



True Corporation Public Company Limited
18 True Tower, Ratchadaphisek Road, Bangkok10310, Thailand

BUSINESS PARTNER MANAGEMENT PROCEDURE

POLICY APPROVED BY CHIEF EXECUTIVE OFFICER

POLICY OWNER: HEAD OF COMPLIANCE & MONITORING

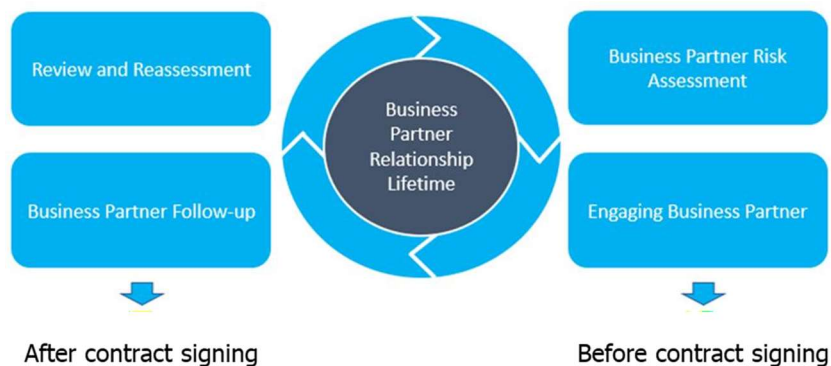
POLICY EFFECTIVE DATE: 26 JUNE 2023

1. IMPELEMENTING POLICY REQUIREMENTS

The Business Partner Code of Conduct (BP CoC) sets out requirements towards Business Partners for responsible business conduct and reflects what responsible business means to True Corporation Public Company Limited and its subsidiaries (the "Company").

To manage the compliance of Business Partners with the BP CoC, the Company shall:

- Conduct risk-based due diligence of prospective Business Partners prior to engagement to assess whether they may entail an unacceptable risk.
- Consider if there are relevant mitigation actions available that may bring potentially unacceptable risks down to an acceptable level.
- Conduct risk-based monitoring of the Business Partners' compliance with the BP CoC throughout the lifetime of the engagement.
- Perform periodic reassessments of Business Partners.



1.1 Business Partner Risk Assessment Prior to Engagement

The Company shall perform an Individual Risk Assessment process by applying the following steps to sufficiently gather information and conduct risk-based Integrity Due Diligence on prospective Business Partners. This shall be done prior to any contract award or a decision to engage with Business Partner. Due Diligence shall follow the 5-step process described below:

Step 1 – Registration of Business Partners and Initial Risk Rating

All prospective Business Partners and relevant business engagements, that are subject to this procedure shall be registered in the True Corporation Public Company Limited's Business Partner Management (BPM) system.

The Contract Owner must ensure that necessary information on the Business Partner is obtained and provided to the Risk Reviewer, either from internal sources or by obtaining the information externally including directly from the Business Partner. This will typically include but should not be limited to:

- Business Partner's full legal name/ trading name
- Business Partner shareholding and ownership including any Ultimate Beneficial Owners, (when applicable)
- Anticipated contract value
- Type of products and/or services to be provided by Business Partner
- Whether the products and/or services involve interaction with government officials
- Country or countries where the products and/or services originate from, and country or countries where they will be provided to
- The Business Partner's (local or global) experience and reputation
- Reason for selecting the Business Partner
- Whether a competitive process (with at least 3 bidders) was followed

Based on the initial information provided by the Contract Owner, the Risk Reviewer shall assign an Initial Risk Rating to the Business Partner in accordance with the level of compliance risk posed to Company - INSIGNIFICANT, LOW, MEDIUM, HIGH.

In determining the Initial Risk Rating, the Risk Reviewer shall consider the type of Business Partner, the Inherent Category Risk (refer to the Inherent Category Risk document for further details), the information provided by Business Partner, and potential red flags.

The Initial Risk Rating determines the scale of resources to be allocated to due diligence.

A. Insignificant risk Business Partners

These Business Partners may be approved without undergoing further risk-based due diligence.

B. All other Business Partners

All Business Partners that pose higher than insignificant risks shall proceed to **step 2 Database and Sanction Screening** to undergo risk-based due diligence. This entails screening and due diligence to identify any potential red flags related to corruption, fraud, money laundering, trade sanctions, political exposure, and negative media coverage etc. that could elevate Company's risk exposure. If red flags are discovered during this step, the Business Partner may be subject to additional risk-based due diligence activities.

C. Medium and High-Risk Business Partners

In addition, Business Partners identified as Medium or High risk shall proceed to **step 3 Business Partner Self-Assessment** to obtain more information about the Business Partner for assessment and a recommended risk rating to the Contract Owner.

Step 2 – Database and Sanctions Screening

Database screening includes screening of Business Partners using specialized databases, open- source search services such as Google and/or automatic searches if imbedded in True Corporation Public Company Limited's the BPM system. The purpose is to identify any potential red flags related to political exposure and/or negative media coverage. The database screening shall always include screening for sanctions.

Any findings showing that a prospective Business Partner may be subject to economic/trade, international or other specific sanctions shall be reviewed and assessed by the Risk Reviewer in consultation with the relevant expert functions including Legal and Ethics & Compliance. Ethics & Compliance shall always be involved in the assessment if prospective Business Partners are found to be subject to international trade sanctions.

Step 3 – Business Partners Self-Assessment

Business Partners with an Initial Risk Rating of Medium or High, will need to complete appropriate questionnaires with standard questions related to the legal entity, ownership, and integrity profile of the Business Partner and questions specific to the domains where risk has been identified as Medium or High.

The Risk Reviewer shall review the Business Partner's responses to the questionnaires together with information from Step 2, to assess potential red flags, in consultation with relevant expert function(s), where appropriate.

Step 4 – Additional Due Diligence

If potential red flags are discovered during Step 2 or 3, the Business Partner shall be subject to

additional and more in-depth due diligence to get further clarity.

Depending on the nature of red flags, additional due diligence can be exercised through:

- direct clarifications with the Business Partner,
- further searches in open sources, and/or
- where deemed necessary, through a separate due diligence by an external specialist provider approved by the Policy Manager.

The scope and extent of this additional due diligence shall be tailored to the risks and/or red flags identified and shall consider input from relevant risk experts and recommendation from the IDD Forum.

Step 5 – Evaluation, Individual Risk Rating and Mitigations Action Plan

The final step in the Individual Risk Assessment prior to contract award or decision to engage with a Business Partner is to assign an Individual Risk Rating and corresponding Mitigations Action Plan if applicable based on the evaluation of information gathered, assessments and consultations undertaken in steps 1-4.

The Risk Reviewer is responsible for:

- Evaluating and assessing all relevant information,
- Assigning the Individual Risk Rating based on such evaluation and assessment,
- Identifying relevant mitigating actions necessary to reduce identified risks (Mitigations Action Plan),
- Documenting all relevant information and results of the risk assessment in the BPM system,
- Sending the recommended Individual Risk Rating, along with mitigation actions plan if applicable to the Contract Owner for approval, and

In case of an Individual Risk Rating of Medium or High, the Risk Reviewer shall ensure that the recommended Individual Risk Rating and mitigation actions if applicable have been reviewed and recommended by the IDD Forum, coordinated, and led by Ethics & Compliance prior to the approval by the Contract Owner.

The Contract Owner is responsible for:

- Assessing and approving the Risk reviewer's recommended Individual Risk rating and mitigation action plan if applicable, and
- Following up to ensure the mitigation actions are completed.

In case of disagreements between the Risk Reviewer/IDD Forum and the Contract Owner, the reasons for the disagreement shall be documented in writing and be escalated to the respective CXO (or CEO if Contract Owner is a CXO) and True Corporation Public Company Limited Ethics & Compliance shall always be involved.

The scope and extent of mitigations action plans shall depend on risks identified and may include:

- Activities to be conducted prior to contract signing and entering into any business engagement with the Business Partner, such as including specific contract clauses, or pre-contract verifications, and
- Activities to be conducted after a contract or engagement has been entered into, including monitoring activities by the Supply Chain Sustainability (SCS) function.

1.2 Engagement of a Business Partner

1.2.1 Engagement of a Business Partner with an Individual Risk Rating – Medium or High

If the risk assessment of the prospective Business Partner has identified an unacceptable compliance risk, the Company shall not engage with such Business Partner unless there are mitigation actions available that could reduce the risk to an acceptable level.

The Company shall ensure that True Corporation Public Company Limited Ethics & Compliance is always involved and consulted well in advance of a decision to engage with any Business Partner with Individual Risk rating Medium or High.

1.2.2 Commitment to the Business Partner Code of Conduct (BP CoC)

All Business Partners shall legally commit to be bound by the Company's Business Partner Code of Conduct (BP CoC), with the exceptions specified in section 1.2.3.

1.2.3 BP CoC Exemptions, Modifications and Waivers

Certain categories of Business Partners may be "exempted" from the requirement in section 1.2.2 as further described in Annex B: BP CoC Exemption List.

Minor modifications to the wording of the BP CoC may be accepted with written approval by the Head of SCS. Material modifications to the BP CoC must be approved by the True Corporation Public Company Limited CEO.

If a Business Partner refuses to sign the entire BP CoC, True Corporation Public Company Limited CEO can approve to waive the BP CoC in consultation with Head of Compliance & Monitoring, even if the engagement does not fall within any of the categories in the BP CoC Exemption List. If so, provisions for termination and other rights in the event of serious BP CoC related breaches should to the extent possible be included in the underlying contract. In such instances, due diligence shall be carried out by True Corporation Public Company Limited to establish risk of BP CoC non-compliance and at least one of the following conditions must be fulfilled:

- The Business Partner is of considerable commercial importance to True Corporation Public

Company Limited and no other viable alternative exists in the short term or

- The Business Partner has a remote relationship to the core business operations of True Corporation Public Company Limited

The Company should try to get the acceptance of the BP CoC with changes in the text or reflect the principle of acknowledgement before waiving the entire agreement. Granting a waiver should only be considered if all other options fail.

If a waiver is granted or the BP CoC is materially changed, the Company should consider imposing restrictions, such as limiting the term of contract and monitoring activities of the Business Partner. If there is a waiver or material change for a specific contract with a Business Partner, but the scope of contract is subsequently expanded to include higher risk activities or a new contract is being negotiated, the same waiver does not apply, and risk needs to be reassessed.

If a waiver is granted, or the Business Partner is exempted as per Annex B, the Company shall to the extent reasonably possible and practical include the following statement (or similar "responsible business" provision) to the contract with the Business Partner: "The Company expects that the Business Partner adheres to Company's BP CoC which are available on True Corporation Public Company Limited's websites."

1.3 Business Partner Follow-up

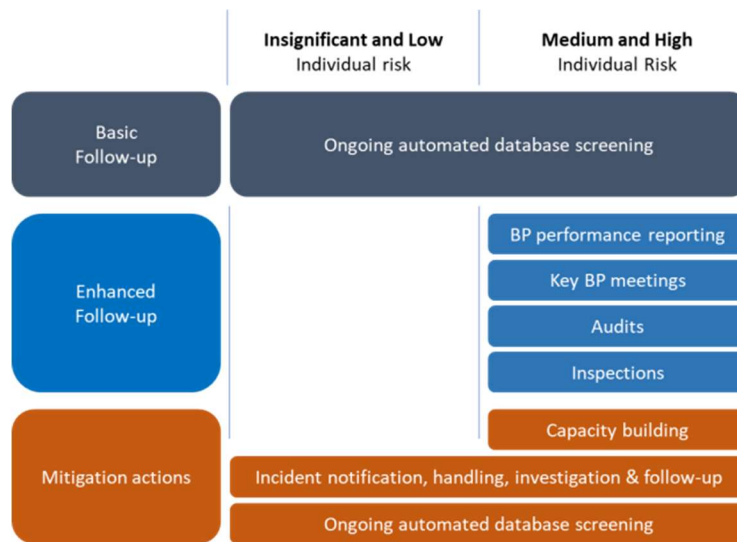
The Company shall follow-up on Business Partners' compliance with the BP CoC throughout the lifetime of engagement following a risk-based approach. The SCS function has ownership of this process. A risk-based toolbox is available to identify and select the appropriate risk monitoring and mitigation actions. The Toolbox provides guidance on which risk rating triggers what type of actions for basic automated and enhanced follow-up.

1.3.1 Key Principles for Business Partner follow-up

The Business Partner itself has the primary responsibility for monitoring and mitigating risks within its own supply chain.

1.3.2 BP CoC Risk Monitoring & Mitigation

In addition to the mitigation actions recommended at the Business Partner engagement stage, a Business Partner may undergo basic or enhanced follow-up based on Individual Risk Rating. The SCS function shall develop and maintain plans for selected follow-up and mitigation actions.



Basic Follow-up

All Business Partners awarded contracts that are relevant to this procedure and registered in True Corporation Public Company Limited 's BPM system will be subject to basic follow-up which comprises on-going automated database and sanctions screening, regardless of risk-rating. This process aims to identify new information that may affect the Business Partner risk profile and require additional risk assessment of the Business Partner. Risk Reviewers will provide relevant information from this screening to the SCS function.

Enhanced Follow-up

The SCS function shall arrange at least one form of enhanced follow-up from the Toolbox annually on all Business Partners with High and Medium Individual Risk Ratings. The SCS must ensure that the results of the follow-up are provided to relevant expert functions and other stakeholders in the Company as appropriate.

Business Partner Training and Capacity Building

SCS shall establish a process for ensuring that capacity building and awareness initiatives are in place within the scope of the BP CoC. A risk-based approach shall be taken when choosing Business Partners for such training. As a minimum SCS shall actively support in the training of Business Partners with High Individual Risk rating and immature systems and controls. The training may range from on-site briefings, awareness sessions, workshops, forums, process support through online portals, resource guides etc.

Risk expert functions should contribute to the development of content and deliver it

jointly with SCS where appropriate. SCS should ensure that capacity building for Business Partners and their supply chain is captured and reported. SCS shall monitor that Key Vendors drive training and capacity building within their supply chain according to acceptable standards.

Incident Notification, Handling, Investigation & Follow-up

All serious incidents pertaining to BP CoC shall be reported and escalated by the concerned informant to the relevant Contract Owner and responsible line, Expert function, and Company Policy Owner within 24 hours after becoming aware of such incidents.

Serious incidents in the Business Partner and in any part of their supply chain could include incidents relating to:

- Health, Safety and Security, as well as Environment (e.g., oil spill).
- Child Labor, Underage Labor and Forced Labor
- Prohibited Business Practices e.g., Corruption, bribery or attempted bribery, fraud
- Privacy and security e.g., data breach, hacking etc.

Contract Owner shall ensure that reporting requirements to authorities according to local legal requirements are met. SCS function is responsible for overseeing that the incidents reported in incident/inspection/audit management platform are handled satisfactorily by gathering relevant team members, such as contract owner and risk expert, and deciding the next course of action in terms of incident follow-up, potential investigation, and closure of corrective and preventive actions.

1.3.3 Applying Sanctions on Business Partners Engagements as a Last Resort

The Company believes in continuous improvement as the principle for BP CoC compliance. As a last resort, it may be necessary to apply sanctions on a Business Partner which will have consequences on its engagement with Company. This may be considered if Company CEO determines that a Business Partner has committed one or more severe non-conformity to the BP CoC, and all other measures have been exhausted to remedy the matter and no solution is possible without potential damage to Company's principal stance on BP CoC.

The Contract Owner in consultation with the IDD forum in Company may review and recommend sanctions on Business Partner to the Company CEO. Any such proposal to terminate or apply other significant sanctions on a Business Partner shall also be aligned with functions such as Health & Safety, Sustainability, SCS, Ethics & Compliance, Internal Audit & Investigations, and Procurement.

1.3.4 Revising the Individual Risk Rating

Certain circumstances may trigger changes in the Individual Risk rating of Business Partner either upwards or downwards.

Change in Risk Rating	Circumstance
Reducing risk	Improvements in BP CoC compliance substantiated with evidence and at least in the last 1 year i) no high severity incidents or findings ii) no major findings in BP CoC audits or Inspections
Increasing risk	(i) Red flags (ii) findings from audits and inspections and (iii) serious incidents that are not followed up and closed sufficiently

Where red flags, audit/inspection findings and serious incidents relate to areas beyond the expertise of the SCS team, relevant expert functions shall be consulted by SCS individually or through the IDD Forum to decide if the situation warrants a change in the Individual Risk rating of the involved Business Partner.

1.4 Review and Reassessment

1.4.1 Periodic Business Partner Risk Re-Assessments

All Business Partners with an engagement term of more than three years including renewals shall be subject to a reassessment of Business Partner risks at least every three years following the execution date of the original engagement term. The re-assessment shall normally include the elements of the pre-engagement risk assessment and shall be performed by Risk Reviewer.

1.4.2 Annual Business Partner Portfolio Review

On an annual basis, Ethics & Compliance shall perform an overall landscape and Portfolio Review of Business Partner categories and overall associated risks to the Company. Such review shall be conducted through the annual meeting between relevant stakeholders in Company, including Risk Reviewers, representatives from Ethics & Compliance, SCS, Procurement, Legal, other relevant Expert functions, and selected Contract Owners.

The meeting and the review process shall be coordinated by Ethics & Compliance. The review shall include the following:

- Assessing changes in the business and regulatory environment and identify potential impact on BP CoC related risk picture

- Review of existing and new types of engagements with Business Partners in Company, assessment of BP CoC risk exposure from such activities,
- Review of list of Business Partners with High Individual Business Partner Risk Rating and assess whether they are properly managed.
- Review of a sample of Low Individual Business Partners
- Review outcomes from Business Partner monitoring activities carried out by SCS, Risk Reviewers and Contract Owners
- Identifying training needs within the Company in relation to BPM process, risk understanding and awareness. Establishment of the annual training plans.

Outcomes of the review shall be communicated to the Compliance Committee.

2. DOCUMENTATION AND REPORTING

The Company shall maintain all information and documentation related to all past and ongoing Individual Risk Assessments and follow-up activities. The Company shall keep all records in a safe and confidential manner. The Ethics & Compliance functions of subsidiaries shall provide True Corporation Public Company Limited Ethics & Compliance with quarterly updates on its Business Partner Management process. The SCS function should present a Business Partner follow-up status to the True Corporation Public Company Limited Board at least once annually.

3. REFERENCE DOCUMENTS

- Business Partner Code of Conduct
- Inherent Category Risk
- Business Partner Information Request Form
- Business Partner Self-Assessment

4. DEFINITIONS

Business Partner

The term "Business Partners" covers all third parties, including any individuals or entities, with whom Company engages, except customers, and smaller independent individual retailers (so-called Luk Toos). These include:

- Suppliers/vendors - including any manufacturer, contractor, consultant, service provider
- Distributors and franchisees
- Agents, intermediaries, and lobbyists
- Recipients of sponsorships, donations, and other contributions, including sustainability partnerships

- Partners with digital or online business models involving revenue, platforms, or other sharing arrangements
- Merger and acquisition, joint venture, and divestment partners

Contract Owner

The person within the Company responsible for the contract and the contractual relationship, or the formal engagement, with a Business Partner. The Contract Owner is also responsible for ensuring compliance with the BPM Policy and Procedure for the relevant Business Partner(s) for the lifetime of the engagement.

Expert Functions

Expert functions could typically be experts from Health & Safety, Sustainability, SCS Ethics & Compliance, Legal, Finance, Treasury, Privacy, Security, Procurement, and other relevant functions. These Expert Functions shall provide advisory support and expert opinions throughout the lifetime of a Business Partner relationship.

Integrity Due Diligence

A systematic approach to collection and analysis of information to identify and assess the compliance risks associated with a Business Partner before entering into a relationship with a Business Partner.

Integrity Due Diligence Forum

The forum comprising of representatives from relevant Expert Functions with the mandate to:

- Review and assess the High and Medium Individual Risk ratings proposed by the Risk Reviewer, Recommend to the Contract Owners, an approval, modification or rejection of the Risk Reviewer's recommended Individual Risk Rating and mitigation actions, and
- Recommend changes to the Individual Risk Rating as a result of Business Partner monitoring and follow-up and/or application of sanctions towards Business Partner, where relevant.

Inherent Category Risk (ICR)

The risk posed inherently by the nature of product, service or engagement involved, as indicated by the ICR model. The ICR Model is developed and maintained by Ethics & Compliance and includes the following elements:

- (1) the nature of the activities required to provide the product, service, or partnership,
- (2) geographical location of the Business Partner (normally differentiated by region), and
- (3) monetary threshold to focus risk management efforts on Business Partners with significant spend. It may vary and may not be applicable for certain categories of Business Partners, such as/ agents, intermediaries, lobbyists, sponsorship, donation & sustainability

partners, as well as for Business Partners engaged in non-monetary or non-traditional payment arrangements.

The ICR model assesses engagements within the following risk domains:

- Human and Labor Rights
- Health, Safety and People Security
- Environment
- Prohibited Business Practices
- Privacy
- Security
- Trade Compliance

Individual Risk Rating

The risk attributed to an individual Business Partner based on individual risk assessment either pre or post contract from assessment by the Risk Reviewer.

Key Vendors

Key Vendors are vendors of significant spend and/or strategic importance. These vendors are managed through structured quarterly meetings. The entities of these Key Vendors qualify for governance meetings at Company level as described in the procedure.

Red Flags

Refers to any information relating to the nature of the relationship or to a Business Partner which may represent a risk to the Business Partner's compliance with BP CoC.

The presence of Red Flags does not necessarily require withdrawal from the relevant transaction, but rather means that further inquiry is necessary to determine whether, and to what extent, risks are present and whether adequate safeguards or other preventive measures can be put in place to mitigate such risks.

Prohibited Business Practices

Prohibited Business Practices include, but are not limited to:

- Anti-competitive behavior
- Bribery, Corruption and Fraud
- Excessive business courtesies
- Money Laundering
- Any transaction prohibited by applicable sanctions laws and regulations.

Risk Reviewer

The person with the required competence who is assigned the responsibility of performing the

tasks in the Business Partner risk assessment process. Risk Reviewer is responsible for gathering and reviewing information, assessing relevant risks, and issuing a recommended Individual Risk Rating and mitigating actions.

Ultimate Beneficial Owner (UBO)

The natural person that is the ultimate beneficiary when an institution initiates a transaction. The definition of who constitutes a UBO varies between jurisdictions, but generally a UBO is defined as an individual who holds a minimum of 10-25% (dependent on jurisdiction) of capital or voting rights in the underlying entity.
