

Responsible Supply Chain Management

Introduction

True (the “Company”) has established a Corporate Governance and Sustainability Committee (the “Committee”) to oversee the progress and level of achievement towards effective supply chain management goals. The goals consists of the procurement of goods and services under relevant regulations and laws with consideration on the practices of good governance. Under the concept, the Company has defined the Business Partner Code of Conduct for Suppliers (the “Suppliers Code of Conduct”) to adhere to the principles of good organization management and encourage the suppliers to treat their partners similarly. The code is an important mechanism for efficient supply chain management.

Vision

The Company is dedicated to being the leader in telecommunications technology in Thailand, transforming Thai lifestyles and driving businesses to the forefront of global digital economy.

Mission

The Company strives to develop a robust ecosystem in technology, enriched by talented young digital experts to introduce innovative services that enhance the quality of life of our customers and contribute to sustainable growth of society.

Target and 2024 Performance

The Company’s KPIs for supply chain management are as follows:

- 100% of Significant Suppliers are assessed under ESG framework
- 100% of Tier 1 Significant Suppliers are audit onsite
- 100% of Tier 1 Suppliers has committed to abide by the Company Business Partner Code of Conduct

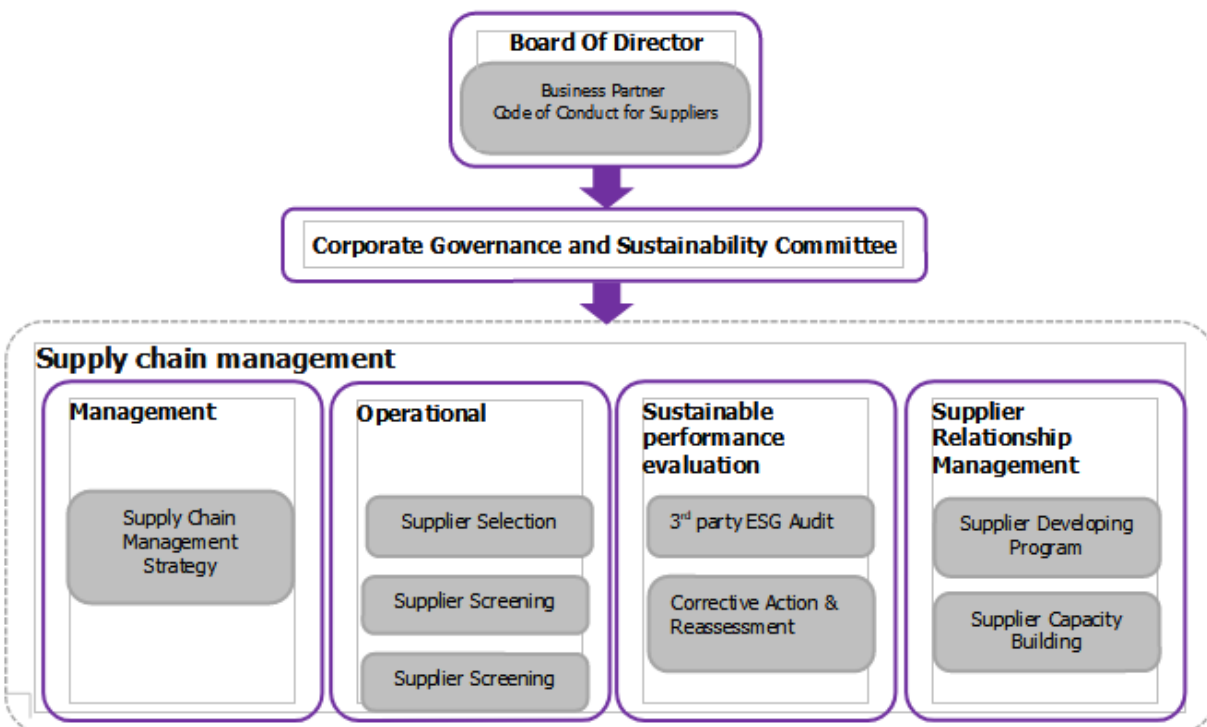
1. Management Approach/Framework

The responsible supply chain management department has been assigned to increase efficiency in procurement with a strategic unit to drive the operation to accomplish the Company’s sustainability targets. To ensure the implementation of sustainable supply chain

management program, the team is directly tracked and monitored by Corporate Governance Committee under the supervision from the Board of Director. In practice, the team provides supports in selecting and evaluating suppliers, assessing risks and categorizing suppliers as well as the supervision on the negotiation, decision in procurement and building supplier capacity.

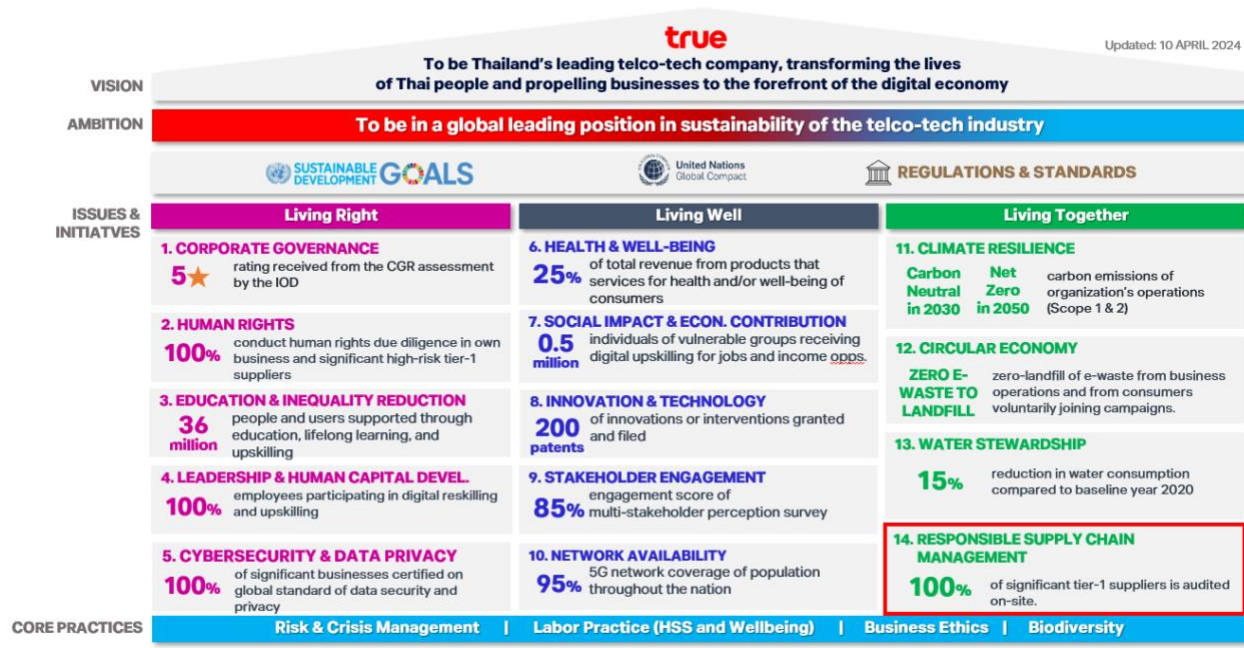
Supply Chain Management Structure

The Company focuses on cost-effective, transparent, efficient, and accountable procurement activities while building trusts with all stakeholders. To ensure the compliance with laws and regulations, the Committee will offer advices on appropriate procurement processes and promote knowledge sharing within the organization.



True Sustainable Development Goals 2030

True Sustainability Goals 2030 focuses on positive contribution to economic, environmental, and social progress. The goals embrace responsible business conduct under the Ten Principles of the United Nations Global Compact in the areas of human rights, labor, environment, and anti-corruption, underpinned with the 17 Sustainable Development Goals (SDGs). By integrating these sustainable development goals into our key performance indicators, every executive and employee shall take part in the practices and drive the progress under continuous monitoring towards sustainable development goals.



Supply Chain Management Strategy

As the Committee shall oversee the progress and achievement under effective supply chain management goals, . Manage the procurement of goods and services in accordance with the principles of accuracy under relevant laws, rules and regulations, as well as paying attention to good governance principles. With this in mind, the Company has established a Business Partner Code of Conduct for suppliers to adhere to the principles of good organization management and encourage suppliers to treat their partners similarly. This is an important mechanism for efficient supply chain management.



Supply Chain Management Governance

The Responsible Supply Chain Management Department is assigned to enhance procurement efficiency, develop strategic direction, and drive procurement operations in alignment with the Company's sustainability goals. The performance of this department is monitored and overseen by the Corporate Governance Committee, which operates under the direct supervision of the Board of Directors. This oversight ensures the effective implementation of the sustainable supply chain management program.

The department plays a critical role in several areas, including supplier selection and evaluation, risk assessment, supplier classification, negotiation, procurement decision-making, and capacity-building for suppliers. Additionally, ESG (Environmental, Social, and Governance) training is provided to procurement personnel to strengthen their understanding of ESG principles. This training helps employees recognize the relevance of ESG to the Company's operations and fosters the integration of sustainable procurement practices.

The Company has also incorporated the Social Supply Chain Policy into buyer training programs to align procurement activities with social responsibility standards.

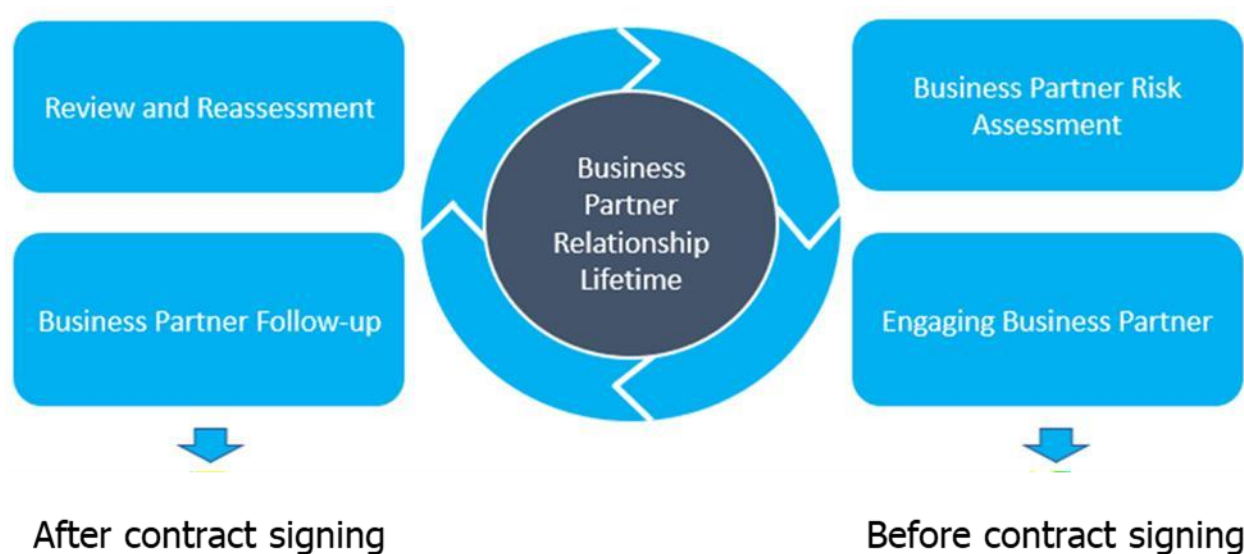
Ethics and Sustainability

All purchases of goods or engagement of services by the Company must comply with Thai laws, as the Company is headquartered in Thailand. These laws cover a wide range of areas, including human rights, environmental protection, labor and employment, occupational health and safety, personal data protection, and anti-corruption. In addition to adherence to internal staff regulations and the Company's Code of Conduct, the Procurement Policy obliges all employees to uphold ethical behavior, social responsibility, transparency, auditability, accountability, and effective risk management in all procurement-related activities. Any deviations from these principles must be reported to the appropriate line manager, Head of Procurement, or Compliance function. For more information, please refer to the Business Partner Management Policy and the Business Partner Code of Conduct.

Supply Chain Relationship Lifetime

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

- Conduct risk-based due diligence of prospective Business Partners to assess any unacceptable risk prior to engagement.
- Consider any relevant actions for risk mitigation 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 engagement.
- Perform periodic reassessments of Business Partners.



2. Supplier Selection (Selection of New Suppliers)

Procurement Process and Selection Criteria

The Company sees the importance of ESG as a metric for evaluating procurement decisions. Therefore, the Company has integrated ESG criteria into the process for supplier selection which shall be updated regularly to align with Business Partner Code of Conduct (previously called "Supplier Code of Conduct"). To be our supplier, all key supplier groups must pass commercial and specification criteria under supplier selection processes, in separation with ESG metrics. Then, the suppliers are required to complete the online self-assessment to evaluate their ESG performance.

The self-assessment includes but not limited to the following criteria: compliance with laws and regulations, financial risks, social risks, business ethics and transparency as well as labor and SHE (Safety, Health and Environment). To pass the procurement process as a supplier, one must undergo a self-assessment and achieve a minimum score of 70%. This assessment includes performance evaluation in the areas of Environmental, Social, and Governance (ESG) which account for 62% of total qualification score. Only the suppliers passing the assessment on their environmental impacts, social consequences, and good governance practices are allowed to proceed to the procurement process.

The Company sets the new suppliers selection criteria based on the following items:

1. Results of the online self-assessment on environmental, social, and governance (ESG) performance

This includes the supplier's ability to operate sustainably, such as efficient resource use utilization, use of local source and adoption of recyclable or reusable materials.

2. Acceptance and compliance with the Business Partner Code of Conduct

Ensuring that suppliers align with the Company's ethical standards and values.

3. Assessment of country-specific, industry-specific, and product quality risks

Covering both external and internal factors that may affect the continuity and security of the supply chain.

4. Results of business inspections

To evaluate the reliability, transparency, and operational integrity of suppliers.

5. Assessment of country-specific, sector-specific, and commodity-specific risks

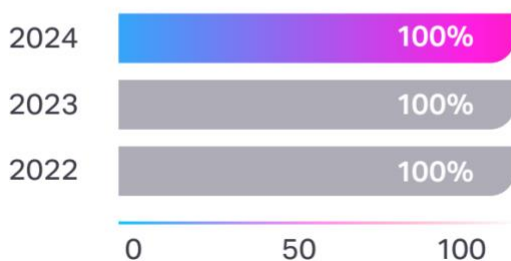
To identify and manage systemic risks that may impact supply chain sustainability and business operations.

Supplier Selection Result

The self-assessment results of suppliers on environmental, social, and governance (ESG) aspects have been completed through an online system based on specified criteria. Additionally, the suppliers have signed an acknowledgment of the Business Partner Code of Conduct.

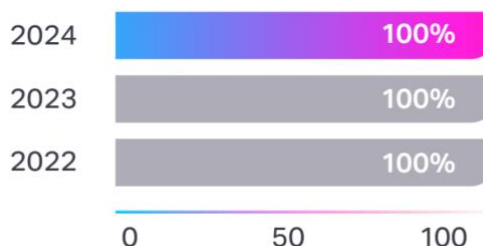
100%

Suppliers assessed on ESG through online supplier self-assessment system



100%

Suppliers have received and agreed to comply with True's Business partner Code of Conduct



1. Supplier Screening (Significant Supplier Identification)

Supplier Screening Criteria

Suppliers who meet all the new supplier selection criteria will proceed to identify whether it is a Significant Tier 1 Suppliers or Significant Tier 1 High-Risk Suppliers. The four screening criteria are:

1. Suppliers who deliver high-value products and services, analyzed by 'Spending Analysis' model;
2. Suppliers who deliver core products and services to the Company;
3. Suppliers with limited competitors; and
4. Suppliers with high risks associated with environmental, social, and governance (ESG) concerns as well as human rights in supply chain

Supplier Risk Assessment

The evaluation of Significant Suppliers considers the factors such as their risk exposure, sustainability practices, compliance with ESG standards, and their impacts on the community and society. The assessment aims to ensure that the Significant Suppliers meet the Company's ESG standards with no exposure on undue risks to the Company's reputation or operation.

The topics used for evaluation will follow the guidelines for assessing business partners, covering the following four areas:

- Online Supplier Self-assessment
- Acknowledgment on the Supplier Code of Conduct
- Environment, Social, Governance, Country-Specific Risk, Sector-Specific Risk, Commodity-Specific Risk and
- On-Site Supplier Audit



Supplier Screening Result

In 2024, the Company has 1,521 Tier-1 suppliers. Of which, 43 suppliers are significant Tier-1 suppliers (including 9 significant Tier-1 Suppliers with high risks) and 6 significant non-Tier-1 suppliers (including 3 significant non-Tier-1 suppliers with high risks)

The significant Supplier accounts for 85% of total procurement, covering 98 product and service categories verified by third party.

Significant suppliers are those who play a crucial role in the Company's supply chain and may pose a significant risk if their performance is compromised. These risks potentially

include environmental, social, and governance (ESG) risks arising from the supplier's operations and practices.

Supplier Category		Proportion of Procurement
Tier 1	Telecommunication Core Network Equipment and Services	11%
	Mobile Device and Accessories	2%
	IT Equipment and Services	87%
	Total	100%
	Significant Suppliers	85%
Non-Tier 1 Suppliers	significant non-Tier-1 suppliers = 6 suppliers	

Remarks: as of 2024, the Company's procurement activities are conducted only with suppliers and vendors based in Thailand or having representatives located in Thailand.

2. Supplier Evaluation (Supplier Assessment)

The company has conducted a supplier onsite audit to evaluate risks and ensure the compliance of suppliers with the Supplier Code of Conduct and established plans. If a significant ESG risk is found, the Company will work with the supplier to investigate causes, design a corrective action and evaluate the correction. If the Company identifies any specific ESG issues with the suppliers, a customized training will be provided to address those concerns to ensure the compliance with labor regulations, environmental laws, and management standards such as ISO 14001:2015 and SA8000.

Online self-assessment

All suppliers of the Company are required to conduct self-assessment via questionnaire involving business concerns and ESG aspects per the relevant international standards. The answers are then reviewed and analyzed with evidence to identify potential risks. Any suppliers with suspected ESG risks shall be further investigated by desk assessment, on-site procurement audit and on-site second party audit via Pantavanit e-procurement platform. Moreover, on-site third-party audit may be required depending on risk level and type of supplier.

Third-party On-site Audit by TUVNORD

The Company assigned TUVNORD, an external third-party auditor, to audit its partners to ensure transparency and reduce bias. In 2024, the Company completed an on-site audit by TUVNORD, an accredited certified body in accordance with ISO/IEC17021. TUVNORD had been engaged by True Corporation Public Company Limited to conduct an audit of its Significant Tier-1 Suppliers on Environmental, Social, and Governance (ESG) compliance during the year of 2024, covering the total 43 suppliers.

The audits were carried out in reference the international standards: SA8000 (Social Accountability 8000, ISO9001 (Quality Management Systems), ISO14001 Environmental management, ISO45001 Occupational Health and safety management system and the Company's Business Partner's Code of Conduct. The audit was conducted to evaluate the compliance of Tier-1 Suppliers with these standards.

The audit process involved: comprehensive review of documentation and records, on-site inspections and evaluations, interviews with management and employees and assessments of policies, procedures, and practices. Upon audit completion, a detailed report highlighting the findings, areas of compliance, and any identified opportunities for improvement of those Tier-1 Suppliers was delivered to the Company.



Tuv Nord (Thailand) Company Limited
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28 May 2024

Subject: Confirmation of Engagement for ESG Compliance Audit of True Corporation's Suppliers

To Whom It May Concern

We are pleased to confirm that Tuv Nord (Thailand) Limited whom is an certification body where accredited in accordance with ISO/IEC17021 has been engaged by True Corporation Public Company Limited to conduct an audit of its significant tier-1 suppliers on Environmental, Social, and Governance (ESG) compliance during the year 2023, covering a total of 46 suppliers. Tuv Nord is an independent accredited auditing body conducting on-site assessments of suppliers for True Corporation.

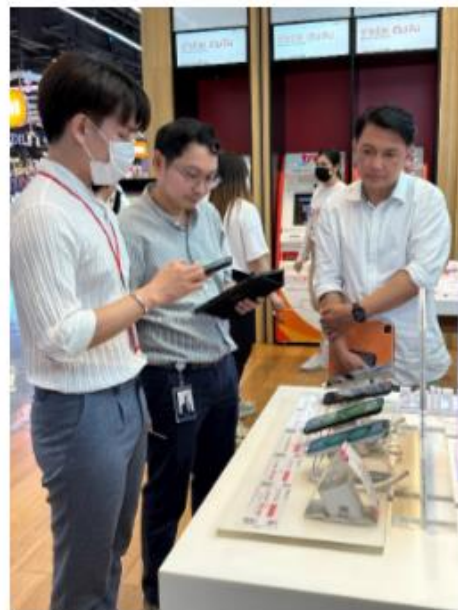
The audits were carried out in reference the good practice parts of the international standards: SA8000 (Social Accountability 8000, ISO9001 (Quality Management Systems), ISO14001 Environmental management, ISO45001 Occupational Health and safety management system and including True Corporation's Business Partner's Code of Conduct. The audit was conducted to evaluate the compliance of True Corporation's tier-1 suppliers with these standards.

The audit process involved: comprehensive review of documentation and records, on-site inspections and evaluations, interviews with management and employees, assessment of policies, procedures, and practices, etc. Upon completion of the audit, a detailed report highlighting the findings, areas of compliance, and any identified opportunities for improvement of those tier-1 suppliers was delivered to True Corporation.

Yours sincerely,



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2024 Assessment Target and Performance

The Company conducted an audit on its Significant Tier-1 Suppliers, Significant Tier-1 Suppliers with High Risk, and Significant Tier-2 Suppliers. In 2024, Significant Tier-1 Suppliers, Significant Tier-1 Suppliers with High Risk, and non Tier-1 Suppliers were 100% audited.

The result of the on-site audits on the Significant Tier-1 and non Tier-1 Suppliers in 2024, was concentrated in suppliers' occupational health and safety. For example, a supplier who was not able to provide the evidence of fire evacuation drills was requested for its corrective action by the Company to develop a plan and conduct the drill on a regular basis.

To ensure that the suppliers operate according to the specified standards, an investigation was conducted to identify root causes and establish corrective measures for significant ESG issues. Also, a joint assessment was conducted after the correction to ensure the compliance. Concretely, the Significant high-risk partners were required to undergo the assessment annually, while the partners with medium and low risks were assessed every three years. In 2024, the Company completed a comprehensive assessment on all suppliers, as detailed in the below table. For the 43 Significant Suppliers, the third-party verification was conducted on performance data, assessment results, corrective actions and development programs.

Supplier Assessment	FY 2024	Target for FY 2024
Total number of significant suppliers	1,521	
Total number of suppliers assessed via desk assessments/ on-site assessments	1,521	100% of suppliers
% of suppliers assessed	100	
Number of suppliers assessed with substantial actual/ potential negative impacts	21	
% of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	100	
Number of suppliers with substantial actual/potential negative impacts that were terminated	0	

Results of Significant Suppliers On-site Audit Assessment in 2024

Results of Significant Suppliers On-site Audit Assessment in 2024	Economic Impact Assessment	Social Impact Assessment	Environmental Impact Assessment
Number of suppliers assessed with substantial actual/potential negative impacts and agreed a corrective/improvement plan	1 supplier	21 suppliers	4 suppliers
Number of suppliers supported in corrective action plan implementation	1 supplier	21 suppliers	4 suppliers
Number of suppliers' contract review	0 supplier	0 suppliers	0 suppliers

Onsite Audit by Third-Party Evaluators (External Auditors)

The results from the 2024 onsite audits of both direct and indirect suppliers identified issues categorized into three areas (Environmental, Social, and Governance - ESG). Actions have been taken to manage the environmental impact of suppliers by encouraging transparent reporting and continuous improvement in the following areas:

Findings from supplier onsite audit	Actions taken
Environmental (E):	
<ul style="list-style-type: none"> Implement projects focused on waste reduction, energy management, and environmental sustainability 	<ul style="list-style-type: none"> Environmental Objectives: Implement projects to reduce waste, manage energy, and promote environmental sustainability.
Social (S):	
<ul style="list-style-type: none"> Labor Rights and Working Conditions: Improve recruitment, ensure accurate wage deductions, and provide legal entitlements for maternity leave and welfare benefits. 	<ul style="list-style-type: none"> Labor Rights and Working Conditions: Review recruitment processes for fairness and non-discrimination, revise employment conditions including wage deductions and overtime calculations, and provide legal entitlements for maternity leave and other benefits. Compliance with Health and Safety Regulations: Train safety officers, conduct Job Safety Analysis (JSA) for various activities, address electrical risks, and install appropriate warning signs and safety measures.
<ul style="list-style-type: none"> Health & Safety: Train safety officers, conduct Job Safety Analysis (JSA), ensure fire safety measures, and conduct regular fire drills. 	<ul style="list-style-type: none"> Fire Safety: Install smoke detectors and emergency fire equipment in server rooms and building corridors, conduct annual fire drills, and ensure regular maintenance of safety equipment.

Findings from supplier onsite audit	Actions taken
<ul style="list-style-type: none"> Internal Audits: Ensure compliance with health, safety, and environmental regulations, and update legal registers. 	<ul style="list-style-type: none"> Internal Audits and Compliance: Conduct internal audits to ensure compliance with health, safety, and environmental regulations, and regularly update legal registers and assess compliance with standards. Follow-up: Schedule the next visits and follow-ups to address identified issues and ensure continuous improvement.
Governance (G):	
<ul style="list-style-type: none"> Responsible Sourcing & Ethics: Revise supplier contracts to include labor and safety requirements and ensure ethical compliance. 	<ul style="list-style-type: none"> Responsible Sourcing and Supplier Code of Ethics: Review and revise contracts with contractors and suppliers to include labor and safety requirements, and ensure suppliers adhere to the company's code of ethics.
<ul style="list-style-type: none"> Anti-Corruption: Establish anti-bribery policies, assess risks, implement controls, and provide reporting channels for corruption concerns. 	<ul style="list-style-type: none"> Anti-Corruption Measures: Establish and communicate anti-bribery and anti-corruption policies, identify and assess risk activities, and implement control measures.

3. Supplier Corrective Action and Reassessment

To continuously improve supplier performance, their grading among peers in terms of ESG score were accessible via the assessment summary report shared to the suppliers annually. The supplier evaluation on the EP system (Self-assessment report on Supplier Sustainability) was conducted based on their self-evaluation. This process helped analyze their performances and identify their weaknesses to plan for risk management. The scores and performance criteria were categorized into three levels where suppliers were informed about necessary improvements or adjustments based on the result of their self-assessment.

Roles of the Company for Improvement and Feedback after Audit

1. To deliver audit reports and recommendations for improvements to suppliers.
2. To offer supports to suppliers on the implementation of corrective actions
3. To follow up on corrective actions and improvements
4. To provide training and capacity building for suppliers in ESG issues
5. To provide communication channels to suppliers for responsive feedback

2024 Target and Performance

Corrective action plan support	FY2024	Target 2024
Total number of suppliers supported in corrective action plan implementation	21	
% of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	100%	100%

4. Suppliers Development Program

Supplier's Support Program and Capacity Building

As parts of supplier development, the Company had provided annual training and continuous support on its ESG program including the introduction to ESG, corporate sustainability goals, contribution from suppliers to corporate goal as well as supplier support and development program. The details of Suppliers Development Program can be varied depending on organization's needs and level. The examples of the programs include:

1. **Social Responsibility and Sustainability Promotion:** This program focuses on supporting suppliers in improving environmentally friendly and socially responsible manufacturing processes. It may involve providing consultation and training on social responsibility and public management.
2. **Knowledge and Skills Development:** This program emphasizes providing training and skill development opportunities for suppliers. This could include environmentally friendly practices on resource allocation, process development, or quality improvement.
3. **Quality Improvement and Innovation Promotion:** This program focuses on supporting suppliers in developing and enhancing the quality of their products or services. It may also involve promoting innovation in manufacturing and service processes.
4. **Business Sustainability Promotion:** This program focuses on supporting suppliers in improving their business sustainability. This may include the development of sustainable business plans, evaluation and monitoring of social impact, supporting environmentally friendly product design or promoting initiatives to reduce carbon footprint and conserve energy.

These programs aim to foster collaboration between organizations and suppliers to create sustainable businesses with minimal social and environmental impact

In addition, to minimize related risks identified, the high-risks suppliers must be reassessed within 1 year by the Company. For continuous improvement of supplier performance, the suppliers shall be able to access to supplier grading among peers in term of ESG score via annual supplier assessment summary report shared to supplier once a year. The supplier evaluation on the EP system (Self-assessment report on Supplier Sustainability) is conducted to track and consider the vendor selection process based on the self-registered score of each supplier. This process helps analyze their performance, identify any weaknesses, and plan for risk management that may arise. The scores and performance criteria are categorized into three levels, and suppliers are informed of any necessary improvements or adjustments based on their self-assessment results.

LEVELS	SCORE CRITERIA
Good	Score >70%
Fair	Score between 20% to 70%.
Poor	The overall score is less than 20%.

For those suppliers that are audited, the results are divided into two categories: major actions (the supplier is required to take an action within 30 days) and minor actions (the supplier is required to take an action within 90 days). If the supplier is unable to close the finding or address the identified issues, the Company will consider termination of business with the supplier. The termination of contract will be enforced in case of non-compliance without appropriate Corrective Action Reports (CAR) within the specified timeframe.

2024 Target and Performance

Capacity building programs	FY 2024	Target 2024
Total number of suppliers in capacity building programs	43	
% of significant suppliers in capacity building programs	100%	100%