH to conduct the Company's global business operations honestly, fairly, without corruption or bribery and with accountability. These policies are also published on the website of Tata Steel (Thailand) Public Company Limited.

ENTERPRISE RISK MANAGEMENT

The Company has a process to identify and consider the implications of business risk factors which are continuously updated with changes in economic scenario, financial outlook, relevant industry environment and internal resources. Risks are prioritized based on the likelihood of occurrence and severity impact on the achievement of business objectives. Another dimension of Risk Velocity has also been added. Risk Assessment Matrix is cascaded throughout the Company. Head of Departments accordingly formulate the comprehensive action plan to mitigate the risks. The review and monitoring is performed regularly through the corporate level meeting of management team and by the Audit & Risk Review Committee. Enterprise Risk Management is an integral part of the reports presented in the Board Meetings.

OPERATIONAL CONTROL OF MANAGEMENT

The Company has established policies and procedures that are appropriate for the efficient operations of the business. These include the determination of clear scope, responsibility and authority for each level of management, and monitoring of the operation of the Company and its subsidiary on a regular basis. Appropriate internal controls are also evident in transactions concerning major shareholders, directors, management or related parties.



INFORMATION TECHNOLOGY AND COMMUNICATION

The Company and its management ensure that adequate and sufficient information is provided to the Board for their review and consideration. The minutes of the meeting of the Board of Directors are prepared by the Company Secretary. The minutes cover all aspects of discussion held during the Board meeting. The minutes of the meeting are reviewed and signed by the Chairman of the meeting. The Company Secretary fulfills any requirement or provides any information needed to provide assistance to the directors as requested.

WHISTLEBLOWER POLICY

The Company has a Whistleblower Policy which provides channels for employees and other stakeholders to lodge any concern or complaints anonymously. The website of the Company provides various communication channels for external parties, e.g. Investor Relations, Customer Relation, etc. The Company provides a communication channel to external parties who may wish contact the Independent Director and Chairman of the Audit & Risk Review Committee directly by sending an email to: alank@libertasth.com or may contact the third party TCoC Helpline through toll-free phone / via the website as detailed in the Whistle Blower Policy.

MONITORING

The annual business plan is reviewed and approved by the Board of Directors. The Company's quarterly financial statements are reviewed by the Audit & Risk Review Committee and recommended to the Board of Directors for approval. Moreover, the Audit & Risk Review Committee reviews the annual audited financial statements and makes recommendations to the Board for its consideration and approval. The Management evaluates the capability of the internal control system on an annual basis and updates it accordingly to reflect the evolving needs of the business.

The Company's Internal Audit Department formulates the annual internal audit plan which is approved by the Audit & Risk Review Committee. The risk-based audit plan considers the risk factors and the results of previous internal audit reviews. The Internal Audit Department reviews the internal control system throughout the various business processes and across all subsidiary according to its Annual Internal Audit Plan. The deficiencies and recommendations are communicated to agencies responsible for implementation. The audit reports and findings are presented to the Audit & Risk Review Committee on quarterly basis.

The Board believes that the internal control system of the Company, in general, is adequate to assure that the financial statements of Tata Steel (Thailand) Public Company Limited and its subsidiary present, in all material respects, the financial positions, results of operations, and cash flows accurately.



CONNECTED TRANSACTIONS

Characteristics of connected transactions

For the 12-month period ending March 31, 2022, March 31, 2021 and March 31, 2020, the Company entered into connected transactions with related companies as summarized below:

Type of Connected transactions

Unit : Thousand Baht

| | Mar 31, 2022 | Mar 31, 2021 | Mar 31, 2020 |
|-------------------|--------------|--------------|--------------|
| Sales | 3,785,149 | 1,562,867 | 1,501,005 |
| Purchases | 482,369 | 2,765,594 | 1,178,050 |
| Other expense | 691 | 811 | 1,074 |
| Trade receivables | 191,269 | 279,604 | 226,196 |
| Other receivables | 44 | 44 | 44 |
| Trade payables | 2,393 | 185,080 | 2,347 |
| Other payables | 2,436 | 2,256 | 2,267 |

Refer "Notes to the Consolidated and Separate Financial Statements" No. 34: Related party transactions, page 231-232 for details of connected transactions.

Details of each connected transaction are as follows:

Details of Sales with related parties

Unit : Thousand Baht

| Name of Company | Type of Business | Relationship | Amount of Connected Transactions | | |
|---------------------------------------|-----------------------------------|---------------------------|----------------------------------|------------|------------|
| | | | Mar 31, 22 | Mar 31, 21 | Mar 31, 20 |
| 1 The Siam Industrial Wire Co., Ltd. | Manufacture Steel Wire | Same group of shareholder | 2,353,896 | 898,270 | 452,053 |
| 2 Tata Steel Limited | Manufacture Steel | Ultimate Parent company | 195,497 | 395,669 | 762,299 |
| 3 TSN Wires Co., Ltd. | Manufacture galvanized steel wire | Same group of shareholder | 492,974 | 265,682 | 282,700 |
| 4 NatSteel Holdings Pte. Ltd.* | Manufacture Steel | Same group of shareholder | 3,157 | 3,246 | 3,774 |
| 5 Tata International Metal Asia Ltd. | Trading | Same group of shareholder | 739,625 | - | - |
| 6 Tata Projects Limited | Infrastructure projects | Same group of shareholder | - | - | 179 |
| Total inter-company sale transactions | | | 3,785,149 | 1,562,867 | 1,501,005 |

Remark: * This company have not been treated as related parties under "same group of shareholders" since 30 September 2021.

Details of Purchases with related parties

Unit : Thousand Baht

| Name of Company | Type of Business | Relationship | Amount of Connected Transactions | | |
|--|-------------------|---------------------------|----------------------------------|------------------|------------------|
| | | | Mar 31, 22 | Mar 31, 21 | Mar 31, 20 |
| 1 Tata International Metals Asia Ltd. | Trading | Same group of shareholder | 402,089 | 493,858 | 1,137,852 |
| 2 Tata Steel Limited. | Manufacture Steel | Ultimate Parent company | - | 2,252,154 | - |
| 3 Tata International Limited | Trading | Same group of shareholder | 67,583 | - | 18,518 |
| 4 Tata International West Asia DMCC | Trading | Same group of shareholder | 12,697 | 19,582 | 21,680 |
| Total inter-company purchase transactions | | | 482,369 | 2,765,594 | 1,178,050 |

Details of Other expense with related parties

Unit : Thousand Baht

| Name of Company | Type of Business | Relationship | Amount of Connected Transactions | | |
|---|--|---------------------------|----------------------------------|------------|--------------|
| | | | Mar 31, 22 | Mar 31, 21 | Mar 31, 20 |
| 1 The Siam Industrial Wire Co., Ltd. | Manufacture Steel Wire | Same group of shareholder | 11 | 15 | - |
| 2 Tata Tata Steel Limited | Manufacture Steel | Ultimate Parent company | 455 | 747 | 1,004 |
| 3 Tata Sons Private Limited | Investment holdings and consultancy services | Same group of shareholder | 225 | 22 | 16 |
| 4 Tata Technologies (Thailand) Co., Ltd. | IT Services | Same group of shareholder | - | - | 54 |
| 5 Tata Services Ltd. | Training Services | Same group of shareholder | - | 27 | - |
| Total inter-company other expense transactions | | | 691 | 811 | 1,074 |

Details of Trade receivables with related parties

Unit : Thousand Baht

| Name of Company | Type of Business | Relationship | Amount of Connected Transactions | | |
|---|-----------------------------------|---------------------------|----------------------------------|----------------|----------------|
| | | | Mar 31, 22 | Mar 31, 21 | Mar 31, 20 |
| 1 TSN Wires Co., Ltd. | Manufacture galvanized steel wire | Same group of shareholder | 50,537 | 36,306 | 53,664 |
| 2 The Siam Industrial Wire Co., Ltd. | Manufacture Wire rod | Same group of shareholder | 140,732 | 15,438 | 543 |
| 3 Tata Steel Limited | Manufacture steel | Ultimate Parent company | - | 227,860 | 171,989 |
| Total inter-company Trade receivables transactions | | | 191,269 | 279,604 | 226,196 |

Details of Other receivables with related parties

Unit : Thousand Baht

| Name of Company | Type of Business | Relationship | Amount of Connected Transactions | | |
|---|---------------------------|---------------------------|----------------------------------|------------|------------|
| | | | Mar 31, 22 | Mar 31, 21 | Mar 31, 20 |
| 1 Tata Steel Limited | Manufacture steel | Ultimate Parent company | 23 | 23 | 23 |
| 2 Tata Communications (Thailand) Co., Ltd. | Telecommunication Service | Same group of shareholder | 21 | 21 | 21 |
| Total inter-company Other receivables transactions | | | 44 | 44 | 44 |

Details of Trade payables with related parties

Unit : Thousand Baht

| Name of Company | Type of Business | Relationship | Amount of Connected Transactions | | |
|--|-------------------|---------------------------|----------------------------------|----------------|--------------|
| | | | Mar 31, 22 | Mar 31, 21 | Mar 31, 20 |
| 1 Tata Steel Limited | Manufacture steel | Ultimate Parent company | 2,393 | 2,251 | 2,347 |
| 2 Tata International Metals Asia Ltd. | Trading | Same group of shareholder | - | 182,829 | - |
| Total inter-company Trade payables transactions | | | 2,393 | 185,080 | 2,347 |

Details of Other payables with related parties

Unit : Thousand Baht

| Name of Company | Type of Business | Relationship | Amount of Connected Transactions | | |
|--|--|---------------------------|----------------------------------|--------------|--------------|
| | | | Mar 31, 22 | Mar 31, 21 | Mar 31, 20 |
| 1 Tata Steel Limited | Manufacture Steel | Ultimate Parent company | 2,312 | 2,256 | 2,267 |
| 2 Tata Sons Private Limited | Investment holdings and consultancy services | Same group of shareholder | 124 | - | - |
| Total inter-company Other payables transactions | | | 2,436 | 2,256 | 2,267 |

Pricing Condition and Policy

The said connected transactions between the Company and subsidiaries or related companies were adopted for commercial transactions, including borrowing or grant of loans within the policy frame work of transfer pricing mechanism on fair and at an arms' length basis, with prices and interest rates as would be applicable to a third party. In the absence of reference price or interest benchmark rate, the Company uses the third party prices as if operating under the same or similar conditions with significant transactions.

Necessity and Appropriateness of Connected transactions

The said connected transactions have been transacted in the normal course of business and in accordance with generally accepted trading terms. The benefits to the Company from such transactions were that purchase of raw materials ensured quality and continuity of supply; sales of goods added more channels of product distribution.

Measures/Procedures of approving connected transactions

In approval of connected transactions, each subsidiary, as clearly set forth in the Authority Table of the Company, must seek approval from either its Vice President or the subsidiaries' Board of directors or President or Executive Committee or the Company's Board of directors, depending on the amount of budget involved under the Company's internal control system which has properly been set up. The delegation of authority is reviewed on a regular basis for the sake of operational flexibility and internal control.

Should there be any transactions relating to persons having conflict of interest with the Company, the Company strictly follows the rules and regulations according to the notifications of by the Securities and Exchange Commission and the Stock Exchange of Thailand, i.e., seeking approval from the Board of Directors and/ or the shareholders, with the recommendation from the Audit & Risk Review Committee. Directors and Executives having interest and/ or connection on a matter do not attend the meeting or vote on such matter for the sake of fairness.

The implementation also included the compliance with the regulation, in case there be a disclosure of connected transactions and acquisition or disposition of assets of the Company or its subsidiaries. The company conforms to the Financial Reporting standards announced by Federation of Accounting Professions with respect to the disclosure of connected transactions. The connected transactions are established on the basis of necessity, reasonableness, and the optimal benefit of the Company.

Policy or future trend of connected transactions

Future connected transactions between the Company and its subsidiaries or related companies will continue to be conducted in the ordinary course of business on fair and at an arm's length basis. In respect of transactions involving persons with conflict of interests or having interests and/or connected persons, the Company will strictly perform accordingly to measures and procedures prescribed by the Securities and Exchange Commission, the Stock Exchange of Thailand and Revenue Department.





3

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Tata Steel (Thailand) Public Company Limited
31 March 2022



REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES TO THE FINANCIAL STATEMENTS

Dear Shareholders,

The Board of Directors of the Company is responsible for the financial statements of Tata Steel (Thailand) Public Company Limited and its subsidiary, including financial information disclosed in Form 56-1 One Report for the year 2021-22, which have been prepared in accordance with Financial Reporting Standards prevailing in Thailand, and financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act. The policies pursued are appropriate and applied consistently with regard to reasonableness and careful preparation. Important information are also adequately and transparently disclosed in the notes to financial statements for the Company's shareholders and investors.

The Board has appointed an Audit & Risk Review Committee comprising of Independent Directors to supervise and review financial statements as well as to assess the internal control and risk management systems to ensure that accounting records are accurate, complete, and timely to prevent frauds and unusual operations. The views of the Audit & Risk Review Committee are reported in the Report of the Audit & Risk Review Committee for Form 56-1 One Report for the year 2021-22 presented herein.

The Board believes that the internal control system of the Company, in general, is adequate to assure that the financial statements of Tata Steel (Thailand) Public Company Limited and its subsidiary present, in all material aspects, the financial positions, results of operations, and cash flow accurately.

Peeyush Gupta
Chairman

Rajiv Mangal
President & CEO



CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Tata Steel (Thailand) Public Company Limited

Independent Auditor's Report

To the shareholders and the Board of Directors of Tata Steel (Thailand) Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Tata Steel (Thailand) Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 March 2022, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 March 2022;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Assessment of impairment of investments in a subsidiary and goodwill. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

| Key audit matter | How my audit addressed the key audit matter |
|---|---|
| <p>Assessment of impairment of investments in a subsidiary and goodwill</p> <p>Note No. 8 to the financial statements related to critical accounting estimates and judgements related to the assessment of impairment of investments in a subsidiary and goodwill, Note 15 investments in a subsidiary and Note 19 goodwill.</p> <p>As at 31 March 2022, investments in a subsidiary, net, in the amount of Baht 12,013 million was presented in the separate financial statements and goodwill, net, in the amount of Baht 3,456 million was presented in the consolidated financial statements.</p> <p>For the year ended 31 March 2022, the management performed an impairment assessment over the investments in a subsidiary and the goodwill balances by:</p> <ol style="list-style-type: none"> 1. Calculating the discounted cash flow using a discounted cash flow model for 5 years, with constant terminal growth rate applied from the 5th year onwards. These cash flows were then discounted to net present value using the weighted average cost of capital; and 2. Comparing the discounted cash flow to their respective book values of each cash generating unit. The discounted cash flow of each cash generating unit was used to assess for allowance for impairment of investments in a subsidiary and goodwill of each cash generating unit. <p>Based on the annual impairment test, the management identified no allowance for impairment of the investments in a subsidiary and goodwill was required. The key assumptions were disclosed in Note 19 to the financial statements.</p> <p>I focused on this area because the balances of these accounts were material to the financial statements. Moreover, the assessment of the recognition of loss from impairment in the investments in a subsidiary and goodwill were complex based on judgements and assumptions that were affected by expectation of future market and economic conditions, particularly those related to the cash flows forecasts.</p> | <p>I obtained an understanding of and evaluated the key controls over the impairment assessment, and tested recoverable amount of investment in a subsidiary and goodwill prepared by management in conducting the impairment assessment which included:</p> <ul style="list-style-type: none"> - I obtained, understood, evaluated and challenged the composition of management's cash flow forecasts and the process by which they were developed, including test the mathematical accuracy of the underlying calculations. - I compared the cash flow forecast to the approved budgets and business plans and other evidence of future intentions. - I compared current year actual results with the figures included in the prior year forecast to consider whether the forecasts included assumptions had been reasonable. - I assessed management's key assumptions, especially gross margin and growth rate by comparing them to historical results and economic and industry outlook. - I tested the parameters used to determine the discount rate applied and re-performed the calculations. - I involved my valuation expert to independently check the expectations, in particular, discount rates, and comparing the independent expectations to those used by management. <p>Based on a procedures above, I considered management's key assumptions used in assessing of investments in a subsidiary and goodwill for impairment were reasonable based on available evidence.</p> |

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.

Varaporn Vorathitikul

Certified Public Accountant (Thailand) No. 4474
Bangkok
20 April 2022

Tata Steel (Thailand) Public Company Limited

Statement of Financial Position

As at 31 March 2022

| | Notes | Consolidated financial statements | | Separate financial statements | |
|---|-------|--------------------------------------|-----------------------|----------------------------------|-----------------------|
| | | 2022 | 2021 | 2022 | 2021 |
| | | Baht | Baht | Baht | Baht |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 10 a) | 1,394,729,621 | 950,537,340 | 920,833,604 | 796,377,572 |
| Trade and other receivables, net | 11 | 2,433,199,547 | 1,129,158,891 | 64,061,351 | 82,022,895 |
| Short-term loans to a subsidiary | 34 c) | - | - | 593,294,033 | 6,868,063,764 |
| Inventories, net | 13 | 4,444,870,724 | 3,459,057,396 | - | - |
| Other current assets | 14 | 75,524,772 | 75,191,395 | 503,812 | 477,192 |
| Total current assets | | 8,348,324,664 | 5,613,945,022 | 1,578,692,800 | 7,746,941,423 |
| Non-current assets | | | | | |
| Investments in subsidiaries | 15 | - | - | 12,013,047,274 | 5,801,787,632 |
| Financial assets measured at fair value through other comprehensive income | 12 | 304,320,000 | 206,640,000 | - | - |
| Property, plant and equipment, net | 16 | 2,377,862,464 | 2,566,395,653 | 5,219,430 | 11,310,934 |
| Idle assets held-for-sale, net | 17 | 262,000,000 | 343,000,000 | - | - |
| Right-of-use assets, net | 18 | 621,322,626 | 670,012,904 | 17,199,284 | 29,369,678 |
| Goodwill, net | 19 | 3,456,014,092 | 3,456,014,092 | - | - |
| Intangible assets, net | 20 | 25,659,459 | 27,350,208 | 12,505,228 | 11,798,654 |
| Deferred tax assets, net | 21 | 15,609,030 | 17,694,773 | 15,609,030 | 17,694,773 |
| Other non-current assets | 22 | 81,568,467 | 99,432,220 | 54,489,477 | 60,810,547 |
| Total non-current assets | | 7,144,356,138 | 7,386,539,850 | 12,118,069,723 | 5,932,772,218 |
| Total assets | | 15,492,680,802 | 13,000,484,872 | 13,696,762,523 | 13,679,713,641 |

Tata Steel (Thailand) Public Company Limited

Statement of Financial Position

As at 31 March 2022

| | Notes | Consolidated financial statements | | Separate financial statements | |
|---|-------|--------------------------------------|----------------------|----------------------------------|--------------------|
| | | 2022 | 2021 | 2022 | 2021 |
| | | Baht | Baht | Baht | Baht |
| Liabilities and equity | | | | | |
| Current liabilities | | | | | |
| Short-term borrowings from financial institutions | 23 | 145,576,904 | 441,392,535 | - | - |
| Trade and other payables | 24 | 1,714,877,269 | 1,590,830,373 | 115,732,140 | 113,325,278 |
| Current income tax payable | | - | 25,172,933 | - | - |
| Current portion of lease liabilities, net | 23 | 31,079,390 | 38,567,524 | 8,627,423 | 15,938,335 |
| Other current liabilities | | 31,881,820 | 36,266,429 | 7,886,649 | 6,755,197 |
| Total current liabilities | | 1,923,415,383 | 2,132,229,794 | 132,246,212 | 136,018,810 |
| Non-current liabilities | | | | | |
| Lease liabilities, net | 23 | 632,371,621 | 656,313,871 | 8,884,695 | 13,618,666 |
| Deferred tax liabilities, net | 21 | 9,870,048 | 1,917,214 | - | - |
| Employee benefit obligations | 25 | 346,903,945 | 329,092,385 | 71,613,052 | 81,475,899 |
| Provision for decommissioning costs | 26 | 410,250 | 410,250 | 410,250 | 410,250 |
| Total non-current liabilities | | 989,555,864 | 987,733,720 | 80,907,997 | 95,504,815 |
| Total liabilities | | 2,912,971,247 | 3,119,963,514 | 213,154,209 | 231,523,625 |

Tata Steel (Thailand) Public Company Limited

Statement of Financial Position

As at 31 March 2022

| | Note | Consolidated | | Separate | |
|---|------|----------------------|-----------------|----------------------|----------------|
| | | financial statements | | financial statements | |
| | | 2022 | 2021 | 2022 | 2021 |
| | | Baht | Baht | Baht | Baht |
| Liabilities and equity (continued) | | | | | |
| Equity | | | | | |
| Share capital | | | | | |
| Authorised share capital | | | | | |
| Ordinary shares, 8,421,540,848 shares | | | | | |
| at par value of Baht 1 each | | | | | |
| | | 8,421,540,848 | 8,421,540,848 | 8,421,540,848 | 8,421,540,848 |
| Issued and paid-up share capital | | | | | |
| Ordinary shares, 8,421,540,848 shares | | | | | |
| paid-up of Baht 1 each | | | | | |
| | | 8,421,540,848 | 8,421,540,848 | 8,421,540,848 | 8,421,540,848 |
| Share premium | | | | | |
| Ordinary shares | | | | | |
| | | 3,258,624,766 | 3,258,624,766 | 3,258,624,766 | 3,258,624,766 |
| Expired warrants | | | | | |
| | | 130,201,936 | 130,201,936 | 130,201,936 | 130,201,936 |
| Retained earnings (deficits) | | | | | |
| Appropriated - legal reserve | | | | | |
| | 27 | 374,994,226 | 373,780,813 | 374,994,226 | 373,780,813 |
| Unappropriated | | | | | |
| | | 160,816,728 | (2,454,956,461) | 1,298,246,538 | 1,264,041,653 |
| Other components of equity | | | | | |
| | | 243,455,007 | 165,311,007 | - | - |
| Equity attributable to owners | | | | | |
| of the parent | | | | | |
| | | 12,589,633,511 | 9,894,502,909 | 13,483,608,314 | 13,448,190,016 |
| Non-controlling interests | | | | | |
| | | (9,923,956) | (13,981,551) | - | - |
| Total equity | | | | | |
| | | 12,579,709,555 | 9,880,521,358 | 13,483,608,314 | 13,448,190,016 |
| Total liabilities and equity | | | | | |
| | | 15,492,680,802 | 13,000,484,872 | 13,696,762,523 | 13,679,713,641 |

Tata Steel (Thailand) Public Company Limited

Statement of Comprehensive Income

For the year ended 31 March 2022

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|-------|--------------------------------------|----------------------|----------------------------------|-------------------|
| | | 2022 | 2021 | 2022 | 2021 |
| | | Baht | Baht | Baht | Baht |
| Revenue from sales and related services | | 32,589,804,898 | 22,016,896,005 | - | - |
| Revenue from rendering services | | - | - | 412,868,000 | 392,192,000 |
| Cost of sales and related services | | (29,106,381,347) | (20,532,574,600) | - | - |
| Cost of rendering services | | - | - | (389,911,746) | (369,645,366) |
| Gross profit | | 3,483,423,551 | 1,484,321,405 | 22,956,254 | 22,546,634 |
| Other income | 28 | 50,521,845 | 119,041,252 | 22,203,388 | 71,642,101 |
| Selling expenses | | (210,252,542) | (190,616,336) | - | - |
| Administrative expenses | | (607,377,730) | (564,361,873) | (12,688,412) | (26,008,524) |
| Other expenses | 17 | (81,000,000) | (117,000,000) | (101,967) | (41,794) |
| Finance costs | 29 | (35,050,209) | (43,038,442) | (1,434,682) | (21,691,763) |
| Profit before income tax expense | | 2,600,264,915 | 688,346,006 | 30,934,581 | 46,446,654 |
| Income tax income (expense) | 31 | 5,859,313 | (56,728,075) | (6,666,333) | (22,338,713) |
| Profit for the year | | 2,606,124,228 | 631,617,931 | 24,268,248 | 24,107,941 |
| Other comprehensive income (expense) | | | | | |
| Items that will not be reclassified subsequently to profit or loss | | | | | |
| Changes in fair value of equity investments at fair value through other comprehensive income | | 97,680,000 | 60,480,000 | - | - |
| Remeasurements of post-employment benefit obligations | | 18,649,962 | 29,976,178 | 13,937,563 | 6,351,843 |
| Income tax relating to items that will not be reclassified subsequently to profit or loss | | (23,265,993) | (17,371,381) | (2,787,513) | (1,270,369) |
| Total items that will not be reclassified subsequently to profit or loss | | 93,063,969 | 73,084,797 | 11,150,050 | 5,081,474 |
| Other comprehensive income for the year, net of tax | | 93,063,969 | 73,084,797 | 11,150,050 | 5,081,474 |
| Total comprehensive income for the year | | 2,699,188,197 | 704,702,728 | 35,418,298 | 29,189,415 |

Tata Steel (Thailand) Public Company Limited

Statement of Comprehensive Income

For the year ended 31 March 2022

| | Note | Consolidated financial statements | | Separate financial statements | |
|-----------------------------------|------|--------------------------------------|--------------------|----------------------------------|-------------------|
| | | 2022 | 2021 | 2022 | 2021 |
| | | Baht | Baht | Baht | Baht |
| Profit attributable to: | | | | | |
| Owners of the Company | | 2,602,097,955 | 630,549,055 | 24,268,248 | 24,107,941 |
| Non-controlling interests | | 4,026,273 | 1,068,876 | - | - |
| | | <u>2,606,124,228</u> | <u>631,617,931</u> | <u>24,268,248</u> | <u>24,107,941</u> |
| Total comprehensive income | | | | | |
| attributable to: | | | | | |
| Owners of the Company | | 2,695,130,602 | 703,625,214 | 35,418,298 | 29,189,415 |
| Non-controlling interests | | 4,057,595 | 1,077,514 | - | - |
| | | <u>2,699,188,197</u> | <u>704,702,728</u> | <u>35,418,298</u> | <u>29,189,415</u> |
| Earnings per share | | | | | |
| Basic earnings per share (Baht) | 32 | 0.31 | 0.07 | 0.00 | 0.00 |

Tata Steel (Thailand) Public Company Limited

Statement of Changes in Equity

For the year ended 31 March 2022

| Consolidated financial statements | | | | | | | | | | | | |
|--|---------------------------------------|----------------------------|------------------|------------------------------|-----------------|----------------------------|---------------------------|--------------------|-----------------------------|-----------------------------------|----------------|------|
| Notes | Attributable to owners of the Company | | | | | | | | | | | |
| | Capital contributed | | | Retained earnings (Deficits) | | | Other component of equity | | | Measurement of equity investments | | |
| | Issued and paid-up share capital | Premium on ordinary shares | Expired warrants | Appropriated - legal reserve | Unappropriated | other comprehensive income | at fair value through | equity investments | Total owners of the Company | Non-controlling interests | Total equity | |
| | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht |
| Opening balance as at 1 April 2020 | 8,421,540,848 | 3,258,624,766 | 130,201,936 | 372,575,416 | (3,108,992,278) | 116,927,007 | | | 9,190,877,695 | (15,059,065) | 9,175,818,630 | |
| Changes in transactions with owners for the year | | | | | | | | | | | | |
| Legal reserve | - | - | - | 1,205,397 | (1,205,397) | - | - | - | - | - | - | - |
| Total comprehensive income for the year | - | - | - | - | 655,241,214 | 48,384,000 | | | 703,625,214 | 1,077,514 | 704,702,728 | |
| Closing balance as at 31 March 2021 | 8,421,540,848 | 3,258,624,766 | 130,201,936 | 373,780,813 | (2,454,956,461) | 165,311,007 | | | 9,894,502,909 | (13,981,551) | 9,880,521,358 | |
| Opening balance as at 1 April 2021 | 8,421,540,848 | 3,258,624,766 | 130,201,936 | 373,780,813 | (2,454,956,461) | 165,311,007 | | | 9,894,502,909 | (13,981,551) | 9,880,521,358 | |
| Changes in transactions with owners for the year | | | | | | | | | | | | |
| Legal reserve | - | - | - | 1,213,413 | (1,213,413) | - | - | - | - | - | - | - |
| Total comprehensive income for the year | - | - | - | - | 2,616,986,602 | 78,144,000 | | | 2,695,130,602 | 4,057,595 | 2,699,188,197 | |
| Closing balance as at 31 March 2022 | 8,421,540,848 | 3,258,624,766 | 130,201,936 | 374,994,226 | 160,816,728 | 243,455,007 | | | 12,589,633,511 | (9,923,956) | 12,579,709,555 | |

Tata Steel (Thailand) Public Company Limited

Statement of Changes in Equity
For the year ended 31 March 2022

| | | Separate financial statements | | | | | |
|---|----|-------------------------------------|-------------------------------|---------------------|---------------------------------|----------------|-----------------|
| | | Capital contributed | | | Retained earnings | | |
| | | Issued and paid-up share capital | Premium on ordinary shares | Expired warrants | Appropriated - legal reserve | Unappropriated | Total equity |
| Note | | Baht | Baht | Baht | Baht | Baht | Baht |
| Opening balance as at 1 April 2020 | | 8,421,540,848 | 3,258,624,766 | 130,201,936 | 372,575,416 | 1,236,057,635 | 13,419,000,601 |
| Changes in transactions with owners for the year | | | | | | | |
| Legal reserve | 27 | - | - | - | 1,205,397 | (1,205,397) | - |
| Total comprehensive income for the year | | - | - | - | - | 29,189,415 | 29,189,415 |
| Closing balance as at 31 March 2021 | | 8,421,540,848 | 3,258,624,766 | 130,201,936 | 373,780,813 | 1,264,041,653 | 13,448,190,016 |
| Opening balance as at 1 April 2021 | | 8,421,540,848 | 3,258,624,766 | 130,201,936 | 373,780,813 | 1,264,041,653 | 13,448,190,016 |
| Changes in transactions with owners for the year | | | | | | | |
| Legal reserve | 27 | - | - | - | 1,213,413 | (1,213,413) | - |
| Total comprehensive income for the year | | - | - | - | - | 35,418,298 | 35,418,298 |
| Closing balance as at 31 March 2022 | | 8,421,540,848 | 3,258,624,766 | 130,201,936 | 374,994,226 | 1,298,246,538 | 13,483,608,314 |

Tata Steel (Thailand) Public Company Limited

Statement of Cash Flows

For the year ended 31 March 2022

| | Notes | Consolidated | | Separate | |
|---|-------|----------------------|---------------|----------------------|--------------|
| | | financial statements | | financial statements | |
| | | 2022 | 2021 | 2022 | 2021 |
| | | Baht | Baht | Baht | Baht |
| Cash flows from operating activities | | | | | |
| Profit before income tax expense | | 2,600,264,915 | 688,346,006 | 30,934,581 | 46,446,654 |
| Adjustments : | | | | | |
| Depreciation and amortisation charge | | 473,390,254 | 474,573,895 | 27,145,638 | 27,910,240 |
| Reversal of impairment losses on financial assets | | - | (135,260) | - | - |
| Employee benefit obligations | | 56,056,010 | 43,466,501 | 10,603,483 | 12,440,572 |
| Gain on foreign exchange rate | | (1,666,637) | (11,571,694) | (22,564) | (29,453) |
| Other adjustments from non-cash items | 10 b) | 81,578,493 | 128,963,948 | (18,058) | 1,141,885 |
| Interest income | 28 | (1,947,994) | (2,961,897) | (20,530,220) | (71,067,096) |
| Dividend income | 28 | (21,600,000) | (28,800,000) | - | - |
| Interest expense | 29 | 35,050,209 | 43,038,442 | 1,434,682 | 21,691,763 |
| | | 3,221,125,250 | 1,334,919,941 | 49,547,542 | 38,534,565 |
| Changes in working capital | | | | | |
| Trade and other receivables | | (1,303,878,279) | (470,742,648) | 15,649,415 | (56,282,460) |
| Inventories | | (985,178,917) | (938,257,010) | - | - |
| Trade and other payables | | 108,309,964 | 674,384,099 | 3,639,283 | 49,458,231 |
| Other cash received (paid) from operating activities | 10 c) | (25,896,522) | 45,910,856 | (5,104,455) | (5,096,899) |
| Cash flows from operating activities | | | | | |
| Cash generated from operations | | 1,014,481,496 | 646,215,238 | 63,731,785 | 26,613,437 |
| Adjustment of cash occurred from borrowings | 10 d) | (35,673,776) | (45,792,495) | (1,434,682) | (26,791,626) |
| Income tax paid, net | | (12,266,648) | (113,116,092) | (1,864,009) | (12,935,664) |
| Net cash generated from (used in) operating activities | | | | | |
| | | 966,541,072 | 487,306,651 | 60,433,094 | (13,113,853) |

Tata Steel (Thailand) Public Company Limited

Statement of Cash Flows

For the year ended 31 March 2022

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|-------|--------------------------------------|--------------|----------------------------------|-----------------|
| | | 2022 | 2021 | 2022 | 2021 |
| | | Baht | Baht | Baht | Baht |
| Cash flows from investing activities | | | | | |
| Purchases of intangible assets | 10 e) | (3,712,302) | (1,059,827) | (3,562,302) | (386,000) |
| Purchases of property, plant and equipment | 10 e) | (207,201,495) | (89,318,860) | (2,605,113) | (925,995) |
| Proceeds from disposals of property, plant and equipment | | 449,119 | 34,710 | 491,183 | 528,026 |
| Net cash proceeds from short-term loans to a subsidiary | | - | - | 63,510,089 | 2,435,279,397 |
| Dividend income | 28 | 21,600,000 | 28,800,000 | - | - |
| Interest income | | 1,789,393 | 3,131,097 | 22,842,290 | 75,803,043 |
| Net cash generated from (used in) investing activities | | (187,075,285) | (58,412,880) | 80,676,147 | 2,510,298,471 |
| Cash flow from financing activities | | | | | |
| Net repayments on short-term borrowings from financial institutions | | (295,815,631) | (20,334,454) | - | - |
| Net repayments on short-term borrowings from subsidiaries | | - | - | - | (2,118,355,192) |
| Payments on lease liabilities | | (39,457,875) | (35,016,706) | (16,653,209) | (15,339,180) |
| Net cash used in financing activities | | (335,273,506) | (55,351,160) | (16,653,209) | (2,133,694,372) |
| Net increase in cash and cash equivalents | | 444,192,281 | 373,542,611 | 124,456,032 | 363,490,246 |
| Cash and cash equivalents at the beginning of the year | | 950,537,340 | 576,994,729 | 796,377,572 | 432,887,326 |
| Cash and cash equivalents at the end of the year | 10 a) | 1,394,729,621 | 950,537,340 | 920,833,604 | 796,377,572 |
| Non-cash items | | | | | |
| Convert debt from short-term loan to a subsidiary to equity of a subsidiary | 10 e) | - | - | 6,211,259,643 | - |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

1 General information

Tata Steel (Thailand) Public Company Limited (“the Company”) is a public limited company which is incorporated and domiciled in Thailand and is listed on the Stock Exchange of Thailand since November 2002 with the objective to invest in other companies and provide management services. The address of the Company’s registered office is as follows:

Rasa Tower 2, 20th Floor, 555 Phaholyothin Road, Chatuchak Sub-district, Chatuchak District, Bangkok 10900.

For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

The principal business operation of the Group is manufacturing, rendering manufacturing services, distributing and trading of steel bars, wire rods and small section products.

The major shareholder is T S Global Holdings Pte. Ltd. (“TSGH”), which is incorporated in Singapore and holds 67.90% of the Company’s shares, and is an affiliate of Tata Steel Limited, a listed company incorporated under the law of India.

The Company has not recorded an investment in Siam Steel Mill Services Company Limited which is held by Tata Steel Manufacturing (Thailand) Public Company Limited at 24% of share capital on an equity method because the Company has no significant influence to govern the financial and operating policies of and does not have any authorised director to sign on behalf of Siam Steel Mill Services Company Limited.

These consolidated and separate financial statements were authorized for issue by the Board of Directors on 20 April 2022.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

2 Significant events during the current period

Coronavirus Disease 2019 outbreak

The outbreak of Coronavirus Disease 2019 ("COVID-19") in early 2020 until 2021 has resulted in a global economic slowdown and adversely impacted most businesses and industries worldwide. However, there was no significant impact of the COVID-19 pandemic on the Group's operating results for the year ended 31 March 2022 and the Group's management assessed that the future operations, financial condition and liquidity are not expected to be materially impacted by it either. The full impact, however, of the COVID-19 pandemic will depend on its future developments of the disease control and prevention, such as its ultimate duration and scope of the pandemic including the government's measures on disease control and to ease economic impacts. The Group's management has implemented early precautions within its operations. It is continuously monitoring ongoing developments and assessing the financial impact.

3 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in accounting policies for certain financial assets (including derivative instrument) as described in Note 5.7 and certain financial liabilities as described in Notes 5.13.

The preparation of financial statements is in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 8.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

4 New and amended financial reporting standards

4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021 and relate to the Group

a) **Revised Conceptual Framework for Financial Reporting** added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) **Amendment to TFRS 3, Business combinations** amended the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.

c) **Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures** amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.

d) **Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors** amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

e) **Amendment to TFRS 16, Leases** amended to provide a practical expedient where lessees are exempted from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications. It applies to rent concessions that reduce the lease payments due by 30 June 2022.

These financial reporting standards do not have the significant impact to the Group.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

4.2 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2022 and relate to the Group

Certain amended TFRSs have been issued that are not mandatory for the current reporting period and have not been early adopted by the Group.

- a) **Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 and TFRS 4, and accounting guidance, financial instruments and disclosures for insurance business** provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

The Group's management is currently assessing the impact of initial adoption of these amended standards.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

5 Accounting policies

5.1 Principles of consolidation

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost. Cost also includes direct attributable costs of investment.

b) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures, if any are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

5.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

Acquisition-related cost

Acquisition-related cost are recognised as expenses in consolidated financial statements.

Step-up acquisition

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

Business combination under common control

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed of by transferred to retained earnings.

5.3 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's and the Group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the date of revaluation where items are re-measured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit or loss.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

5.4 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date and bank overdrafts.

In the statements of financial position, bank overdrafts are shown in current liabilities.

5.5 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold and service performed in the ordinary course of business. They are generally due for settlement within 10 days to 90 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components, when they are recognised at its present value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 5.7 f).

5.6 Inventories

Inventories are stated at the lower of cost and net realisable value .

Cost is determined by the weighted average method for finished goods and work in process and by the moving average method for merchandise, raw materials, spare parts, supplies and others. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

5.7 Financial asset

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

b) Recognition and derecognition

Regular way purchases, acquisitions, and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains/(losses). Impairment losses are presented as administrative expenses.
- **Fair value through other comprehensive income (FVOCI):** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- **Fair value through profit or loss (FVPL):** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

e) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

f) Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, which applies lifetime credit loss, from initial recognition, for all trade receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss and included in administrative expenses.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

5.8 Property, plant and equipment

All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. Capitalised where there is future economic benefits. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost and the revalued amount to their residual values over their estimated useful lives, as follows:

| | |
|--|--------------|
| Land improvement, buildings and structures | 5 - 30 years |
| Machinery and equipment | 5 - 25 years |
| Furniture, fixtures and office equipment | 3 - 25 years |
| Vehicles | 5 - 10 years |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other gain or loss, net.

5.9 Goodwill

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being each factory.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

5.10 Intangible assets

Acquired computer software

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives, not exceeding a period of 3 years to 10 years.

Cost associated with maintaining computer software are recognised as an expense as incurred.

5.11 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

5.12 Leases

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

5.13 Financial liabilities

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

5.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take 12 months to get ready for its intended use or sale) are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

5.15 Current and deferred income taxes

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

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

5.16 Employee benefits

a) Short-term employee benefits

Liabilities for short-term employee benefits such as salaries, wages, bonuses, contributions to the social security fund and others, that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) Defined contribution plan

The Group pays contributions to a separate fund (under the Provident Fund Act). The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

c) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are presented as a separate item in statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

d) Other long-term benefits

The Group gives gold rewards to employees when they have worked for the Group at every 5 years anniversary, for a maximum of 7 times.

These obligations are measured similar to defined benefit plans except remeasurement gains and losses that are charged to profit or loss.

e) Termination benefits

The Group recognises termination benefits at the earlier of (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

5.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

5.18 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

5.19 Revenue recognition

Revenue include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectability of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

Sale of goods

The Group manufactures and sells products. Sales are recognised when control of the products has transferred, being when the products are delivered, and there is no unfulfilled obligation that could affect the buyer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the buyer, and either the buyer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

The product is often sold with retrospective volume discounts based on aggregate sales over a 12 month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in trade and other payables) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No significant element of financing is deemed present as the sales are made with a credit term of 10 to 90 days, which is consistent with market practice.

The Group's obligation to repair or replace faulty products under the standard warranty terms is recognised as a provision and cost of sales.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

Services

The Group recognised service contracts with a continuous service provision as revenue on a straight-line basis over the contract term, regardless of the payment pattern.

Payments to customers

Payments to customers or on behalf of customers to other parties, including credited or subsequent discounts, are recognised as a reduction in revenue unless the payment constitutes consideration of a distinct goods or service from the customer.

Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Other income

Other revenue are recognised on the following bases:

- dividend income is recognised when the right to receive payment is established.
- interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the group.
- scrap income is recognised when the scrap is actually sold.

5.20 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

5.21 Derivatives and hedging activities

Derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in other income/other expenses.

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

6 Financial risk management

6.1 Financial risk factors

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Financial risk management is carried out by the Group Treasury Committee. The Group's policy includes areas such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for Treasury team.

6.1.1 Market risk

a) Foreign exchange risk

The Group operates internationally and is exposed to foreign currency risk arising from US Dollar, Euro and Rupee India from trading transactions that are denominated in foreign currencies. The Group uses forward contracts, transacted with the financial institutions, to hedge their exposure to foreign currency risk of transactions in foreign currency. The hedge ratio maintained by the Group during the financial year was 70% (2021 : 79%).

The Group does not apply hedge accounting. The foreign currency forwards accounted for as held for trading, with gains (losses) recognised in profit or loss.

Exposure

The Group's and the Company's exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

| Consolidated financial statements | | | | | | | |
|---|--------------------------|---------------------------|--------------------------------------|-------------------------------------|-------------------------------------|---|------------------------------------|
| 31 March 2022 | | | | | | | |
| US Dollar Thousand Baht | Euro Thousand Baht | Pound Thousand Baht | Swedish Krona Thousand Baht | Japanese Yen Thousand Baht | Indian Rupee Thousand Baht | Singapore Dollar Thousand Baht | Swiss Franc Thousand Baht |
| Financial assets | | | | | | | |
| Cash and cash equivalents | 789 | - | - | - | - | - | - |
| Trade and other receivables, net | 28,157 | - | - | - | - | 5 | - |
| Derivatives assets (included in other current assets) | 2,044 | - | - | - | - | - | - |
| Financial liabilities | | | | | | | |
| Trade and other payables | (180,424) | (21,221) | (64) | (395) | (352) | (2,203) | - |
| Derivatives liabilities (included in other current liabilities) | (211) | - | - | - | - | - | - |
| Total assets (liabilities), nets | (149,645) | (21,221) | (64) | (395) | (352) | (2,203) | 5 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

| Consolidated financial statements | | | | | | | | |
|---|----------------------------------|-------------------------------|---------------------------|--------------------------------------|-------------------------------------|-------------------------------------|---|--------------------------|
| 31 March 2021 | | | | | | | | |
| | US Dollar Thousand Baht | Euro Thousand Baht | Pound Thousand Baht | Swedish Krona Thousand Baht | Japanese Yen Thousand Baht | Indian Rupee Thousand Baht | Singapore Dollar Thousand Baht | Yuan Thousand Baht |
| Financial assets | | | | | | | | |
| Cash and cash equivalents | 1,208 | - | - | - | - | - | - | - |
| Trade and other receivables, net | 261,667 | - | - | - | - | - | 5 | - |
| Derivatives assets (included in other current assets) | 11,185 | 15 | - | - | - | - | - | - |
| Financial liabilities | | | | | | | | |
| Trade and other payables | (55,330) | (18,314) | (22) | (179) | (320) | (2,147) | - | (28) |
| Derivatives liabilities (included in other current liabilities) | (6,315) | - | - | - | - | - | - | - |
| Total assets (liabilities), nets | 212,415 | (18,299) | (22) | (179) | (320) | (2,147) | 5 | (28) |
| Separate financial statements | | | | | | | | |
| 31 March 2022 | | | | 31 March 2021 | | | | |
| | US Dollar Thousand Baht | Indian Rupee Thousand Baht | | | US Dollar Thousand Baht | Indian Rupee Thousand Baht | | |
| Financial assets | | | | | | | | |
| Trade and other receivables | 24 | - | | | 23 | - | | |
| Financial liabilities | | | | | | | | |
| Trade and other payables | (233) | (2,203) | | | (2,377) | (2,147) | | |
| Total assets (liabilities), nets | (209) | (2,203) | | | (2,354) | (2,147) | | |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

Sensitivity

As shown in the table above, the Group is primarily exposed to changes in Baht and US Dollar, EURO and Rupee India exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar, EURO and Rupee India.

| | Consolidated financial statements | |
|---|-----------------------------------|-----------------------|
| | Impact to net profit | |
| | 2022 Thousand Baht | 2021 Thousand Baht |
| US Dollar to Baht exchange rate - increase 7% (2564 : 5%) | (10,475) | 10,621 |
| US Dollar to Baht exchange rate - decrease 7% (2564 : 5%) | 10,475 | (10,621) |
| EURO to Baht exchange rate - increase 6% (2564 : 6%) | (1,273) | (1,098) |
| EURO to Baht exchange rate - decrease 6% (2564 : 6%) | 1,273 | 1,098 |
| INR to Baht exchange rate - increase 5% (2564 : 5%) | (110) | (107) |
| INR to Baht exchange rate - decrease 5% (2564 : 5%) | 110 | 107 |

* Holding all other variables constant

| | Separate financial statements | |
|---|-------------------------------|-----------------------|
| | Impact to net profit | |
| | 2022 Thousand Baht | 2021 Thousand Baht |
| US Dollar to Baht exchange rate - increase 7% (2564 : 5%) | (15) | (118) |
| US Dollar to Baht exchange rate - decrease 7% (2564 : 5%) | 15 | 118 |
| INR to Baht exchange rate - increase 5% (2564 : 5%) | (110) | (107) |
| INR to Baht exchange rate - decrease 5% (2564 : 5%) | 110 | 107 |

* Holding all other variables constant

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

b) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group has no significant interest-bearing assets. Therefore, the management believe that effect of interest rate fluctuation will not materially affect the Group.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below.

| | Consolidated financial statements | | | | | | | | Interest rate (% p.a.) |
|---|-----------------------------------|------------------|------------------|-------------------------|------------------|------------------|---------------------------------------|------------------------|---------------------------|
| | Fixed interest rates | | | Floating interest rates | | | Non-Interest bearing Thousand Baht | Total Thousand Baht | |
| | Within 1 year | 1 - 5 years | Over 5 years | Within 1 year | 1 - 5 years | Over 5 years | | | |
| | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht | | | |
| As at 31 March 2022 | | | | | | | | | |
| Financial assets | | | | | | | | | |
| Cash and cash equivalents | - | - | - | 951,239 | - | - | 443,491 | 1,394,730 | 0.01 - 0.30 |
| | - | - | - | 951,239 | - | - | 443,491 | 1,394,730 | |
| Financial liabilities | | | | | | | | | |
| Short-term loans from financial institutions | - | - | - | 145,577 | - | - | - | 145,577 | BIBOR+2.0 |
| Lease liabilities | 31,079 | 98,976 | 533,396 | - | - | - | - | 663,451 | MLR-2 |
| | 31,079 | 98,976 | 533,396 | 145,577 | - | - | - | 809,028 | |
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Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

| | Separate financial statements | | | | | | | | |
|----------------------------------|--------------------------------------|------------------------------------|-------------------------------------|--------------------------------------|------------------------------------|-------------------------------------|---------------------------------------|------------------------|---------------------------|
| | Fixed interest rates | | | Floating interest rates | | | Non-Interest bearing Thousand Baht | Total Thousand Baht | Interest rate (% p.a.) |
| | Within 1 year Thousand Baht | 1 - 5 years Thousand Baht | Over 5 years Thousand Baht | Within 1 year Thousand Baht | 1 - 5 years Thousand Baht | Over 5 years Thousand Baht | | | |
| | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht | | | |
| As at 31 March 2022 | | | | | | | | | |
| Financial assets | | | | | | | | | |
| Cash and cash equivalents | - | - | - | 919,998 | - | - | 836 | 920,834 | 0.01 - 0.30 |
| Short-term loans to a subsidiary | 593,294 | - | - | - | - | - | - | 593,294 | 2.0 |
| | 593,294 | - | - | 919,998 | - | - | 836 | 1,514,128 | |
| Financial liabilities | | | | | | | | | |
| Lease liabilities | 8,627 | 8,885 | - | - | - | - | - | 17,512 | MLR-2 |
| | 8,627 | 8,885 | - | - | - | - | - | 17,512 | |
| As at 31 March 2021 | | | | | | | | | |
| Financial assets | | | | | | | | | |
| Cash and cash equivalents | - | - | - | 795,633 | - | - | 744 | 796,377 | 0.01 - 0.15 |
| Short-term loans to a subsidiary | 6,868,064 | - | - | - | - | - | - | 6,868,064 | 0.5 and 3.0 |
| | 6,868,064 | - | - | 795,633 | - | - | 744 | 7,664,441 | |
| Financial liabilities | | | | | | | | | |
| Lease liabilities | 15,938 | 13,619 | - | - | - | - | - | 29,557 | MLR-2 |
| | 15,938 | 13,619 | - | - | - | - | - | 29,557 | |

6.1.2 Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments as well as credit exposures to customers, including outstanding receivables.

a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on tips and assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

b) Security

The Group may obtain security in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

c) Impairment of financial assets

The Group and the Company has 3 types of financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Trade and other receivables
- Loan to a subsidiary

While cash and cash equivalents is also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 month, respectively and the corresponding historical credit losses experienced within this period.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

On that basis, the loss allowance was determined as follows for trade receivables:

| Consolidated financial statements | | | | | | |
|-----------------------------------|-----------------------------|---------------------------------------|-------------------------------------|--------------------------------------|---------------------------------------|---------------------------|
| | Current Thousand Baht | Up to 3 months Thousand Baht | 3 - 6 months Thousand Baht | 6 - 12 months Thousand Baht | Over 12 months Thousand Baht | Total Thousand Baht |
| 31 March 2022 | | | | | | |
| Gross carrying amount | | | | | | |
| - trade receivables | 2,166,681 | 246,270 | - | - | 78,982 | 2,491,933 |
| Loss allowance | - | - | - | - | (78,982) | (78,982) |
| 31 March 2021 | | | | | | |
| Gross carrying amount | | | | | | |
| - trade receivables | 1,023,771 | 74,494 | 8,765 | - | 78,982 | 1,186,012 |
| Loss allowance | - | - | - | - | (78,982) | (78,982) |
| Separate financial statements | | | | | | |
| | Current Thousand Baht | Up to 3 months Thousand Baht | 3 - 6 months Thousand Baht | 6 - 12 months Thousand Baht | Over 12 months Thousand Baht | Total Thousand Baht |
| 31 March 2022 | | | | | | |
| Gross carrying amount | | | | | | |
| - trade receivables | 54,505 | - | - | - | - | 54,505 |
| Loss allowance | - | - | - | - | - | - |
| 31 March 2021 | | | | | | |
| Gross carrying amount | | | | | | |
| - trade receivables | 32,981 | - | - | - | - | 32,981 |
| Loss allowance | - | - | - | - | - | - |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

The loss allowances for trade receivables as at 31 March reconcile to the opening loss allowances as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|-----------------------|-------------------------------|-----------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Opening loss allowance at 1 April | 78,982 | 93,307 | - | - |
| Receivables written off during the year as uncollectible | - | (14,190) | - | - |
| Unused amount reversed | - | (135) | - | - |
| Closing loss allowance at 31 March | 78,982 | 78,982 | - | - |

The Group write-off trade receivables when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments or cannot be contacted for a period greater than 180 days past due.

Impairment losses on trade receivables are presented as administrative expenses before finance costs and income taxes. Subsequent recoveries of amounts previously written off are credited against the same line item.

Loan to a subsidiary

Loans to a subsidiary are considered to have low credit risk as they have a low risk of default and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term. Accordingly, the Company has no loss allowances for loans to a subsidiary for the year ended 31 March 2022 and 2021.

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6.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The group are expected to readily generate cash inflows for managing liquidity risk amount Baht 1,395 million (2021 : Baht 951 million).

Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

a) Financing arrangement

The Group has access to the following undrawn credit facilities as at 31 March as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--------------------------|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Floating rate | | | | |
| Expiring within one year | | | | |
| - Bank loans | 1,506,923 | 429,652 | - | - |
| Total | 1,506,923 | 429,652 | - | - |

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b) Maturity of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- (a) all non-derivative financial liabilities; and
- (b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

| | Consolidated financial statements | | | | Carrying amount Thousand Baht |
|--|--------------------------------------|---------------------------------|-------------------------------------|---------------------------|----------------------------------|
| | Within 1 year Thousand Baht | 1 - 5 years Thousand Baht | Over 5 years Thousand Baht | Total Thousand Baht | |
| Maturity of financial liabilities | | | | | |
| As at 31 March 2022 | | | | | |
| Financial liabilities that is not derivatives | | | | | |
| Short-term loans from financial institutions | 145,577 | - | - | 145,577 | 145,577 |
| Trade and other payables | 1,714,877 | - | - | 1,714,877 | 1,714,877 |
| Lease liabilities | 53,125 | 177,695 | 659,633 | 890,453 | 663,451 |
| Other current liabilities | 474 | - | - | 474 | 474 |
| Total financial liabilities that is not derivatives | 1,914,053 | 177,695 | 659,633 | 2,751,381 | 2,524,379 |
| Derivatives | | | | | |
| Foreign currency forward contracts | 211 | - | - | 211 | 211 |
| Total derivative liabilities | 211 | - | - | 211 | 211 |
| Total | 1,914,264 | 177,695 | 659,633 | 2,751,592 | 2,524,590 |

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| Consolidated financial statements | | | | | |
|--|--------------------------------------|---------------------------------|-------------------------------------|---------------------------|--|
| | Within 1 year Thousand Baht | 1 - 5 years Thousand Baht | Over 5 years Thousand Baht | Total Thousand Baht | Carrying amount Thousand Baht |
| Maturity of financial liabilities | | | | | |
| As at 31 March 2021 | | | | | |
| Financial liabilities that is not derivatives | | | | | |
| Short-term loans from financial institutions | 441,393 | - | - | 441,393 | 441,393 |
| Trade and other payables | 1,590,830 | - | - | 1,590,830 | 1,590,830 |
| Lease liabilities | 61,722 | 181,345 | 701,419 | 944,486 | 694,881 |
| Other current liabilities | 557 | - | - | 557 | 557 |
| Total financial liabilities that is not derivatives | 2,094,502 | 181,345 | 701,419 | 2,977,266 | 2,727,661 |
| Derivatives | | | | | |
| Foreign currency forward contracts | 6,315 | - | - | 6,315 | 6,315 |
| Total derivative liabilities | 6,315 | - | - | 6,315 | 6,315 |
| Total | 2,100,817 | 181,345 | 701,419 | 2,983,581 | 2,733,976 |
| Separate financial statements | | | | | |
| | Within 1 year Thousand Baht | 1 - 5 years Thousand Baht | Over 5 years Thousand Baht | Total Thousand Baht | Carrying amount Thousand Baht |
| Maturity of financial liabilities | | | | | |
| As at 31 March 2022 | | | | | |
| Financial liabilities that is not derivatives | | | | | |
| Trade and other payables | 115,732 | - | - | 115,732 | 115,732 |
| Lease liabilities | 9,086 | 9,236 | - | 18,322 | 17,512 |
| Other current liabilities | 332 | - | - | 332 | 332 |
| Total financial liabilities that is not derivatives | 125,150 | 9,236 | - | 134,386 | 133,576 |

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| | Separate financial statements | | | | |
|--|--------------------------------------|---------------------------------|-------------------------------------|---------------------------|--|
| | Within 1 year Thousand Baht | 1 - 5 years Thousand Baht | Over 5 years Thousand Baht | Total Thousand Baht | Carrying amount Thousand Baht |
| Maturity of financial liabilities | | | | | |
| As at 31 March 2021 | | | | | |
| Financial liabilities that is not derivatives | | | | | |
| Trade and other payables | 113,325 | - | - | 113,325 | 113,325 |
| Lease liabilities | 16,779 | 14,141 | - | 30,920 | 29,557 |
| Other current liabilities | 373 | - | - | 373 | 373 |
| Total financial liabilities that is not derivatives | 130,477 | 14,141 | - | 144,618 | 143,255 |

6.2 Capital management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital based on gearing ratio which is determined by dividing net debt with equity.

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7 Fair value

The following table shows fair values and carrying amounts of financial assets and liabilities by category, excluding those with the carrying amount approximates fair value.

| Consolidated financial statements | | | | |
|---|---|--------------------------------|--------------------------------|---------|
| | | 2022 | 2021 | |
| | | Fair value Thousand Baht | Fair value Thousand Baht | |
| Level | | | | |
| Assets | | | | |
| Financial assets measured at fair value through profit or loss (FVPL) | | | | |
| | Derivative assets - Foreign exchange contracts | 2 | 2,044 | 11,200 |
| Financial assets measured at fair value through other comprehensive income (FVOCI) | | | | |
| | Unlisted equity investments | 3 | 304,320 | 206,640 |
| Liabilities | | | | |
| Financial liabilities measured at fair value through profit or loss | | | | |
| | Derivative liabilities - Foreign exchange contracts | 2 | 211 | 6,315 |

Cash and cash equivalents, trade and other receivables, short-term loans to a subsidiary, Short-term loans from financial institutions and trade and other payables - the carrying amounts of these financial assets and financial liabilities approximate their fair values due to the relatively short-term maturity.

The different levels of financial instruments carried at fair value, by valuation method have been defined as follows:

- Level 1 : Quoted the fair value of financial instruments is based on the closing price by reference to the Stock Exchange of Thailand.
- Level 2 : The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3 : The fair value of financial instruments is not based on observable market data.

Valuation techniques used to measure fair value level 2

The fair value of derivative assets and liabilities are determined using the foreign exchange rate from the financial institution which categorized into hierarchy level 2 which is immaterial.

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Valuation techniques used to measure fair value level 3

Changes in level 3 financial instruments for the year ended 31 March is as follows:

| | Consolidated financial statements Unlisted equity investments Thousand Baht |
|---|--|
| Opening balance as at 1 April 2020 | 146,160 |
| Gains (losses) recognised in other comprehensive income | 60,480 |
| Closing balance as at 31 March 2021 | 206,640 |
| Gains (losses) recognised in other comprehensive income | 97,680 |
| Closing balance as at 31 March 2022 | 304,320 |

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

| | Fair value | | | Range of inputs | |
|----------------------------|--------------------------------------|--------------------------------------|-----------------------------|-----------------|------|
| | 31 March 2022 Thousand Baht | 31 March 2021 Thousand Baht | Unobservable inputs | 2022 | 2021 |
| Unlisted equity securities | 304,320 | 206,640 | Profit growth factors | 2% | 2% |
| | | | Risk-adjusted discount rate | 12% | 12% |

Relationship of unobservable inputs to fair value are shown as follows:

| | | | Change in fair value | |
|----------------------------|-----------------------------|----------|------------------------------------|------------------------------------|
| | Unobservable inputs | Movement | Increase in assumptions 2022 | Decrease in assumptions 2022 |
| Unlisted equity securities | Profit growth factors | 0.50% | Increase 3.7% | Decrease 3.3% |
| | Risk-adjusted discount rate | 1.00% | Decrease 8.0% | Increase 9.8% |

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The Group's valuation processes

The fair value of unlisted equity investments is determined using valuation techniques, discounted cash flow which assessed by independent valuer and are within level 3 of the fair value hierarchy.

There were no transfers between Levels 2 and 3 during the year.

There were no changes in valuation techniques during the year

8 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Fair value of certain financial assets and derivatives

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of key assumptions used are included in Note 7.

b) Impairment of investments in a subsidiary

The Group tests whether investments in a subsidiary have suffered any impairment when indicators of impairment trigger. The recoverable amounts of cash-generating units have been determined based on the fair value less costs to sell or value-in-use calculations. In calculating value-in-use, the Group estimates the present value of future cash flows expected to arise from the cash-generating unit.

c) Goodwill impairment

The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated in Note 19. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

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d) Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in Note 25.

e) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

9 Segment information

Operating segment information is reported in a manner consistent with the Group's internal reports that are regularly obtained and reviewed by the chief operating decision maker (Board of Directors) for the purpose of the allocation of resources to the segment and assess its performance.

The Group's operations involve a single business segment of the manufacture and distribution of long steel products, which is located in Thailand. Sales of the subsidiaries are mainly local sales whereas an export sales are not significant. As a result, all the revenues from sales of goods, cost of sales, gross margin, profit for the year and assets of segment are in accordance with the presentation of these financial statements.

For the year ended 31 March 2022, revenue from sales and related services has timing of revenue recognition as a point in time amounting to Baht 32,468 million (2021 : Baht 21,971 million) and over time amounting to Baht 122 million (2021 : Baht 46 million).

For the year ended 31 March 2022 and 2021, the Group has no revenue which contributed equal or over 10.0% of the Group's total revenue.

For the years ended 31 March

Segment revenue

Local

Export

| Consolidated financial statements | |
|--------------------------------------|------------------|
| 2022 | 2021 |
| Thousand Baht | Thousand Baht |
| 29,497,890 | 20,692,800 |
| 3,091,915 | 1,324,096 |
| 32,589,805 | 22,016,896 |

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10 Cash and cash equivalents

a) Cash and cash equivalents consist of:

| | Consolidated financial statements | | Separate financial statements | |
|--------------------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht |
| Cash on hand | 1 | 1 | - | - |
| Deposits at banks - current accounts | 954,519 | 879,947 | 511,864 | 793,715 |
| - savings accounts | 440,210 | 70,589 | 408,970 | 2,662 |
| | 1,394,730 | 950,537 | 920,834 | 796,377 |

b) Other non-cash adjustment items for the years ended 31 March, consist of:

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht |
| (Gain)/Loss on disposal of plant and equipment | 579 | (35) | (10) | (30) |
| Loss from write-off of equipment | - | 1,463 | - | 1,463 |
| Loss from impairment of equipment | 631 | - | - | - |
| Reversal from diminution in value of inventories | (634) | (5,468) | - | - |
| (Gain)/Loss on lease liabilities adjustment | 2 | (283) | (8) | (291) |
| Provision from additional surcharge | - | 16,287 | - | - |
| Loss from diminution in value of Idle asset held for sale (Note 17) | 81,000 | 117,000 | - | - |
| | 81,578 | 128,964 | (18) | 1,142 |

c) Other cash received (paid) from operating activities for the years ended 31 March, consists of:

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|------------------|----------------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht |
| (Increase) decrease in other current assets and other non-current assets | (2,744) | 66,442 | 790 | 51 |
| Increase (decrease) in other current liabilities and other non-current liabilities | (4,385) | 4,207 | 1,131 | 1,789 |
| Employee benefit obligations paid | (18,768) | (24,738) | (7,025) | (6,937) |
| | (25,897) | 45,911 | (5,104) | (5,097) |

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- d) Adjustment of cash occurred from borrowings for the years ended 31 March, consists of:

| | Consolidated financial statements | | Separate financial statements | |
|---------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht |
| Interest paid | (35,674) | (45,792) | (1,435) | (26,792) |

- e) Non-cash transactions in the consolidated and the separate financial statements are as follows:

On 17 March 2021, The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited, subsidiaries under the liquidation process, transferred promissory notes received from Tata Steel Manufacturing (Thailand) Public Company Limited for a transfer price of the entire business transfer of Baht 3,657 million and Baht 2,554 million, respectively, totaling amount of Baht 6,211 million, to Tata Steel (Thailand) Public Company Limited for capital return.

Non-cash items from purchase and increase of plant and equipment, intangible assets and right-of-use assets for the years ended 31 March, are as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht |
| Payables for plant and equipment and intangible assets brought forward | 51,995 | 12,861 | 1,133 | 16 |
| Add Purchases during the year | 228,111 | 129,513 | 5,454 | 2,429 |
| Less Payments during the year | (210,914) | (90,379) | (6,167) | (1,312) |
| Payables for plant and equipment and intangible assets carried forward | 69,192 | 51,995 | 420 | 1,133 |
| Acquisitions of right-of-use assets under lease contracts | 8,076 | 7,314 | 5,853 | 6,144 |

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11 Trade and other receivables, net

11.1 Trade and other receivables, net

| | Consolidated financial statements | | Separate financial statements | |
|-----------------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht |
| Trade receivables - other parties | 2,300,664 | 906,408 | - | - |
| - related parties (Note 34 b)) | 191,269 | 279,604 | 54,505 | 32,981 |
| <u>Less</u> Loss allowance | (78,982) | (78,982) | - | - |
| Trade receivables, net | 2,412,951 | 1,107,030 | 54,505 | 32,981 |
| Other receivables - other parties | 215 | 1,612 | - | - |
| - related parties (Note 34 b)) | 44 | 44 | 1,629 | 39,582 |
| Accrued income | 251 | 92 | 251 | 92 |
| Prepayments | 19,739 | 20,381 | 7,676 | 9,368 |
| | 2,433,200 | 1,129,159 | 64,061 | 82,023 |

The Group has a "Receivable Purchase Agreement" to account for receivables factored with a financial institution where all risks and rewards only for the amount accepted by the buyer have been transferred to the buyer.

For the years ended 31 March 2022 and 2021, the Group had sold receivables to a financial institution amounting to Baht 6,741 million and Baht 10,852 million, respectively.

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12 Financial assets and financial liabilities

The classification of the Group's financial assets and financial liabilities are as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Financial assets | | | | |
| Financial assets at amortised cost | | | | |
| - Cash and cash equivalents | 1,394,730 | 950,537 | 920,834 | 796,377 |
| - Trade and other receivables, net | 2,413,461 | 1,108,778 | 56,385 | 72,655 |
| - Short-term loans to a subsidiary | - | - | 593,294 | 6,868,064 |
| - Deposit (included in other non-current assets) | 4,632 | 5,449 | 3,368 | 4,185 |
| Financial assets at fair value through other comprehensive income (FVOCI) | 304,320 | 206,640 | - | - |
| Financial assets at fair value through profit and loss (FVPL) | | | | |
| - Derivative assets (included in other current assets) | 2,044 | 11,200 | - | - |
| | 4,119,187 | 2,282,604 | 1,573,881 | 7,741,281 |
| Financial liabilities | | | | |
| Liabilities at amortised cost | | | | |
| - Short-term loans from financial institutions | 145,577 | 441,393 | - | - |
| - Trade and other payables | 1,714,877 | 1,590,830 | 115,732 | 113,325 |
| - Lease liabilities, net | 663,451 | 694,881 | 17,512 | 29,557 |
| - Other current liabilities | 474 | 557 | 332 | 373 |
| Financial liabilities at fair value through profit and loss (FVPL) | | | | |
| - Derivatives liabilities (included in other current liabilities) | 211 | 6,315 | - | - |
| | 2,524,590 | 2,733,976 | 133,576 | 143,255 |

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13 Inventories, net

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Raw materials | 1,020,613 | 866,381 | - | - |
| Work in progress | 716,079 | 265,966 | - | - |
| Finished goods | 1,772,001 | 1,391,037 | - | - |
| Spare parts | 389,973 | 395,232 | - | - |
| Supplies and others | 385,585 | 270,651 | - | - |
| | 4,284,251 | 3,189,267 | - | - |
| <u>Less</u> Allowance for obsolete inventories | | | | |
| - Spare parts | (44,011) | (44,011) | - | - |
| - Supplies and others | (18,076) | (18,710) | - | - |
| | 4,222,164 | 3,126,546 | - | - |
| <u>Add</u> Goods in transit | 222,706 | 332,512 | - | - |
| | 4,444,870 | 3,459,058 | - | - |

During the years ended 31 March 2022 and 2021, amounts recognised as cost of sales in profit or loss are as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Cost of sales and cost of services | 29,011,027 | 20,515,327 | - | - |
| Write-down of inventories to net realisable value | - | 2,486 | - | - |
| Reversal of write-down inventories to net realisable value | (634) | (7,954) | - | - |

The Group sold inventory that was previously provided for allowance. Therefore, the Group reversed the allowance for net realisable value during the year.

14 Other current assets

| | Consolidated financial statements | | Separate financial statements | |
|----------------------------|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Value added tax refundable | 55,587 | 45,916 | - | - |
| Other current assets | 19,938 | 29,275 | 504 | 477 |
| | 75,525 | 75,191 | 504 | 477 |

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15 Investments in subsidiaries

As at 31 March 2022, the subsidiaries included in consolidated financial statements are listed below. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

| Company name | Country of incorporation | % Ownership interest | Separate financial statements (Unit : Thousand Baht) | | | |
|--|--------------------------|----------------------|--|--------------------------|------------------|--------------------------|
| | | | Cost method 2022 | | Cost method 2021 | |
| | | | Cost | Allowance for impairment | Cost | Allowance for impairment |
| | | 2022 % | 2021 % | Net book value | Net book value | |
| The Siam Iron and Steel (2001) Company Limited * | Thailand | - | - | - | - | - |
| The Siam Construction Steel Company Limited * | Thailand | - | - | - | - | - |
| Tata Steel Manufacturing (Thailand) Public Company Limited | Thailand | 99.90 | 99.76 | 15,393,047 | 12,013,047 | 9,181,788 |
| | | | | (3,380,000) | (3,380,000) | (3,380,000) |
| | | | | 15,393,047 | 12,013,047 | 9,181,788 |
| | | | | (3,380,000) | (3,380,000) | (3,380,000) |
| | | | | 15,393,047 | 12,013,047 | 5,801,788 |

* During the year ended 31 March 2022, The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited transferred their entire businesses to Tata Steel Manufacturing (Thailand) Public Company Limited and already registered the dissolution together with returned the capital to the shareholders. These two companies are in the liquidation process.

On 13 July 2021, the Annual General Meeting of the Shareholders of Tata Steel Manufacturing (Thailand) Public Company Limited, a subsidiary, passed a resolution to approve the increase in the registered share capital by converting the promissory notes payable to the Company in the amount of Baht 6,211 million and reduce the registered share capital to compensate the accumulated loss of Baht 4,065 million. The Company paid for capital increased to Tata Steel Manufacturing (Thailand) Public Company Limited by converting debt to equity of Baht 6,211 million (5,176,049,702 ordinary shares at par value of Baht 1.20 per share). The subsidiary registered the increase of paid-up capital with the Ministry of Commerce on 29 July 2021.

On 27 October 2021, Tata Steel Manufacturing (Thailand) Public Company Limited registered the reduction of paid-up capital to compensate the accumulated loss of Baht 4,065 million with the Ministry of Commerce (the share value from Baht 1.20 per share to Baht 0.75 per share).

As at 31 March 2022 and 2021, the Group has made an assessment of impairment loss on investment in subsidiaries and considered that the recoverable amount was not lower than its carrying amount referring to the key assumptions used for an assessment of impairment loss on investment in subsidiaries as described in Note 19, so no additional allowance for impairment was necessary.

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16 Property, plant and equipment, net

| | Consolidated financial statements | | | | | | |
|---|-----------------------------------|---|--|--|------------------------------|---|---------------------------|
| | Land Thousand Baht | Improvement, buildings and structures Thousand Baht | Machinery and equipment Thousand Baht | Furniture, fixtures, and equipment Thousand Baht | Vehicles Thousand Baht | Construction in progress Thousand Baht | Total Thousand Baht |
| As at 1 April 2020 | | | | | | | |
| Cost | 798,694 | 4,504,630 | 12,750,804 | 240,891 | 2,746 | 24,814 | 18,322,579 |
| Less Accumulated depreciation | - | (2,964,170) | (10,421,642) | (178,278) | (2,593) | - | (13,566,683) |
| Accumulated impairment | - | (1,124,556) | (778,855) | (7) | - | - | (1,903,418) |
| Net book amount | 798,694 | 415,904 | 1,550,307 | 62,606 | 153 | 24,814 | 2,852,478 |
| For the year ended 31 March 2021 | | | | | | | |
| Opening net book amount | 798,694 | 415,904 | 1,550,307 | 62,606 | 153 | 24,814 | 2,852,478 |
| Additions | - | 1,262 | 5,258 | 4,914 | - | 115,809 | 127,243 |
| Transfers | 3,611 | 2,001 | 70,860 | 5,881 | - | (82,353) | - |
| Disposals - cost | - | - | - | (3,436) | - | - | (3,436) |
| - accumulated depreciation | - | - | - | 3,436 | - | - | 3,436 |
| Write-off - cost | - | (2,258) | - | (366) | - | - | (2,624) |
| - accumulated depreciation | - | 968 | - | 192 | - | - | 1,160 |
| Depreciation charge | - | (56,006) | (333,068) | (22,726) | (62) | - | (411,862) |
| Closing net book amount | 802,305 | 361,871 | 1,293,357 | 50,501 | 91 | 58,270 | 2,566,395 |
| As at 31 March 2021 | | | | | | | |
| Cost | 802,305 | 4,505,635 | 12,826,922 | 247,884 | 2,746 | 58,270 | 18,443,762 |
| Less Accumulated depreciation | - | (3,019,208) | (10,754,710) | (197,376) | (2,655) | - | (13,973,949) |
| Accumulated impairment | - | (1,124,556) | (778,855) | (7) | - | - | (1,903,418) |
| Net book amount | 802,305 | 361,871 | 1,293,357 | 50,501 | 91 | 58,270 | 2,566,395 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

| Consolidated financial statements | | | | | | | | | |
|---|--------------------------|---|--|--|------------------------------|---|---------------------------|--|--|
| | Land Thousand Baht | Improvement, buildings and structures Thousand Baht | Machinery and equipment Thousand Baht | Furniture, fixtures, and equipment Thousand Baht | Vehicles Thousand Baht | Construction in progress Thousand Baht | Total Thousand Baht | | |
| As at 1 April 2021 | | | | | | | | | |
| Cost | 802,305 | 4,505,635 | 12,826,922 | 247,884 | 2,746 | 58,270 | 18,443,762 | | |
| Less Accumulated depreciation | - | (3,019,208) | (10,754,710) | (197,376) | (2,655) | - | (13,973,949) | | |
| Accumulated impairment | - | (1,124,556) | (778,855) | (7) | - | - | (1,903,418) | | |
| Net book amount | 802,305 | 361,871 | 1,293,357 | 50,501 | 91 | 58,270 | 2,566,395 | | |
| For the year ended 31 March 2022 | | | | | | | | | |
| Opening net book amount | 802,305 | 361,871 | 1,293,357 | 50,501 | 91 | 58,270 | 2,566,395 | | |
| Additions | - | - | 2,139 | 8,632 | - | 214,416 | 225,187 | | |
| Transfers | - | 8,105 | 129,276 | 4,328 | - | (141,709) | - | | |
| Disposals - cost | - | - | (51,383) | (5,433) | - | - | (56,816) | | |
| - accumulated depreciation | - | - | 50,358 | 5,430 | - | - | 55,788 | | |
| Write-off - cost | - | - | - | (943) | - | - | (943) | | |
| - accumulated depreciation | - | - | - | 943 | - | - | 943 | | |
| Depreciation charge | - | (53,533) | (337,033) | (21,448) | (47) | - | (412,061) | | |
| Impairment charge | - | - | (631) | - | - | - | (631) | | |
| Closing net book amount | 802,305 | 316,443 | 1,086,083 | 42,010 | 44 | 130,977 | 2,377,862 | | |
| As at 31 March 2022 | | | | | | | | | |
| Cost | 802,305 | 4,513,740 | 12,906,954 | 254,468 | 2,746 | 130,977 | 18,611,190 | | |
| Less Accumulated depreciation | - | (3,072,741) | (11,041,385) | (212,451) | (2,702) | - | (14,329,279) | | |
| Accumulated impairment | - | (1,124,556) | (779,486) | (7) | - | - | (1,904,049) | | |
| Net book amount | 802,305 | 316,443 | 1,086,083 | 42,010 | 44 | 130,977 | 2,377,862 | | |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

| | Separate financial statements | | | |
|---|--|---|---|------------------------------------|
| | Buildings Improvement Thousand Baht | Furniture, fixtures, and equipment Thousand Baht | Construction in progress Thousand Baht | Total Thousand Baht |
| As at 1 April 2020 | | | | |
| Cost | 3,665 | 80,461 | - | 84,126 |
| <u>Less</u> Accumulated depreciation | (1,071) | (60,864) | - | (61,935) |
| Net book amount | 2,594 | 19,597 | - | 22,191 |
| For the year ended 31 March 2021 | | | | |
| Opening net book amount | 2,594 | 19,597 | - | 22,191 |
| Additions | - | 738 | 247 | 985 |
| Transfer | - | 247 | (247) | - |
| Disposals - cost | - | (4,873) | - | (4,873) |
| - accumulated depreciation | - | 4,375 | - | 4,375 |
| Write-off - cost | (2,258) | (366) | - | (2,624) |
| - accumulated depreciation | 968 | 193 | - | 1,161 |
| Depreciation charge | (543) | (9,361) | - | (9,904) |
| Closing net book amount | 761 | 10,550 | - | 11,311 |
| As at 31 March 2021 | | | | |
| Cost | 1,407 | 76,207 | - | 77,614 |
| <u>Less</u> Accumulated depreciation | (646) | (65,657) | - | (66,303) |
| Net book amount | 761 | 10,550 | - | 11,311 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

For the year ended 31 March 2022

Opening net book amount
 Additions
 Transfer
 Disposals - cost
 - accumulated depreciation
 Write-off - cost
 - accumulated depreciation
 Depreciation charge

Closing net book amount

As at 31 March 2022

Cost
Less Accumulated depreciation

Net book amount

| Separate financial statements | | | |
|--|---|---|---------------------------|
| Buildings Improvement Thousand Baht | Furniture, fixtures, and equipment Thousand Baht | Construction in progress Thousand Baht | Total Thousand Baht |
| 761 | 10,550 | - | 11,311 |
| - | 2,188 | 343 | 2,531 |
| - | 343 | (343) | - |
| - | (8,684) | - | (8,684) |
| - | 8,267 | - | 8,267 |
| - | (943) | - | (943) |
| - | 943 | - | 943 |
| (234) | (7,972) | - | (8,206) |
| 527 | 4,692 | - | 5,219 |
| 1,407 | 69,111 | - | 70,518 |
| (880) | (64,419) | - | (65,299) |
| 527 | 4,692 | - | 5,219 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

17 Idle assets held-for-sale, net

Idle assets held-for-sale, net consist of:

| | Consolidated financial statements | |
|--------------------------------------|--------------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht |
| As at 31 March | | |
| Cost | 2,395,713 | 2,395,713 |
| <u>Less</u> Accumulated depreciation | (538,164) | (538,164) |
| Accumulated impairment | (1,595,549) | (1,514,549) |
| Net book amount | 262,000 | 343,000 |

In August 2011, the Group's management had decided to cease production of the Mini Blast Furnace ("MBF") at Tata Steel Manufacturing, the Company's subsidiary in view of the high volatility of MBF raw material prices and the prices being relatively higher than scrap prices, which adversely impacting the viability of costs of steel produced through the MBF route.

The Group's management decided to dispose the MBF machinery, equipment and its spare parts and store supplies. The Group initiated active programme to locate buyers. Accordingly, MBF machinery, equipment and its spare part and store supplies are classified as idle assets held-for-sale, under non-current assets, as the Group's management viewed that the disposal is not expected to complete within one year.

During the year ended 31 March 2022, the Group has recognized an impairment charge of MBF of Baht 81 million (2021 : Baht 117 million).

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

18 Right-of-use assets, net

| | Consolidated financial statements | | | |
|---------------------------------------|---|---|------------------------------|---------------------------|
| | Land Thousand Baht | Building and structure Thousand Baht | Vehicles Thousand Baht | Total Thousand Baht |
| Balance as at 1 April 2020 | 473,789 | 53,134 | 46,036 | 572,959 |
| Additions | - | 2,985 | 4,329 | 7,314 |
| Lease termination | - | (376) | (419) | (795) |
| Lease modifications and reassessments | 148,745 | - | - | 148,745 |
| Depreciation | (32,947) | (8,462) | (16,801) | (58,210) |
| Balance as at 31 March 2021 | 589,587 | 47,281 | 33,145 | 670,013 |
| | Consolidated financial statements | | | |
| | Land Thousand Baht | Building and structure Thousand Baht | Vehicles Thousand Baht | Total Thousand Baht |
| Balance as at 1 April 2021 | 589,587 | 47,281 | 33,145 | 670,013 |
| Additions | - | - | 8,076 | 8,076 |
| Lease termination | - | - | (51) | (51) |
| Depreciation | (31,031) | (9,282) | (16,402) | (56,715) |
| Balance as at 31 March 2022 | 558,556 | 37,999 | 24,768 | 621,323 |
| | Separate financial statements | | | |
| | Building and structure Thousand Baht | Vehicles Thousand Baht | Total Thousand Baht | |
| Balance as at 1 April 2020 | 14,410 | 26,758 | 41,168 | |
| Additions | 2,985 | 3,159 | 6,144 | |
| Lease termination | (376) | (1,651) | (2,027) | |
| Depreciation | (6,313) | (9,603) | (15,916) | |
| Balance as at 31 March 2021 | 10,706 | 18,663 | 29,369 | |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

| | Separate financial statements | | |
|-----------------------------|---|---------------------------|------------------------|
| | Building and structure Thousand Baht | Vehicles Thousand Baht | Total Thousand Baht |
| Balance as at 1 April 2021 | 10,706 | 18,663 | 29,369 |
| Additions | - | 5,853 | 5,853 |
| Transfer | - | (1,185) | (1,185) |
| Lease termination | - | (51) | (51) |
| Depreciation | (7,133) | (9,654) | (16,787) |
| Balance as at 31 March 2022 | 3,573 | 13,626 | 17,199 |

The expense relating to leases that not included in the measurement of lease liabilities and right-of-use and cash outflows for leases is as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---------------------------------------|-----------------------------------|-----------------------|-------------------------------|-----------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Expense relating to short-term leases | 450 | 9,362 | - | 5,394 |
| Cash outflow for leases | 63,228 | 68,263 | 17,610 | 22,050 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

19 Goodwill, net

| | Consolidated financial statements Thousand Baht |
|--|---|
| As at 1 April 2020 | |
| Cost | 5,607,769 |
| <u>Less</u> Accumulated amortisation (up to 31 March 2008) | (1,491,432) |
| Allowance for impairment | (660,323) |
| Net book amount | 3,456,014 |
| For the year ended 31 March 2021 | |
| Opening net book amount | 3,456,014 |
| Impairment charge | - |
| Closing net book amount | 3,456,014 |
| As at 31 March 2021 | |
| Cost | 5,607,769 |
| <u>Less</u> Accumulated amortisation (up to 31 March 2008) | (1,491,432) |
| Allowance for impairment | (660,323) |
| Net book amount | 3,456,014 |
| For the year ended 31 March 2022 | |
| Opening net book amount | 3,456,014 |
| Impairment charge | - |
| Closing net book amount | 3,456,014 |
| As at 31 March 2022 | |
| Cost | 5,607,769 |
| <u>Less</u> Accumulated amortisation (up to 31 March 2008) | (1,491,432) |
| Allowance for impairment | (660,323) |
| Net book amount | 3,456,014 |

Goodwill resulted from acquisition of The Siam Iron and Steel (2001) Company Limited, The Siam Construction Steel Company Limited and Tata Steel Manufacturing (Thailand) Public Company Limited on 29 November 2002 by Tata Steel (Thailand) Public Company Limited.

Since 1 April 2008, the Group has ceased amortisation of goodwill and has changed to test impairment of goodwill instead.

During the year ended 31 March 2021, The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited transferred entire business to Tata Steel (Thailand) Public Company Limited including goodwill.

As at 31 March 2022 and 2021 the Group has made an assessment of impairment loss on goodwill and resulted that the recoverable amount was not lower than the carrying amount, so no additional impairment was necessary.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements
For the year ended 31 March 2022

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to each factory.

A segment-level summary of the goodwill allocation is presented below:

| | Consolidated financial statements | | | | | |
|---------------------|---|--|--------------------------|---|--|--------------------------|
| | 2022 | | | 2021 | | |
| | Factory of The Siam Iron and Steel (2001) Million Baht | Factory of The Siam Construction Steel Million Baht | Total Million Baht | Factory of The Siam Iron and Steel (2001) Million Baht | Factory of The Siam Construction Steel Million Baht | Total Million Baht |
| Goodwill allocation | 1,685 | 1,771 | 3,456 | 1,685 | 1,771 | 3,456 |

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a 5-year period. Cash flows beyond the 5-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

The key assumptions used for value-in-use calculations are as follows:

| | Goodwill from Factory of The Siam Iron and Steel (2001) | Goodwill from Factory of The Siam Construction Steel |
|----------------------------|--|---|
| Gross margin ¹ | 8.3% | 7.9% |
| Growth rate ² | 2.5% | 2.5% |
| Discount rate ³ | 11.25% | 11.25% |

¹ Budgeted gross margin.

² Weighted average growth rate used to extrapolate cash flows beyond the budget period.

³ Pre-tax discount rate applied to the cash flow projections.

These assumptions have been used for the analysis of each CGU

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

Key assumptions, having significant influence to sensitivity of discounted cash flows, were growth rate and discount rate.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

20 Intangible assets, net

| | Consolidated financial statements | | |
|---|------------------------------------|--|------------------------|
| | Computer software Thousand Baht | Software under installation Thousand Baht | Total Thousand Baht |
| As at 1 April 2020 | | | |
| Cost | 275,292 | - | 275,292 |
| <u>Less</u> Accumulated amortisation | (245,709) | - | (245,709) |
| Net book amount | 29,583 | - | 29,583 |
| For the year ended 31 March 2021 | | | |
| Opening net book amount | 29,583 | - | 29,583 |
| Additions | 90 | 2,178 | 2,268 |
| Transfers | 1,561 | (1,561) | - |
| Amortisation charge | (4,501) | - | (4,501) |
| Closing net book amount | 26,733 | 617 | 27,350 |
| As at 31 March 2021 | | | |
| Cost | 276,942 | 617 | 277,559 |
| <u>Less</u> Accumulated amortisation | (250,209) | - | (250,209) |
| Net book amount | 26,733 | 617 | 27,350 |
| For the year ended 31 March 2022 | | | |
| Opening net book amount | 26,733 | 617 | 27,350 |
| Additions | - | 2,924 | 2,924 |
| Transfers | 3,541 | (3,541) | - |
| Amortisation charge | (4,615) | - | (4,615) |
| Closing net book amount | 25,659 | - | 25,659 |
| As at 31 March 2022 | | | |
| Cost | 280,483 | - | 280,483 |
| <u>Less</u> Accumulated amortisation | (254,824) | - | (254,824) |
| Net book amount | 25,659 | - | 25,659 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

| | Separate financial statements | | |
|---|------------------------------------|--|------------------------|
| | Computer software Thousand Baht | Software under installation Thousand Baht | Total Thousand Baht |
| As at 1 April 2020 | | | |
| Cost | 248,203 | - | 248,203 |
| <u>Less</u> Accumulated amortisation | (235,758) | - | (235,758) |
| Net book amount | 12,445 | - | 12,445 |
| For the year ended 31 March 2021 | | | |
| Opening net book amount | 12,445 | - | 12,445 |
| Additions | 90 | 1,355 | 1,445 |
| Transfer | 737 | (737) | - |
| Amortisation charge | (2,091) | - | (2,091) |
| Closing net book amount | 11,181 | 618 | 11,799 |
| As at 31 March 2021 | | | |
| Cost | 249,029 | 618 | 249,647 |
| <u>Less</u> Accumulated amortisation | (237,848) | - | (237,848) |
| Net book amount | 11,181 | 618 | 11,799 |
| For the year ended 31 March 2022 | | | |
| Opening net book amount | 11,181 | 618 | 11,799 |
| Additions | - | 2,923 | 2,923 |
| Transfer | 3,541 | (3,541) | - |
| Disposals - cost | (364) | - | (364) |
| - accumulated amortisation | 299 | - | 299 |
| Amortisation charge | (2,152) | - | (2,152) |
| Closing net book amount | 12,505 | - | 12,505 |
| As at 31 March 2022 | | | |
| Cost | 252,206 | - | 252,206 |
| <u>Less</u> Accumulated amortisation | (239,701) | - | (239,701) |
| Net book amount | 12,505 | - | 12,505 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

21 Deferred tax assets (liabilities), net

Deferred tax assets (liabilities), net as at 31 March 2022 and 2021 comprise the following:

| | Consolidated financial statement | | Separate financial statements | |
|--|-------------------------------------|------------------|----------------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht |
| Deferred tax assets | 73,457 | 69,723 | 15,609 | 17,695 |
| Deferred tax liabilities | (67,718) | (53,946) | - | - |
| Deferred tax assets (liabilities), net | 5,739 | 15,777 | 15,609 | 17,695 |

As at 31 March 2022 and 2021, deferred tax assets and deferred tax liabilities presented by net taxable entities comprised the following:

| | Consolidated financial statement | | Separate financial statements | |
|--|-------------------------------------|------------------|----------------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | Thousand Baht | Thousand Baht | Thousand Baht | Thousand Baht |
| Deferred tax assets | 15,609 | 17,695 | 15,609 | 17,695 |
| Deferred tax liabilities (net) | (9,870) | (1,918) | - | - |
| Deferred tax assets (liabilities), net | 5,739 | 15,777 | 15,609 | 17,695 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

The gross movements in the deferred tax assets (liabilities), net for the years ended 31 March 2022 and 2021 comprise the following:

| | Consolidated financial statements | | |
|--|-----------------------------------|--|--|
| | 1 April 2021 Thousand Baht | Credited (charged) to profit or loss Thousand Baht | Credited (charged) to other comprehensive income Thousand Baht |
| Deferred tax assets | | | |
| Loss allowance | 709 | - | - |
| Allowance for obsolete inventories | 23 | (23) | - |
| Derivatives liabilities | - | 42 | - |
| Provision for decommissioning costs | 44 | (13) | - |
| Employee benefit obligations | 68,947 | 7,458 | (3,730) |
| | 69,723 | 7,464 | (3,730) |
| Deferred tax liabilities | | | |
| Remeasurement of financial asset at fair value | (41,328) | - | (19,536) |
| Derivatives assets | (2,240) | 1,831 | - |
| Surplus of fair value of assets acquired in business combination | (10,378) | 3,933 | - |
| | (53,946) | 5,764 | (19,536) |
| Deferred tax assets, net | 15,777 | 13,228 | (23,266) |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

| | Consolidated financial statements | | | |
|--|-----------------------------------|----------------|---------------|---------------|
| | 1 April 2020 | Credited | Credited | 31 March 2021 |
| | Thousand | (charged) to | (charged) to | Thousand |
| | Baht | profit or loss | other | Baht |
| | | Thousand | comprehensive | |
| | | Baht | income | |
| | | | Thousand | |
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As at 31 March 2022, deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of Baht 430 million (2021 : Baht 932 million) in respect of losses amounting to Baht 2,152 million (2021 : Baht 4,661 million) that can be carried forward against future taxable income. Such losses will be expired in 2022 to 2025.

| | Separate financial statements | | | |
|-------------------------------------|-------------------------------------|--|---|--------------------------------------|
| | 1 April 2021 Thousand Baht | Credited (charged) to profit or loss Thousand Baht | Credited (charged) to other comprehensive income Thousand Baht | 31 March 2022 Thousand Baht |
| Deferred tax assets | | | | |
| Provision for decommissioning costs | 44 | (13) | - | 31 |
| Employee benefit obligations | 17,651 | 715 | (2,788) | 15,578 |
| Deferred tax assets | 17,695 | 702 | (2,788) | 15,609 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

| | Separate financial statements | | |
|-------------------------------------|-------------------------------------|--|---|
| | 1 April 2020 Thousand Baht | Credited (charged) to profit or loss Thousand Baht | Credited (charged) to other comprehensive income Thousand Baht |
| | | | 31 March 2021 Thousand Baht |
| Deferred tax assets | | | |
| Provision for decommissioning costs | 151 | (107) | - |
| Employee benefit obligations | 17,820 | 1,101 | (1,270) |
| Deferred tax assets | 17,971 | 994 | (1,270) |

22 Other non-current assets

| | Consolidated financial statements | | Separate financial statements | |
|---------------------------------|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Corporate income tax refundable | 71,838 | 92,113 | 51,121 | 56,625 |
| Others | 9,730 | 7,319 | 3,368 | 4,185 |
| | 81,568 | 99,432 | 54,489 | 60,810 |

23 Borrowings

| | Consolidated financial statements | | Separate financial statements | |
|--------------------------------------|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Current | | | | |
| Short-term borrowings | | | | |
| - from financial institutions | 145,577 | 441,393 | - | - |
| Current portion of lease liabilities | 31,079 | 38,567 | 8,627 | 15,938 |
| Total current borrowings | 176,656 | 479,960 | 8,627 | 15,938 |
| Non-current | | | | |
| Lease liabilities | 632,372 | 656,314 | 8,885 | 13,619 |
| Total non-current borrowings | 632,372 | 656,314 | 8,885 | 13,619 |
| Total borrowings | 809,028 | 1,136,274 | 17,512 | 29,557 |

The fair values of current borrowings are equal to their carrying amounts, as the impact of discounting is not material.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

24 Trade and other payables

| | Consolidated financial statements | | Separate financial statements | |
|---------------------------------|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Trade payables | | | | |
| - other parties | 852,908 | 715,592 | - | - |
| - related parties (Note 34 b)) | 2,393 | 185,080 | - | - |
| Other payables | | | | |
| - other parties | 75,892 | 59,771 | 7,120 | 8,907 |
| - related parties (Note 34 b)) | 2,436 | 2,256 | 2,523 | 2,287 |
| Advance received from customers | 40,843 | 47,982 | - | - |
| Accrued expenses | 740,405 | 580,149 | 106,089 | 102,131 |
| | 1,714,877 | 1,590,830 | 115,732 | 113,325 |

25 Employee benefit obligations

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Statement of financial position: | | | | |
| Retirement benefits | 297,892 | 301,413 | 65,927 | 78,515 |
| Other long-term benefits | 49,012 | 27,679 | 5,686 | 2,961 |
| Liability in the statement of financial position | 346,904 | 329,092 | 71,613 | 81,476 |
| (Profit) loss charge included in operating profit for: | | | | |
| Retirement benefits | 31,054 | 39,140 | 7,954 | 12,613 |
| Other long-term benefits | 24,175 | 3,994 | 3,146 | 352 |
| | 55,229 | 43,134 | 11,100 | 12,965 |
| Remeasurement in other comprehensive (income) expense | (18,649) | (29,976) | (13,938) | (6,352) |

Employee benefit obligations are final salary retirement plans, which provide benefits to employees in the form of a guaranteed level of pension payable. The level of benefits provided depends on employees' length of service and their salary in the final years leading up to retirement.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

The movements of employee benefit obligations - Retirement benefits for the years ended 31 March 2022 and 2021 comprise the following:

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Opening balance for the year | 301,413 | 314,198 | 78,515 | 78,833 |
| Current service cost | 25,438 | 34,902 | 6,627 | 11,620 |
| Interest cost | 5,616 | 4,238 | 1,327 | 993 |
| Remeasurements: | | | | |
| (Gain)/loss from change in demographic assumptions | 528 | (20) | 109 | (20) |
| Gain from change in financial assumptions | (20,917) | (29,391) | (6,370) | (7,224) |
| Experience (gain)/loss | 1,740 | (565) | (7,677) | 892 |
| Employee benefit paid | (15,926) | (21,949) | (6,604) | (6,579) |
| Closing balance for the year | 297,892 | 301,413 | 65,927 | 78,515 |

The movements of employee benefit obligations - other long-term benefits for the years ended 31 March 2022 and 2021 comprise the following:

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Opening balance for the year | 27,679 | 26,474 | 2,961 | 2,967 |
| Current service cost | 4,069 | 4,023 | 674 | 674 |
| Interest cost | 515 | 361 | 47 | 34 |
| Remeasurements: | | | | |
| (Gain)/loss from change in demographic assumptions | 2,708 | (10) | 683 | (10) |
| (Gain)/loss from change in financial assumptions | 7 | 181 | (61) | 3 |
| Experience (gain)/loss | 16,876 | (561) | 1,803 | (349) |
| Employee benefit paid | (2,842) | (2,789) | (421) | (358) |
| Closing balance for the year | 49,012 | 27,679 | 5,686 | 2,961 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

The principal actuarial assumptions used were as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---------------------|-----------------------------------|--------------|-------------------------------|--------------|
| | 2022 % | 2021 % | 2022 % | 2021 % |
| Discount rates | 2.24 - 2.88 | 1.93 - 1.96 | 2.24 - 2.88 | 1.96 |
| Salary growth rate | 5.00 | 4.54 - 4.73 | 5.00 | 4.65 |
| Staff turnover rate | 0.57 - 17.19 | 0.00 - 19.00 | 1.43 - 17.19 | 1.00 - 19.00 |

Sensitivity analysis for each significant assumption as at 31 March 2022 and 2021 are as follows:

| | Consolidated financial statements | | | | | |
|----------------------|---|-----------|------------------------|-----------------------|------------------------|-----------------------|
| | Increase (decrease) to employee benefit obligations | | | | | |
| | Change in assumption | | Increase in assumption | | Decrease in assumption | |
| | 2022 % | 2021 % | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Discount rate | 1.00 | 1.00 | (31,547) | (33,287) | 36,718 | 38,900 |
| Salary growth rate | 1.00 | 1.00 | 31,823 | 35,747 | (27,838) | (31,183) |
| Staff turnover rate | 20.00 | 1.00 | (9,880) | (34,930) | 10,634 | 15,621 |
| from base assumption | | | | | | |

| | Separate financial statements | | | | | |
|----------------------|---|-----------|------------------------|-----------------------|------------------------|-----------------------|
| | Increase (decrease) to employee benefit obligations | | | | | |
| | Change in assumption | | Increase in assumption | | Decrease in assumption | |
| | 2022 % | 2021 % | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Discount rate | 1.00 | 1.00 | (5,941) | (7,499) | 6,905 | 8,669 |
| Salary growth rate | 1.00 | 1.00 | 6,206 | 8,215 | (5,449) | (7,261) |
| Staff turnover rate | 20.00 | 1.00 | (3,355) | (7,933) | 3,759 | 2,756 |
| from base assumption | | | | | | |

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

The weighted average duration of the employee benefit obligation is 13.00 - 15.00 years (2021 : 9.54 - 12.69 years).

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

Expected maturity analysis of undiscounted Retirement benefits and Other long-term benefits are as follows:

| | Consolidated financial statements | | | | |
|----------------------------|---|--|--|-------------------------------------|---------------------------|
| | Less than 1 year Thousand Baht | Between 1-2 years Thousand Baht | Between 2-5 years Thousand Baht | Over 5 years Thousand Baht | Total Thousand Baht |
| As at 31 March 2022 | | | | | |
| Retirement benefits | 17,329 | 5,513 | 45,638 | 347,152 | 415,632 |
| Other long-term benefits | 3,812 | 4,569 | 13,397 | 35,379 | 57,157 |
| Total | 21,141 | 10,082 | 59,035 | 382,531 | 472,789 |
| As at 31 March 2021 | | | | | |
| Retirement benefits | 2,942 | 18,476 | 46,315 | 1,134,791 | 1,202,524 |
| Other long-term benefits | 2,445 | 2,867 | 12,128 | 74,835 | 92,275 |
| Total | 5,387 | 21,343 | 58,443 | 1,209,626 | 1,294,799 |
| | Separate financial statements | | | | |
| | Less than 1 year Thousand Baht | Between 1-2 years Thousand Baht | Between 2-5 years Thousand Baht | Over 5 years Thousand Baht | Total Thousand Baht |
| As at 31 March 2022 | | | | | |
| Retirement benefits | 11,161 | - | 15,331 | 63,669 | 90,161 |
| Other long-term benefits | 458 | 598 | 1,468 | 4,154 | 6,678 |
| Total | 11,619 | 598 | 16,799 | 67,823 | 96,839 |
| As at 31 March 2021 | | | | | |
| Retirement benefits | - | 11,911 | 20,001 | 344,800 | 376,712 |
| Other long-term benefits | 358 | 294 | 1,734 | 14,848 | 17,234 |
| Total | 358 | 12,205 | 21,735 | 359,648 | 393,946 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

26 Provision for decommissioning cost

The movements of provision for decommissioning cost for the years ended 31 March 2022 and 2021 comprise the following:

| | Consolidated financial statements | | Separate financial statements | |
|--------------------------------|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Opening balance as at 1 April | 410 | 1,068 | 410 | 1,068 |
| Write-off | - | (658) | - | (658) |
| Closing balance as at 31 March | 410 | 410 | 410 | 410 |

27 Legal reserve

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| As at 1 April | 373,780 | 372,575 | 373,780 | 372,575 |
| Appropriation during the year | 1,213 | 1,205 | 1,213 | 1,205 |
| As at 31 March | 374,993 | 373,780 | 374,993 | 373,780 |

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

28 Other income

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Gain on exchange rate, net | 12,566 | 20,380 | - | - |
| Dividend income from equity investments at FVOCI | 21,600 | 28,800 | - | - |
| Interest income | 1,948 | 2,962 | 20,530 | 71,067 |
| Compensation from insurance companies | - | 50,000 | - | - |
| Others | 14,408 | 16,899 | 1,673 | 575 |
| | 50,522 | 119,041 | 22,203 | 71,642 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

29 Finance costs

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Interest and finance charges from financial institutions | 11,730 | 19,154 | 478 | 20,375 |
| Interest and finance charges paid for lease liabilities | 23,320 | 23,884 | 957 | 1,317 |
| | 35,050 | 43,038 | 1,435 | 21,692 |

30 Expense by nature

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Change in finished goods and work in process | (831,078) | (861,106) | - | - |
| Raw materials and consumables used | 23,346,869 | 15,868,016 | - | - |
| Store and supplies used | 889,841 | 748,447 | - | - |
| Fuel | 820,273 | 589,291 | - | - |
| Depreciation and amortisation | 473,390 | 474,574 | 27,146 | 27,910 |
| Employee benefits expenses | 1,116,496 | 938,360 | 291,422 | 267,102 |
| Utilities expenses | 2,768,084 | 2,255,895 | 676 | 826 |
| Repair and maintenance expenses | 640,641 | 635,663 | 42 | 480 |
| Contractor fees | 180,659 | 187,643 | 4,532 | 4,660 |
| Delivery and selling expenses | 305,607 | 207,864 | 7,011 | 3,775 |
| Bank charges | 60,396 | 60,526 | 12,383 | 10,918 |
| Others | 152,834 | 182,380 | 59,388 | 79,983 |
| Total | 29,924,012 | 21,287,553 | 402,600 | 395,654 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

31 Income tax (income) expense

Income tax (income) expense for the years ended 31 March comprise of

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Current tax: | | | | |
| Current tax on profits for the year | 7,368 | 65,285 | 7,368 | 12,795 |
| Current tax on profits for the previous year | - | 10,537 | - | 10,537 |
| Total current tax | 7,368 | 75,822 | 7,368 | 23,332 |
| (Increase) decrease in deferred tax assets (Note 21) | (7,464) | (17,230) | (702) | (994) |
| Increase (decrease) in deferred tax liabilities (Note 21) | (5,764) | (1,864) | - | - |
| Total deferred tax | (13,228) | (19,094) | (702) | (994) |
| Total income tax (income) expense | (5,860) | 56,728 | 6,666 | 22,338 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic weighted average tax rate applicable to profit of the home country of the Company as follow:

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Profit before income tax | 2,600,265 | 688,346 | 30,934 | 46,447 |
| Tax calculated at a tax rate of 20% (2021 : 20%) | 520,053 | 137,669 | 6,187 | 9,289 |
| Tax effect of: | | | | |
| - Temporary differences and unused tax losses not accounted for as deferred tax assets | (29,215) | (26,326) | - | - |
| - Expenses not deductible for tax purpose | 4,740 | 18,154 | 798 | 2,926 |
| - Double tax expenses deductible | (555) | (1,901) | (319) | (414) |
| - Utilisation of tax loss carried forward which was not recognised as deferred tax asset | (500,883) | (66,116) | - | - |
| - Recognition of previously unrecognised deferred taxes | - | (15,289) | - | - |
| - Tax expense for the previous year | - | 10,537 | - | 10,537 |
| Tax charge | (5,860) | 56,728 | 6,666 | 22,338 |

The Group's and the Company's weighted average applicable tax rate were (0.23)% and 21.55%, respectively (2021 : (8.24)% and 48.10%, respectively). The effective tax rate for separate financial statements changed from the previous year as a result of current tax on profits for the previous year during 2021 (2022 : Nil).

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

The tax credit/(charge) relating to component of other comprehensive income is as follows:

| | Consolidated financial statements | | | | | |
|--|-----------------------------------|---|-------------------------------|--------------------------------|---|-------------------------------|
| | 2022 | | | 2021 | | |
| | Before tax Thousand Baht | Tax credit/ (charge) Thousand Baht | After tax Thousand Baht | Before tax Thousand Baht | Tax credit/ (charge) Thousand Baht | After tax Thousand Baht |
| Remeasurement on retirement benefit obligations | 18,650 | (3,730) | 14,920 | 29,976 | (5,275) | 24,701 |
| Financial assets value at fair value though other comprehensive income | 97,680 | (19,536) | 78,144 | 60,480 | (12,096) | 48,384 |
| Other comprehensive income | 116,330 | (23,266) | 93,064 | 90,456 | (17,371) | 73,085 |
| Current tax | | - | | | - | |
| Deferred tax (Note 21) | | (23,266) | | | (17,371) | |
| | | <u>(23,266)</u> | | | <u>(17,371)</u> | |
| | Separate financial statements | | | | | |
| | 2022 | | | 2021 | | |
| | Before tax Thousand Baht | Tax credit/ (charge) Thousand Baht | After tax Thousand Baht | Before tax Thousand Baht | Tax credit/ (charge) Thousand Baht | After tax Thousand Baht |
| Remeasurement on retirement benefit obligations | 13,938 | (2,788) | 11,150 | 6,352 | (1,270) | 5,082 |
| Other comprehensive income | 13,938 | (2,788) | 11,150 | 6,352 | (1,270) | 5,082 |
| Current tax | | - | | | - | |
| Deferred tax (Note 21) | | (2,788) | | | (1,270) | |
| | | <u>(2,788)</u> | | | <u>(1,270)</u> | |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

32 Earnings per share

The basic earnings per share is calculated by dividing the profit for the year attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares in issue during the year.

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|---------------|----------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| For the years ended 31 March | | | | |
| Net profit attributable to ordinary shareholders of the Company (Thousand Baht) | 2,602,098 | 630,549 | 24,268 | 24,108 |
| Weighted average number of ordinary shares outstanding (Share) | 8,421,540,848 | 8,421,540,848 | 8,421,540,848 | 8,421,540,848 |
| Basic earnings per share (Baht per share) | 0.31 | 0.07 | 0.00 | 0.00 |

33 Reconciliation of liabilities arising from financing activities

| | | | Non-cash transactions | | |
|--|-------------------------------------|---|--|--|--------------------------------------|
| | 1 April 2020 Thousand Baht | Cash flows (net) Thousand Baht | Acquisitions - finance lease liabilities Thousand Baht | Write-off - finance lease liabilities Thousand Baht | 31 March 2021 Thousand Baht |
| Consolidated financial statements | | | | | |
| Short-term borrowings | | | | | |
| from financial institutions | 461,727 | (20,334) | - | - | 441,393 |
| Lease liabilities | 574,261 | (35,017) | 156,058 | (421) | 694,881 |
| Separate financial statements | | | | | |
| Short-term borrowings | | | | | |
| from subsidiaries | 2,118,355 | (2,118,355) | - | - | - |
| Lease liabilities | 40,412 | (15,339) | 6,144 | (1,660) | 29,557 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

| | | | Non-cash transactions | | |
|--|-------------------------------------|---|--|--|--------------------------------------|
| | 1 April 2021 Thousand Baht | Cash flows (net) Thousand Baht | Acquisitions - finance lease liabilities Thousand Baht | Write-off - finance lease liabilities Thousand Baht | 31 March 2022 Thousand Baht |
| Consolidated financial statements | | | | | |
| Short-term borrowings from financial institutions | 441,393 | (295,816) | - | - | 145,577 |
| Lease liabilities | 694,881 | (39,458) | 8,076 | (48) | 663,451 |
| Separate financial statements | | | | | |
| Lease liabilities | 29,557 | (16,653) | 5,892 | (1,284) | 17,512 |

34 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Relationship between company and related parties:

| Name | Type of Business | Relationship |
|---|---|---------------------------------------|
| Tata Steel Limited | Manufacture steel | Ultimate parent company |
| T S Global Holdings Pte. Ltd. | Investing | Major shareholder |
| The Siam Iron and Steel (2001) Co., Ltd. | Manufacture wire rods and small section products | Common shareholders and management |
| The Siam Construction Steel Co., Ltd. | Manufacture steel bars | Common shareholders and management |
| Tata Steel Manufacturing (Thailand) Public Company Limited | Manufacture, render a manufacturing service, distributions and trading of steel bars, wire rods and small section products | Common shareholder and management |
| The Siam Industrial Wire Co., Ltd. | Manufacture steel wire | Same group of shareholders |
| NatSteel Trade International Pte. Ltd.* | Trading | Same group of shareholders |
| NatSteel Recycling Pte. Ltd.* | Trading | Same group of shareholders |
| Tata International Metals Asia Ltd. | Trading | Same group of shareholders |
| T S Asia (Hong Kong) Ltd. | Trading | Same group of shareholders |
| Tata Refractories Ltd. | Manufacture refractory | Same group of shareholders |
| NatSteel Holdings Pte. Ltd.* | Manufacture steel | Same group of shareholders |

* These companies have not been treated as related parties under "same group of shareholders" since 30 September 2021.

Tata Steel (Thailand) Public Company Limited

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For the year ended 31 March 2022

Relationship between company and related parties:

| Name | Type of Business | Relationship |
|--|---|----------------------------|
| Tata Steel UK Ltd. | Manufacture steel | Same group of shareholders |
| Tata International Singapore Pte. Ltd. | Trading | Same group of shareholders |
| Tata Steel IJmuiden BV | Manufacture steel | Same group of shareholders |
| Tata Consultancy Services (Thailand) Ltd. | Software services | Same group of shareholders |
| Tata Consultancy Services Ltd. | Software services | Same group of shareholders |
| Tata Services Limited | Training services | Same group of shareholders |
| Tata Sons Private Limited | Investment holdings and consultancy services | Same group of shareholders |
| Tata Steel Resources Australia Pte. Ltd. | Procurement | Same group of shareholders |
| Tata NYK Shipping Pte. Ltd. | Shipping | Same group of shareholders |
| Mjunction Services Limited | Trading and procurement | Same group of shareholders |
| T S Global Procurement Co. Pte. Ltd. | Trading | Same group of shareholders |
| Tata Steel International (UK) Ltd. | Shipping | Same group of shareholders |
| Tata Steel Nederland Services B.V. | Manufacture steel | Same group of shareholders |
| Tata South East Asia Limited | Manufacture steel | Same group of shareholders |
| TSN Wires Co., Ltd. | Manufacture galvanized steel wire | Same group of shareholders |
| Tata International Limited | Trading | Same group of shareholders |
| Tata Steel Processing and Distribution Limited | Processing and distribution steel | Same group of shareholders |
| Tata Projects Limited | Infrastructure projects | Same group of shareholders |
| Tata South East Asia (Cambodia) Ltd. | Trading | Same group of shareholders |
| Tata Technologies (Thailand) Co., Ltd. | IT Services | Same group of shareholders |
| Tata Technologies Pte. Ltd. | IT Services | Same group of shareholders |
| Tata Motors (Thailand) Co., Ltd. | Manufacture automobile | Same group of shareholders |
| Tata Communications (Thailand) Co., Ltd. | Telecommunications service | Same group of shareholders |
| Tata International West Asia DMCC | Trading | Same group of shareholders |
| Tata AIG General Insurance Co., Ltd. | Insurance | Same group of shareholders |
| Tata Power Co., Ltd. | Generate, transmit and distribute electricity | Same group of shareholders |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

The following transactions were carried out with related parties:

a) [Related party transactions for the years ended 31 March 2022 and 2021](#)

| For the years ended 31 March | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Revenues | | | | |
| Sales | | | | |
| Tata Steel Limited | 195,497 | 395,669 | - | - |
| The Siam Industrial Wire Co., Ltd. | 2,353,896 | 898,270 | - | - |
| NatSteel Holdings Pte. Ltd. | 3,157 | 3,246 | - | - |
| TSN Wires Co., Ltd. | 492,974 | 265,682 | - | - |
| Tata International Metals Asia Ltd. | 739,625 | - | - | - |
| Total | 3,785,149 | 1,562,867 | - | - |
| Interest income | | | | |
| Tata Steel Manufacturing (Thailand) Public Company Limited | - | - | 18,654 | 68,259 |
| Total | - | - | 18,654 | 68,259 |
| Management fees income | | | | |
| The Siam Iron and Steel (2001) Co., Ltd. | - | - | - | 61,851 |
| The Siam Construction Steel Co., Ltd. | - | - | - | 113,370 |
| Tata Steel Manufacturing (Thailand) Public Company Limited | - | - | 412,868 | 216,971 |
| Total | - | - | 412,868 | 392,192 |

The Company has made the service agreement with subsidiaries which charges at the rate specified in the agreement and calculated by cost plus method.

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

| For the years ended 31 March | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Expenses | | | | |
| Purchases | | | | |
| Tata Steel Limited | - | 2,252,154 | - | - |
| Tata International Metals Asia Ltd. | 402,089 | 493,858 | - | - |
| Tata International Limited | 67,583 | - | - | - |
| Tata International West Asia DMCC | 12,697 | 19,582 | - | - |
| Total | 482,369 | 2,765,594 | - | - |
| Interest expenses | | | | |
| The Siam Iron and Steel (2001) Co., Ltd. | - | - | - | 2,593 |
| The Siam Construction Steel Co., Ltd. | - | - | - | 17,578 |
| Tata Steel Manufacturing (Thailand) Public Company Limited | - | - | 478 | 203 |
| Total | - | - | 478 | 20,374 |
| Other expenses | | | | |
| Tata Steel Limited | 455 | 747 | 455 | 747 |
| The Siam Industrial Wire Co., Ltd. | 11 | 15 | 11 | - |
| Tata Sons Private Limited | 225 | 22 | 225 | 22 |
| Tata Services Limited | - | 27 | - | 27 |
| Total | 691 | 811 | 691 | 796 |
| Key management compensation | | | | |
| Short-term employee benefits | 84,030 | 68,571 | 84,030 | 68,571 |
| Post-employment benefits | 30,540 | 30,719 | 30,540 | 30,719 |
| Total | 114,570 | 99,290 | 114,570 | 99,290 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

- b) Outstanding balance arising from sales/purchases of goods, services and others as at 31 March 2022 and 2021 are as follows:

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Trade receivable - related parties | | | | |
| Tata Steel Manufacturing (Thailand) Public Company Limited | - | - | 54,505 | 32,981 |
| Tata Steel Limited | - | 227,860 | - | - |
| The Siam Industrial Wire Co., Ltd. | 140,732 | 15,438 | - | - |
| TSN Wires Co., Ltd. | 50,537 | 36,306 | - | - |
| Total | 191,269 | 279,604 | 54,505 | 32,981 |
| Other receivables - related parties | | | | |
| Tata Steel Limited | 23 | 23 | 23 | 23 |
| Tata Steel Manufacturing (Thailand) Public Company Limited | - | - | 1,585 | 39,538 |
| Tata Communication (Thailand) Ltd. | 21 | 21 | 21 | 21 |
| Total | 44 | 44 | 1,629 | 39,582 |
| Trade payable - related parties | | | | |
| Tata Steel Limited | 2,393 | 2,251 | - | - |
| Tata International Metals Asia Ltd. | - | 182,829 | - | - |
| Total | 2,393 | 185,080 | - | - |
| Other payables - related parties | | | | |
| Tata Steel Limited | 2,312 | 2,256 | 2,312 | 2,256 |
| Tata Sons Private Limited | 124 | - | 124 | - |
| Tata Steel Manufacturing (Thailand) Public Company Limited | - | - | 87 | 31 |
| Total | 2,436 | 2,256 | 2,523 | 2,287 |

Tata Steel (Thailand) Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

c) Short-term loans to a subsidiary

The movements of short-term loans to a subsidiary during the years ended 31 March 2022 and 2021 comprise the following:

| | Separate financial statements | |
|---|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht |
| Opening balance for the year | 6,868,064 | 3,092,084 |
| Net additions (deductions) of loans during the year | (63,510) | 3,775,980 |
| Convert debt from short-term loans to a subsidiary to equity of a subsidiary (Note 15) | (6,211,260) | - |
| Closing balance for the year | 593,294 | 6,868,064 |

As at 31 March 2022, short-term loans to a subsidiary in amount of Baht 593 million (2021 : Baht 6,868 million) bear interest rate at 2.0% per annum (2021 : 0.5% and 3.0% per annum), short-term loans to a subsidiary are non-collateralised loans and not specified maturity date.

35 Commitments

35.1 Capital commitments

Capital expenditure contracted as at the statement of financial position date but not recognised as liabilities is as follows:

| | Consolidated financial statements | | Separate financial statements | |
|------------------------|--------------------------------------|--------------------------|----------------------------------|--------------------------|
| | 2022 Thousand Baht | 2021 Thousand Baht | 2022 Thousand Baht | 2021 Thousand Baht |
| Building and equipment | 191,731 | 34,527 | - | - |

35.2 Commitments from letter of credit

Letters of credit opened but are not qualified as liabilities as at 31 March 2022 and 2021 are as follows:

| | Consolidated financial statements | | Separate financial statements | |
|-----------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2022 Thousand | 2021 Thousand | 2022 Thousand | 2021 Thousand |
| Currency | | | | |
| US Dollars | 7,636 | 12,016 | - | - |
| EUR | - | 187 | - | - |

**Tata Steel (Thailand) Public Company Limited**

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 March 2022

36 Events occurring after the statement of financial position date

At the Board of Directors Meeting of the Company on 20 April 2022, the Board of Directors has recommended a dividend of Baht 0.05 per share, totalling to Baht 421 million for the fiscal year 2021- 2022. The dividend is subject to the approval of the Shareholders at the Annual General Meeting scheduled to be held on 21 July 2022.

4

Attachments



ATTACHMENT 1



DETAILS OF DIRECTORS, MANagements AND COMPANY SECRETARY

DETAILS OF DIRECTORS

MR. PEEYUSH GUPTA

Chairman of the Board of Directors
Chairman of the Executive Committee
Member of the Corporate Governance, Nomination & Remuneration Committee

Age : 53 years
Date of Appointment : October 23, 2011
No. of Shareholding : 0
Relative : None

Education / Training program

- Master of Business Administration, McGill University, Montreal, Canada
- Bachelor of Engineer (Honors), Engineering College, Kota, Rajasthan
- Chevening Scholar, Leeds University, UK
- Advanced Management Program, CEDEP, France

Working Experiences

2021 – Present : Chairman and Director
TM International Logistics Ltd.

2021 – Present : Chairman and Director
Jamipol Ltd.

2021 – Present : Chairman and Director
Creative Port Development Private Ltd.

2021 – Present : Chairman and Director
Subarnarekha Port Private Ltd.

2021 – Present : Director
Tata NYK Shipping Pte. Ltd.

2021 – Present : Vice President Supply Chain
Tata Steel Ltd.

2019 – Present : Director
Mjunction Services Ltd.

2014 – Present : Director
Tata Steel Downstream Processing Ltd.

2019 – 2021 : Chairman
Indian Steel & Wire Products Ltd.

2019 – 2021 : Chairman
NatSteel Holdings Pte Ltd.

2015 – 2019 : Director
Indian Steel & Wire Products Ltd.

2011 – 2019 : Director
TM International Logistics Ltd.

2012 – 2013 : President & CEO
Tata Steel (Thailand) Plc.

***Board Member in Other Listed Company :** None
Authorized Director

MR. ALAN KAM

Independent Director
Chairman of the Audit & Risk Review Committee
Member of the Corporate Governance, Nomination & Remuneration Committee

Age : 65 years
Date of Appointment : July 8, 2017
No. of Shareholding : 0
Relative : None

Education / Training program

- MBA, Finance, University of Denver, USA
- BSBA, Finance, University of Denver, USA
- Chairman Forum 2021
- Director Forum 2021
- Strategic Board Master Class (SBM 3/2018)
- The Role of Chairman Program (RCP 2017)
- Corporate Governance for Capital Market Intermediaries Class (CGI 0/2014)
- IOD-Chartered Director Course (CDC 2/2008)
- Chartered Director 2008
- Faculty Felicitator 2007
- IOD-Corporate Social Responsibility Program (CSR 1/2006)
- Director Certification Program (DCP 39/2004)
- Fellow Member 2004

Working Experiences

2021 – Present : Executive Director
Pipatanasin Co., Ltd.

2020 – Present : Director
Operation Smile (Thailand) Foundation

2017 – Present : Director
Thanakorn Vegetable Oil Products Co., Ltd.

2016 – Present : Chairman of the Board of Directors
Ticketmelon Co., Ltd.

2015 – Present : Director
Cal-Comp Holdings (Brazil) S.A.

2013 – Present : Trustee Director and Chairman of the Investment Committee
Nambawan Super Ltd. Port Moresby, Papua New Guinea

2013 – Present : Director, Independent Director and Chairman of the Audit Committee
Mega LifeSciences Pcl.*

2000 – Present : Independent Director and Chairman of the Audit Committee
Cal-Comp Electronics (Thailand) Pcl.*

***Board Member in Other Listed Company :** 2

MR. HATASAKDI NA POMBEJRA

Independent Director

Member of the Audit & Risk Review Committee

Chairman of the Corporate Social Responsibility & Sustainability Committee

Age : 65 years

Date of Appointment : March 28, 2013

No. of Shareholding : 0

Relative : None

Education / Training program

- Master of Law in International Legal Study (Business)
New York University, School of Law, USA
- Master of Comparative Law
University of Miami, School of Law, USA
- Bachelor of Laws (Honors)
Thammasat University
- IT Governance and Cyber Resilience Program (ITG 13/2020)
- Strategic Board Master Class (SBM 6/2019)
- How to measure the success of Corporate strategy
(HMS 2/2013)
- Successful Formulation & Execution Strategy (SFE 18/2013)
- Chartered Director class (CDC 7/2013)
- Monitoring Fraud Risk Management (MFM 1/2009)
- Successful Formulation and Execution Strategy
(SFE 1/2008)
- Director Certification Program Refresher Course
- Role of Chairman Program (RCP 20/2008)
- Role of the Compensation Committee Program
(RCC 6/2008)
- Monitoring the system of Internal Control and Risk
Management (MIR 2/2008)
- Monitoring Quality of Financial Report (MFR 6/2008)
- Monitoring the IA function (MIA 7/2007)
- Audit Committee Program (ACP 13/2006)
- Director Certification Program (DCP 33/2003)
- Corporate Secretary Program (CSP 4/2003)

Working Experiences

2014 - Present : Independent Director and Member of
the Audit Committee

Board of Trade of Thailand

2014 - Present : Independent Director and Member of
the Audit Committee

Thai Chamber of Commerce

***Board Member in Other Listed Company : None**

MS. ANUTTARA PANPOTHONG

Independent Director

Member of the Audit & Risk Review Committee

Chairperson of the Corporate Governance, Nomination & Remuneration Committee

Age : 50 years

Date of Appointment : March 20, 2018

No. of Shareholding : 0

Relative : None

Education / Training program

- MBA, Finance and Investment,
George Washington University, Washington D.C., USA
- BBA, Finance and Banking (First Class Honors),
Thammasat University
- Strategic Board Master Program (SBM 6/2019)
- Director Certificate Program Class (DCP 265/2018)

Working Experiences

January 2022 - Present : Vice President, HR & Communication
Pandora Production Co., Ltd.

June - December 2021 : Chief People Officer

Central Retail Corporation Pcl.

2019 - 2021 : Member of Group Executive Committee -
Group HR and Talents

Siam City Cement Pcl.

2017 - 2021 : Senior Vice President (People and
Organizational Performance)

Siam City Cement Pcl.

2019 - 2020 : Director

Siam City Cement (Lanka) Ltd.

2018 - 2020 : Director

Siam City Concrete Co., Ltd.

2015 - 2017 : Vice President (Human Resources)
and Board Member of Unilever

Thai Holding Co., Ltd.

Unilever Thailand

***Board Member in Other Listed Company : None**

MR. TARATORN PREMSOONTORN

Director (Non-Executive Director)

Member of the Corporate Governance, Nomination & Remuneration Committee

Age : 59 years

Date of Appointment : July 29, 2002

No. of Shareholding : 0

Relative : None

Education / Training program

- Master of Business Administration, Oklahoma City University, USA
- Bachelor of Economics, Chulalongkorn University
- Director Certification Program (DCP 40/2004)
- Director Accreditation Program (DAP 2/2003)
- Finance for Non-Finance Directors Program (FND 7/2003)

Working Experiences

1996 - Present : Senior Vice President
Bangkok Bank Pcl.

***Board Member in Other Listed Company :** None
Authorized Director

MR. SANJIB NANDA

Director

Member of the Executive Committee

Age : 57 years

Date of Appointment : October 18, 2021

No. of Shareholding : 0

Relative : None

Education / Training program

- Chartered Accountant

Working Experiences

2022 - Present : Director
Tata Steel Advanced Materials Ltd.

2022 - Present : Director
T Steel Holdings Pte. Ltd.

2022 - Present : Director
T S Global Holdings Pte. Ltd.

2021 - Present : Vice President Financial Operations and Corporate Reporting
Tata Steel Ltd.

2021 - Present : Director
Bhubaneshwar Power Private Ltd.

2021 - Present : Director
Tata NYK Shipping Pte. Ltd.

2021 - Present : Chairman
Kalimati Global Shared Services Ltd.

2020 - Present : Director
TS Global Procurement Co. Pte. Ltd.

2019 - Present : Director
Angul Energy Ltd.

2019 - Present : Director
Industrial Energy Ltd.

2018 - Present : Director
Bhushan Steel (South) Ltd.

2018 - Present : Director
Tata Steel Technical Services Ltd.

2018 - Present : Director
Tata Steel Support Services Ltd.

2018 - Present : Director
Bhushan Steel (Australia) Pty Ltd.

Working Experiences

2018 - Present : Director
Bowen Energy Pty. Ltd.

2018 - Present : Director
Bowen Coal Pty Ltd.

2018 - Present : Director
Bowen Consolidated Pty Ltd.

2018 - 2021 : Chief Financial Officer
Tata Steel BSL Ltd.

2017 - 2018 : Director
Abja Investment Co. Ltd.

2016 - 2018 : Director
Kalzip Asia Pte. Ltd.

2015 - 2018 : Director
Natsteelvina Co. Ltd.

2015 - 2018 : Director
Proco Issuer Pte. Ltd.

2015 - 2018 : Director
Tata Steel Asia (Hong Kong) Ltd.

2015 - 2018 : Director
TS Global Minerals Holdings Pte. Ltd.

2015 - 2018 : Director
Tata Steel International (Singapore) Pte. Ltd.

2015 - 2018 : Director
Tata Steel International (Singapore) Holdings Pte. Ltd.

2014 - 2019 : Director
Natsteel (Xiamen) Ltd.

2014 - 2018 : Director
Natsteel Asia Pte Ltd.

2014 - 2018 : Director
Natsteel Recycling Pte. Ltd.

2014 - 2018 : Director
Natsteel Trade International Pte. Ltd.

2014 - 2018 : Chief Financial Officer
NatSteel Ltd.

***Board Member in Other Listed Company :** None

MR. ASHISH ANUPAM

Director

Member of the Executive Committee

Member of the Corporate Social Responsibility & Sustainability Committee

Age : 53 years

Date of Appointment : January 30, 2018

No. of Shareholding : 0

Relative : None

Education/Training program

- Bachelor of Engineering (Mechanical Engineering), Birla Institute of Technology, Ranchi, India
- General Management Program, CEDEP (INSEAD, France)

Working Experiences

2021 – Present : Chairman
Indian Steel & Wire Product Ltd.

2019 – Present : Managing Director
Tata Steel Long Products Ltd.

2019 – Present : Chairman
The Siam Industrial Wire Co., Ltd.

2019 – Present : Chairman
TSN Wires Co., Ltd.

2018 – Present : Director
Bhushan Steel (Australia) Pty Ltd.

2020 – 2021 : Chairman
NatSteel Holdings Pte. Ltd.

2019 – 2020 : Director
Indian Steel & Wire Product Ltd.

2015 – 2020 : Director
NatSteel Holdings Pte. Ltd.

2015 – 2018 : Director
The Siam Industrial Wire Co., Ltd.

2015 – 2018 : Director
TSN Wires Co., Ltd.

***Board Member in Other Listed Company :** None

MR. RAJIV MANGAL

Director

Member of the Executive Committee

Member of the Corporate Social Responsibility & Sustainability Committee

President & CEO

Age : 54 years

Date of Appointment : December 1, 2013

No. of Shareholding : 0

Relative : None

Education / Training program

- Bachelor of Engineering (Metallurgy) (Honors), University of Roorkee, India
- Post Graduate Diploma in Business Management (PGDBM), Xavier School of Management (XLRI), Jamshedpur, India
- Advance Management Program
CEDEP (INSEAD, France)
- Global Leadership Development Programme, India/UK
- Director Certification Program (DCP 230/2016)

Working Experiences

2013 – Present : Chairman
Tata Steel Manufacturing (Thailand) Plc.

2018 – 2021 : Director
NatSteel Holdings Pte. Ltd.

2013 – 2020 : Chairman
The Siam Construction Steel Co., Ltd.
The Siam Iron and Steel (2001) Co., Ltd.

2010 – 2013 : Executive-in Charge, Tubes SBU
Tata Steel Ltd.

2005 – 2010 : Chief, Wire Division
Chief of Marketing & Sales
Chief Technical Services
Tata Steel Ltd.

***Board Member in Other Listed Company :** None
Authorized Director

DETAILS OF THE MANAGEMENTS

MR. RAJIV MANGAL

President & CEO

Age : 54 years

Date of Appointment : December 1, 2013

No. of Shareholding : 0

Relative : None

Education / Training program

- Bachelor of Engineering (Metallurgy) (Honors), University of Roorkee, India
- Post Graduate Diploma in Business Management (PGDBM), Xavier School of Management (XLRI), Jamshedpur, India
- Advance Management Program CEDEP (INSEAD, France)
- Global Leadership Development Programme, India/UK
- Director Certification Program (DCP 230/2016)

Working Experiences

2013 – Present : Chairman
Tata Steel Manufacturing (Thailand) Plc.

2018 – 2021 : Director
NatSteel Holdings Pte. Ltd.

2013 – 2020 : Chairman
The Siam Construction Steel Co.,Ltd.
The Siam Iron and Steel (2001) Co.,Ltd.

2010 – 2013 : Executive-in Charge, Tubes SBU
Tata Steel Ltd.

2005 – 2010 : Chief, Wire Division
Chief of Marketing & Sales
Chief Technical Services
Tata Steel Ltd.

***Board Member in Other Listed Company :** None

Authorized Director

MR. WANLERT KANWIWAT

Chief Operating Officer

Age : 56 years

Date of Appointment : April 1, 2016

No. of Shareholding : 0

Relative : None

Education / Training program

- Bachelor of Engineering (Electrical), King Mongkut's Institute of Technology
- Global Leadership Development Programme, India/UK

Working Experiences

2012 – Present : Director
Tata Steel Manufacturing (Thailand) Plc.

2012 – 2020 : Director
The Siam Construction Steel Co.,Ltd.
The Siam Iron and Steel (2001) Co.,Ltd.

2011 – 2012 : Plant Manager – Rayong
The Siam Construction Steel Co.,Ltd.

MR. JAYANTA CHAKRABORTY

Vice President - Finance & Chief Financial Officer

Age : 56 years

Date of Appointment : September 15, 2016

No. of Shareholding : 0

Relative : None

Education / Training program

- Bachelor of Commerce, Calcutta University
- Chartered Accountant, Institute of Chartered Accountants of India
- General Management Programme, CEDEP, France
- Global Leadership Development Programme, India/UK
- Director Certification Program (DCP 241/2017)

Working Experiences

- 2021 – Present : Director
The Siam Industrial Wire Co.,Ltd.
- 2020 – Present : Director
Tata Steel Manufacturing (Thailand) Plc.
-
- 2018 – 2021 : Director
NatSteel Holdings Pte. Ltd.
- 2016 – 2020 : Director
The Siam Construction Steel Co.,Ltd.
The Siam Iron and Steel (2001) Co.,Ltd.
- 2013 – 2016 : Chief Financial Controller
(Business Analysis and Group Reporting)
Tata Steel Ltd.
- 2013 – 2016 : Director
TM International Logistics Ltd.
TS Alloys Ltd.
Tata Steel Processing & Distribution Ltd.
International Shipping & Logistics FZE

MR. SIROROTE MATEMANOSAK

Vice President - Human Resources & Corporate Affairs

Age : 59 years

Date of Appointment : January 1, 2010

No. of Shareholding : 220,000 (0.00%)

Relative : None

Education / Training program

- Master of Business Administration, Kasetsart University
- Bachelor of Laws, (Honors), Thammasat University
- Global Leadership Development Programme, India/UK
- Ethical Leadership Program (ELP), Thai Institute of Directors (IOD)

Working Experiences

- 2012 – Present : Director
Tata Steel Manufacturing (Thailand) Plc.
-
- 2012 – 2020 : Director
The Siam Construction Steel Co.,Ltd.
The Siam Iron and Steel (2001) Co.,Ltd.

MR. PAITON CHUESOOK

Vice President - Procurement

Age : 59 years

Date of Appointment : July 31, 2012

No. of Shareholding : 0

Relative : None

Education / Training program

- Bachelor of Engineering (Mechanical),
King Mongkut's University of Technology North Bangkok
- Global Leadership Development Programme,
India/UK

Working Experiences

- 2012 – 2013 : Director and Vice President – Saraburi Plant
The Siam Iron and Steel (2001) Co.,Ltd.
- 2011 – 2012 : Plant Manager – Saraburi
The Siam Iron and Steel (2001) Co.,Ltd.
- 2010 – 2011 : Senior Department Manager – Rolling Mill
The Siam Iron and Steel (2001) Co.,Ltd.
- 2001 – 2010 : Department Manager – Steel Plant
N.T.S. Steel Group Plc.

MR. CHAICHALERM BUNYANUWAT

Vice President – Marketing & Sales

Age : 53 years

Date of Appointment : July 31, 2012

No. of Shareholding : 0

Relative : None

Education / Training program

- Bachelor of Mechanical Engineering,
King Mongkut's University of Technology Thonburi
- Global Leadership Development Programme,
India/UK

Working Experiences

- 2012 – 2016 : Director and Vice President – Saraburi Plant
The Siam Iron and Steel (2001) Co.,Ltd.
- 2012 – 2012 : Plant Manager – Saraburi
The Siam Iron and Steel (2001) Co.,Ltd.
- 2010 – 2012 : Senior Department Manager – Steel Plant and Maintenance
N.T.S. Steel Group Plc.

MR. AMIT KHANNA

Vice President – Business Excellence & Shared Services

Age : 55

Date of Appointment : April 1, 2015

No. of Shareholding : 0

Relative : None

Education / Training program

- Bachelor of Science (Electrical Engineering),
National Institute of Technology Jamshedpur, India

Working Experiences

- 2014 – 2015 : Head Improvement Initiatives
Tata Steel Ltd.
- 2010 – 2014 : Head Integrated Electrical Maintenance
- Power House & Industrial Gases
Department
Tata Steel Ltd.
- 2008 – 2010 : Head TQM - Knowledge Management,
Management Information Group &
Business Assessment
Tata Steel Ltd.

MR. PORNCHEI TANGWORRAKULCHAI

Vice President – NTS Plant

Age : 52 years

Date of Appointment : April 1, 2016

No. of Shareholding : 0

Relative : None

Education / Training program

- Bachelor of Engineering (Electrical),
Chiang Mai University

Working Experiences

- 2020 – Present : Director
Tata Steel Manufacturing (Thailand) Plc.
-
- 2016 – 2019 : Director and Vice President - Rayong Plant
The Siam Construction Co., Ltd.
- 2008 – 2016 : Senior Department Manager – Rolling Mill
N.T.S. Steel Group Plc.
- 2006 – 2008 : Department Manager – Rolling Mill
N.T.S. Steel Group Plc.
- 2005 – 2006 : Department Manager – Rolling Mill
The Siam Iron and Steel (2001) Co., Ltd.

MR. SAKCHAI LOYFAKHAJOHN

Vice President – SCSC Plant

Age : 51 years

Date of Appointment : May 1, 2020

No. of Shareholding : 0

Relative : None

Education / Training program

- Bachelor of Engineering (Mechanical),
Khon Kaen University

Working Experiences

May – December 2020 : Director

The Siam Construction Steel Co.,Ltd.

2017 – 2019 : Senior Department Manager - Steel Plant

The Siam Construction Steel Co.,Ltd.

2014 – 2017 : Senior Department Manager -

Rolling Mill

The Siam Construction Steel Co.,Ltd.

2013 – 2014 : Department Manager – Rolling Mill

The Siam Construction Steel Co.,Ltd.

2012 – 2013 : Department Manager,

VP – Rayong Office

The Siam Construction Steel Co.,Ltd.

2010 – 2012 : Department Manager – Maintenance

The Siam Construction Steel Co.,Ltd.

MR. RUNGROTH LERT-A-ROM

Vice President – SISCO Plant

Age : 50 years

Date of Appointment : June 1, 2016

No. of Shareholding : 0

Relative : None

Education / Training program

- Master Degree of Material science and Engineering,
Carnegie Mellon University, USA
- Bachelor of Engineer (Metallurgy),
Chulalongkorn University

Working Experiences

2016 – 2020 : Director

The Siam Iron and Steel (2001) Co.,Ltd.

2015 – 2016 : Senior Department Manager - Steel Plant

The Siam Iron and Steel (2001) Co.,Ltd.

2014 – 2015 : Senior Department Manager - Steel Plant

The Siam Construction Steel Co.,Ltd.

2012 – 2014 : Senior Department Manager -

Maintenance / Steel Plant

N.T.S. Steel Group Plc.



DETAILS OF COMPANY SECRETARY

MS. SOMJAI JARUKITCHAROON

Company Secretary

Age : 55 years

Date of Appointment : July 1, 2020

No. of Shareholding : 0

Relative : None

Education / Training program

- Master of Business Administration,
National Institute of Development Administration (NIDA)
- Bachelor of Accountancy,
Chiang Mai University
- Company Secretary Program (CSP 110/2020)

Working Experiences

- 2018 – 2020 : Department Manager - Administration
N.T.S. Steel Group Plc.
- 2009 – 2018 : Controller, Credit Management
Tata Steel (Thailand) Plc.



ATTACHMENT 2



DETAILS OF THE DIRECTORS OF SUBSIDIARY

Summary Information of the Director/Managements of Tata Steel (Thailand) Public Company Limited As the Directors in the Subsidiary

| Name | | | Tata Steel Manufacturing (Thailand) Public Company Limited |
|------|--------------|------------------|--|
| 1. | Mr. Rajiv | Mangal | // |
| 2. | Mr. Wanlert | Kanwiwat | / |
| 3. | Mr. Jayanta | Chakraborty | / |
| 4. | Mr. Sirorote | Matemanosak | / |
| 5. | Mr. Pornchai | Tangworrakulchai | / |
| 6. | Mr. Sakchai | Loyfakhajohn | / |
| 7. | Mr. Rungroth | Lert-a-rom | / |
| | | | 7 persons |

Remark : / = Director

// = Chairman and Managing Director

ATTACHMENT 3



DETAILS OF HEAD OF INTERNAL AUDIT AND HEAD OF COMPLIANCE UNIT

DETAILS OF HEAD OF INTERNAL AUDIT

MS. SUTIDA KANCHAN

Senior Department Manager – Internal Audit**Age :** 54 years**Date of Appointment :** June 1, 2010**No. of Shareholding :** 0**Relative :** None**Education / Training program**

- Master Degree of Computer and Engineering Management, ABAC University
- Bachelor Degree of Business Administration, Thammasat University
- Certified Public Accountant issued by the Federation of Accounting Professions
- Certificate of CFO issued by the Federation of Accounting Professions
- Seminars held by the Federation of Accounting Professions
- Seminars held by the Institute of Internal Auditors of Thailand
- Seminars held by PWC and KPMG
- Seminars relating to knowledge of Information Technology, Collective Action Against Corruption, Personal Data Protection, arranged by the private companies

Working Experiences

2010 – Present : Senior Department Manager – Internal Audit
Tata Steel (Thailand) Plc.

HEAD OF COMPLIANCE UNIT

MR. APICHART LIKHITPRASERT

Department Manager – Legal Services & Regulatory Affairs**Age :** 42 years**Date of Appointment :** December 1, 2013**No. of Shareholding :** 0**Relative :** None**Education / Training program**

- Thai Barrister at law,
The Thai Bar under the Royal Patronage
- Bachelor of Law (LL.B)
Thammasat University
- Certificate in Tax law and international Tax law

Working Experiences

2013 – Present : Department Manager – Legal Services & Regulatory Affairs
Tata Steel (Thailand) Plc.

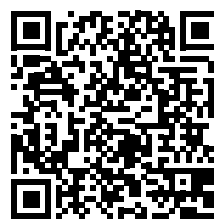
ATTACHMENT 4



CORPORATE GOVERNANCE POLICY, TATA CODE OF CONDUCT, AND CHARTERS OF THE BOARD OF DIRECTORS AND SUB-COMMITTEES



Corporate Governance Policy



Tata Code of Conduct



Charter of the Board of Directors



Charter of the Audit & Risk Review Committee



Charter of the Corporate Governance,
Nomination & Remuneration Committee



Charter of the CSR & Sustainability Committee



TATASTEEL (THAILAND)

Bangkok (Head Office)

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Fax : +66 2937 1223-4

NTS Plant

Telephone : +66 3834 5355

Fax : +66 3834 5350

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