Supplier ESG Program 2025

Oversight of the implementation of supplier ESG programs is the responsibility of the Board of Directors, the highest accountable decision-making body

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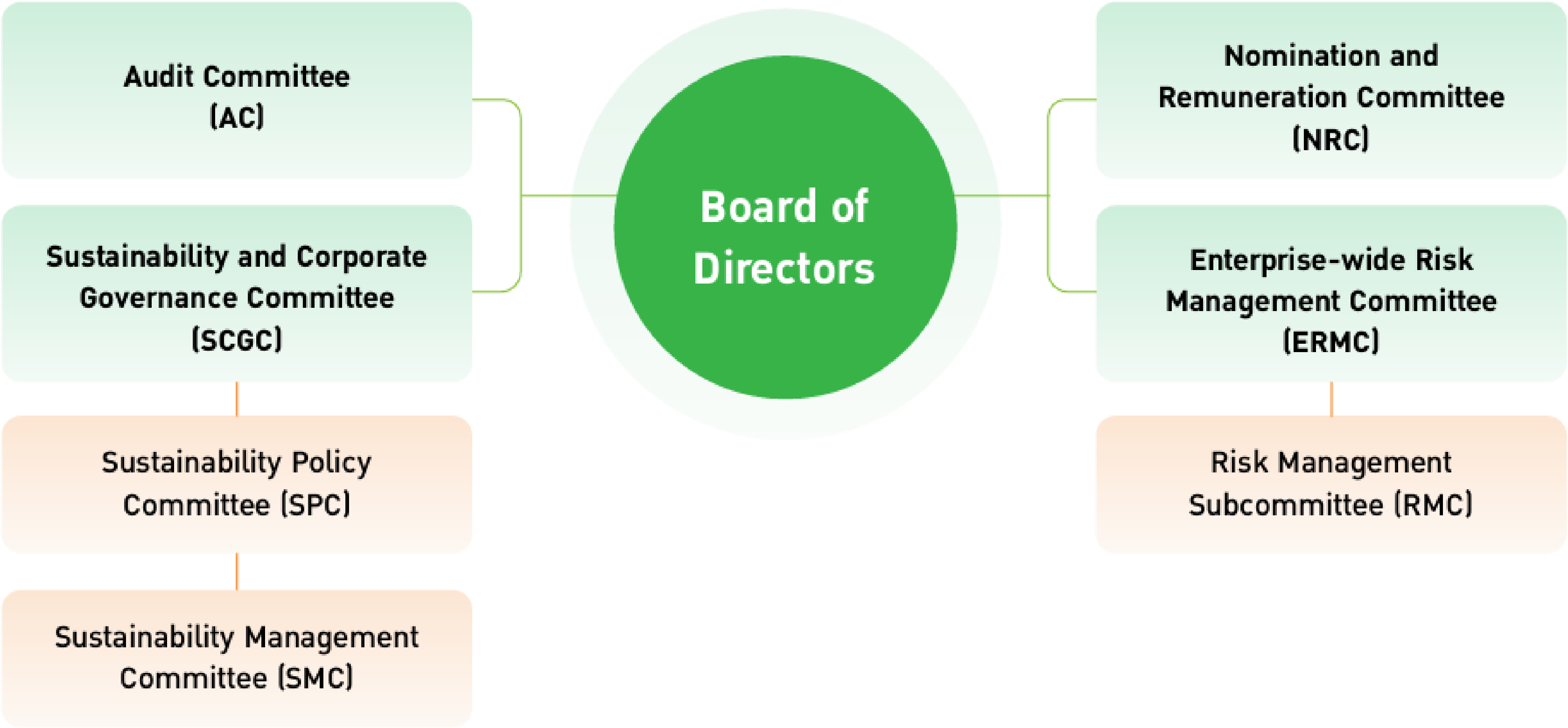
The Company conducts its sustainability initiatives through the **Sustainability and Corporate Governance Committee (SCGC)**, which is chaired by board of director and comprises president of the Company. The Committee is responsible for establishing the organization's sustainability policies and for defining goals, vision, and strategies for implementing sustainability practices across the Company's operations and within the Bangchak Group.

Its primary objective is to enhance the Company's sustainability performance in alignment with the Sustainable Development Goals (SDGs) and to address climate change challenges, particularly SDG Goal 17, which focuses on revitalizing the global partnership for sustainable development including supplier ESG programs. The Committee convenes meetings at least twice a year, with the majority of members in attendance.

Sustainability at Bangchak | Bangchak Corporation

www.bangchak.co.th/th/sustainability/bangchak-and-sustainability

Sustainability Committee Structure



Sustainability at Bangchak | Bangchak Corporation

[sd2025-en.pdf](sd2025-en.pdf)

Message from the President

Bangchak Corporation Public Company Limited (BCP) has adhered to **"Sustainable business development in harmony with the environment and society"** from the very first day, in addition to upholding employee culture-to be virtuous, knowledgeable and contributive to others. BCP has thrived on these core principles.

Being one of the stakeholders in part taking of our success, BCP strongly encourage our suppliers to conduct sustainable business model in line with the Company's philosophy and operations. We, therefore, provide our suppliers with the **"Supplier Code of Conduct for Sustainable Business Development"**, guidelines on Environment, Social and Governance aspects (ESG).

BCP is looking for full cooperation from our suppliers to this code of conduct paving the way to achieve sustainable business growth together.

Mr.Chaiwat Kovavisarach
Group Chief Executive Officer and
President Executive Director and Director
with Authorized Signature

Reviewed and approval by Sustainability and Corporate Governance Committee (SCGC) on 21 July 2026.

Purchasing practices towards suppliers are reviewed to ensure the alignment of company's practices with its own Supplier Code of Conduct to avoid potential conflicts with ESG requirements.

Sustainable Supply Chain Processes *(Annually)*

01 Significant Supplier

1. Critical Supplier Assessment
   - High spending supplier (classified by supplier groups)
   - Suppliers of critical raw material , products , and services
   - Suppliers that cannot be easily replaced as there are few in the market
2. High Potential Sustainability (ESG) Risk Supplier Assessment
   - Environmental Risk
   - Social Risk
   - Business/Governance Risk

02 Significant Supplier

Significant Supplier

- Significant Supplier-Critical Supplier ; A
- Significant Supplier-Critical and High potential sustainability (ESG) risk Risk Supplier Assessment ; B
  - Critical Risk Level ; B1
  - High Risk Level ; B2
- Critical Supplier & Critical and high potential sustainability (ESG) risk supplier

03 Significant Supplier Priority

	(B1)	(B2)	(Non-B)
(A)	Priority 1	Priority 2	Priority 5
(Non-A)	Priority 3	Priority 4	Priority 6

04 Gap Finding

Supplier Assessment via Desk & On-site methods

1. Supplier Code of Conduct (SCOC) Online-Self Assessment:
   - Business Ethics
   - Labor Practice and Human Rights
   - Safety and Occupational Health
   - Environment
   - Social Development Participation

2. Supplier (ESG) Gaps:
   - Environmental Gaps
   - Social Gaps
   - Business/Governance Gaps

05 Initiative & Improvement Plan for Gap Closing

- Site visit / Audit
- Meeting agendas about Gap Closing with significant suppliers
- Corrective Action Plan or Preventive Plan with suppliers

06 Development

- Monitor Gaps
- Improvement for suppliers
- Facilitate mutual understanding and propose the integration of ESG principles into the supplier's business operations

07 Reporting

- Report to executives and make information public to all stakeholders
- Communicate expectations on sustainable supply chain management and explore opportunities in improving potential, competition, and create and expand relationships with all stakeholders in the supply chain

08 Significant Supplier Award Selection

- Suppliers with better ESG performance are preferred by applying a minimum weight ESG criteria in supplier selection and contract awarding
- Suppliers are excluded from contracting if they cannot achieve minimum ESG requirements within a set timeframe

Suppliers Group

Tier 1 Suppliers

Suppliers who manufacture/provide/deliver goods/materials/services, including intellectual property (IP)/patents, directly to the company (the company deals directly with the supplying/manufacturing partners) without going through a subcontractor.

Non-Tier 1 Suppliers

Suppliers who produce/procure/deliver goods/materials/services to the next supplier in the supply chain. In other words, they are the subsequent partners that the Tier 1 supplier subcontracts to produce/procure/deliver goods/materials/services to Tier 1 before delivering to the company.

Critical Supplier Criteria

1

High Spending suppliers or similar

Suppliers with a high trading contract value according to the conditions set by the company

2

Critical Component suppliers or similar

Suppliers that supply raw materials, products, and services that require a long delivery time / are key components in the production process / are products that need to be made according to special specifications, which are important to the company's business processes.

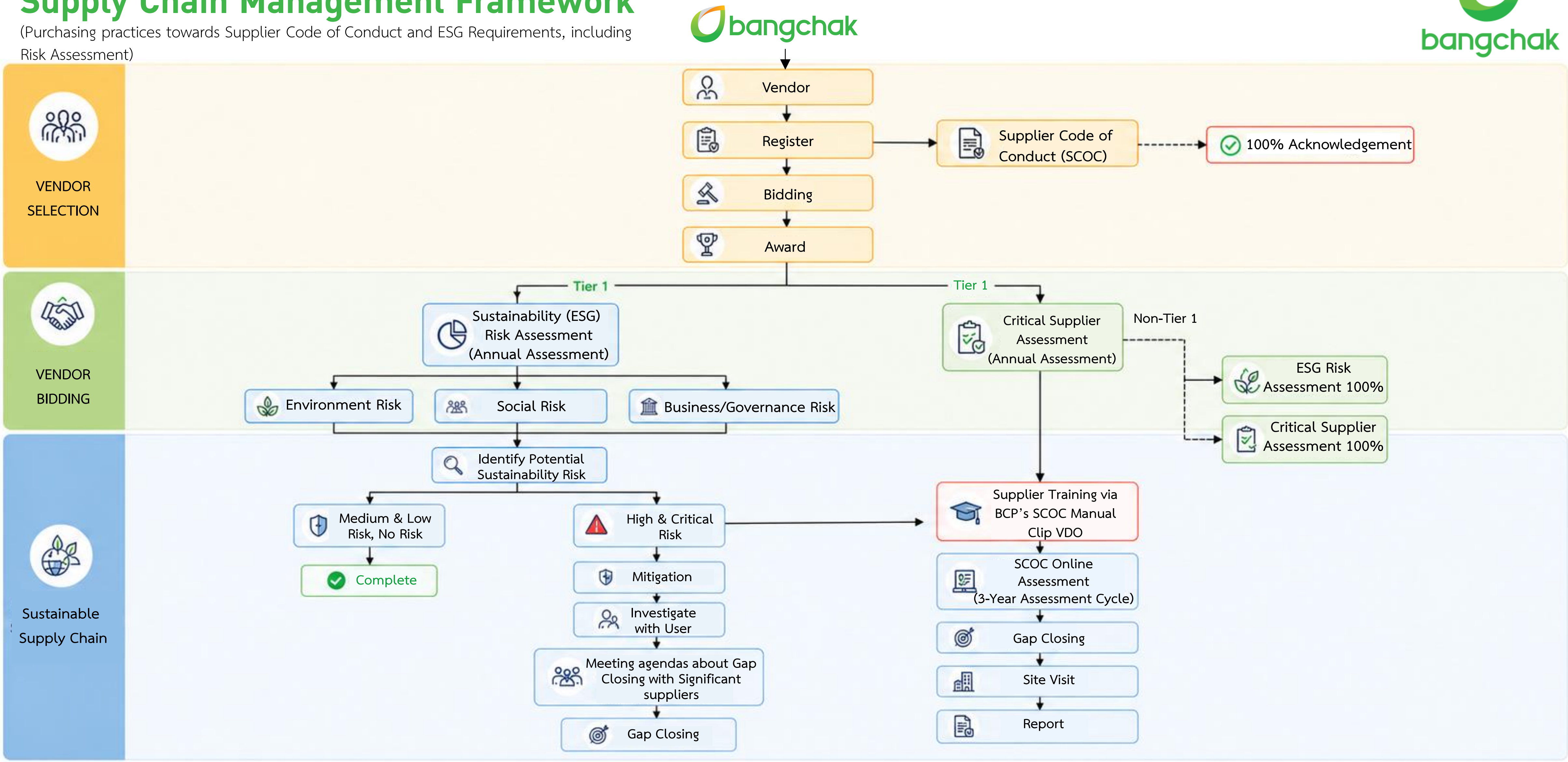
3

Non-Substitutable suppliers or similar

Suppliers that are few in number or whose raw materials, goods, and services cannot be sourced from other Suppliers

Supply Chain Management Framework

(Purchasing practices towards Supplier Code of Conduct and ESG Requirements, including Risk Assessment)



VENDOR SELECTION
Select qualified vendors and ensure SCOC acknowledgement

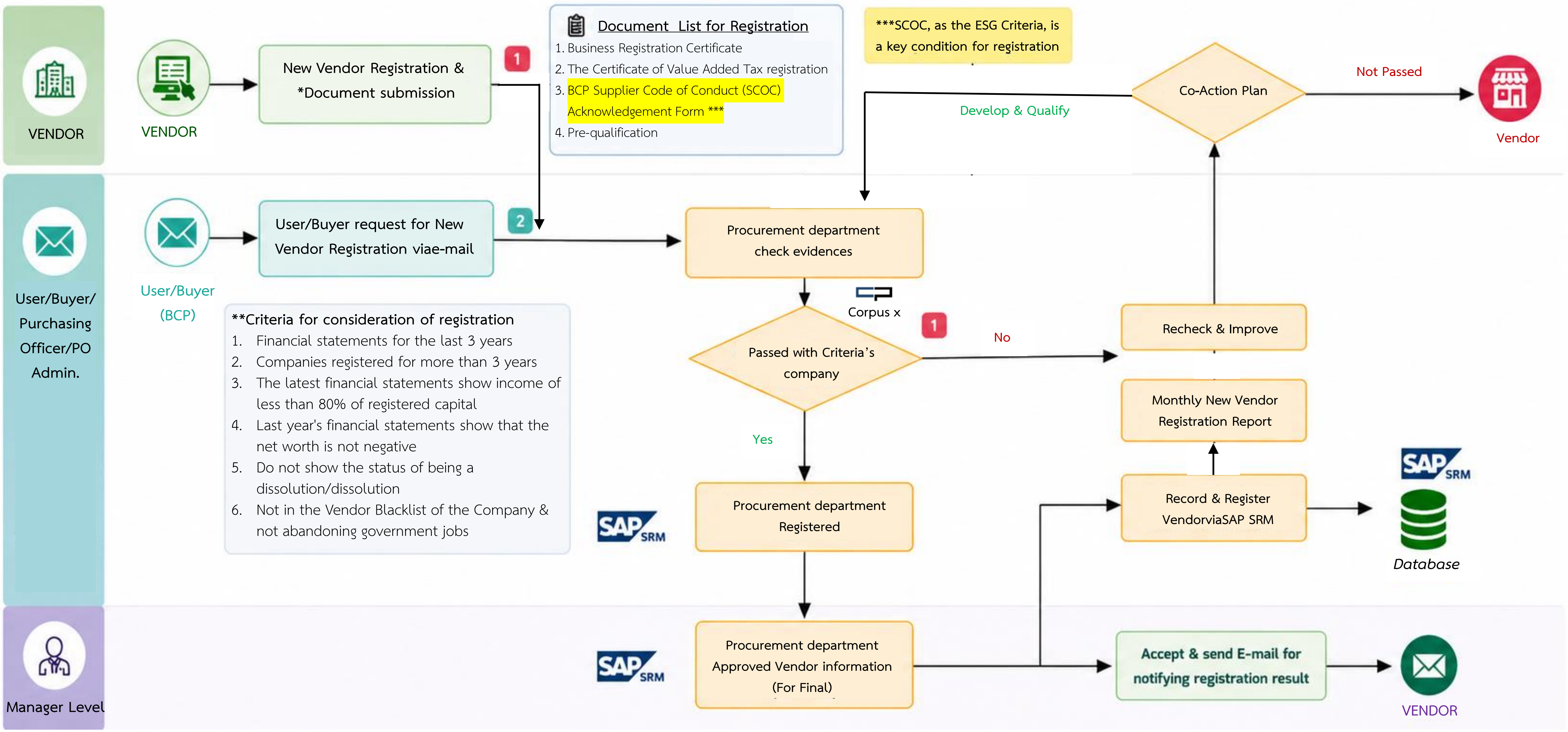
VENDOR BIDDING
Evaluate and award vendors (Tier 1 focus)

SUSTAINABLE SUPPLY CHAIN
Assess ESG risks, develop and implement improvement plans with suppliers

GAP CLOSING
Close gaps and drive continuous improvement

REPORT
Visit sites and report performance for transparency and accountability

New Vendor Registration Process Flow



- Suppliers are excluded from contracting if they cannot achieve minimum ESG requirements within a set time frame.
- Suppliers with better ESG performance are preferred in supplier selection and contract awarding.

Sustainable Supply Chain Processes *(Annually)*

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- Training for company’s buyers and/or internal stakeholders on their roles in the supplier ESG programs.

Company Buyers, Internal Stakeholder (User) Training Program

- The company provides the knowledge and skills to understand the target of ESG program and procurement practices, Sustainable Supplier to enhance the capabilities of company's buyers and internal stakeholders, including its subsidiaries, in their roles in the supplier ESG program annually.

- Additionally, online training is provided to Company employees including company's buyers on sustainable supply chain management through the ESG Online Learning platform of SET ESG Academy, with over 300 participants

Supplier Screening

- Aspects of Supplier Screening
- Methodology for Supplier Screening

Company Buyers, Internal Stakeholder (User) Training Program

Aspects of suppliers screening process for significant suppliers :

Environmental Risk

Negative impact from supplier operations that cause greenhouse gas emissions/ energy consumption/ water consumption/ resource consumption/ pollution emissions/ waste generation

Social Risk

Negative impact from supplier operations that does not comply with the laws and regulations or cause harm no safety causing damage to life and property or causing complaints including Human Rights and Labor practice

Business/Governance Risk

Negative impacts such as corruption/ bribery/ conflicts of interest or no fairness in competition practice Including High expenditure, poor service quality, delay in the delivery of goods and services, not follow procurement contract resulted in economic business impact per day

Methodology for suppliers screening process for significant suppliers :

Country-specific risk

A risk that arises from the uncertainty of economic, social, and political conditions, or other external factors such as natural disasters that occur in the area where the supplier is located

Sector-specific risk

A risk that arises from a sector's distinct characteristics regarding labor situation, energy consumption, resource intensity, emissions, or pollution potential (e.g., manufacturing, service provision)

Commodity-specific risk

Risks that arise from the characteristics of the industry where the business partner operates and the products that the supplier produces or sells

- Sustainability Risk is supplier ESG risk which covers impact criteria in Environment, Social, and Business/Governance from suppliers.

Supplier Assessment & Development

- Supplier desk assessments with systematic verification of evidence
- Supplier on-site assessments carried out by purchasing company employees or contracted consultant (2nd party assessment)

Supplier Assessment and Development

- The company has a process for regularly Supplier desk assessments and Supplier on site assessments and evaluating suppliers' performance in terms of Significant supplier-Critical Supplier Analysis and Significant supplier-High Potential Sustainability (ESG) Risk Supplier Assessment in all aspects including: the Environmental, Social and Business/Governance (ESG) in their operation which considers the impacts on environment, society along with business continuity comply with international standard such as ISO9001, ISO14001, ISO45001, ISO50001, TIS/OHSAS18001, UDHR, UNGC, UNGP, ILO and Green Industry Level 5: Green Network (the highest set of green industry criteria by the Department of Industrial Works) etc.
- The company pushed for expansion and promotion of environmental management guidelines among stakeholders throughout the entire supply chain, especially "supplier" to push toward the establishment of a green network and to demonstrate the determination to develop the environment until creating an organization culture for operating business in a socially-responsible manner.

ESG Risk Assessment

The assessment of risks from our business operations and partners that may impact ESG performance is conducted under a 3-dimension.

ENVIRONMENTAL

Assess impacts related to pollution and greenhouse gas emissions, energy use, water use, waste management, and biodiversity loss, including resource efficiency and the depletion of natural resources.

SOCIAL

Assess actual and potential impacts arising from non-compliance with applicable laws, regulations, international human rights standards, and stakeholder concerns that may result in human rights violations, labor rights issues, occupational health and safety risks, and reputational damage. This includes, but is not limited to, child labor, forced labor, payment of a living wage, equal remuneration for men and women, payment for annual leave, avoidance or reduction of excessive working hours, establishment of maximum working hours in accordance with applicable laws, and setting appropriate consultation or notice periods prior to mass terminations.

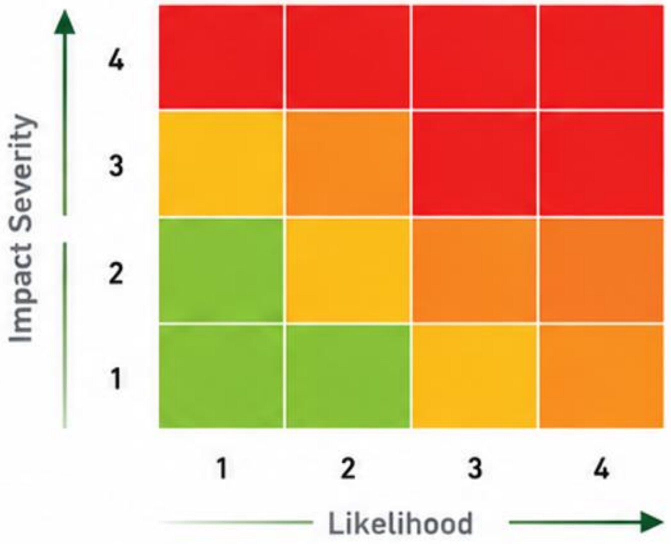
ECONOMIC / GOVERNANCE

Assess impacts related to fraud and corruption, conflicts of interest, unfair competition, price manipulation, non-transparent procurement, and failure to comply with laws and regulations. These factors may cause financial loss, reputational damage, and business disruption.

RISK LEVEL = LIKELIHOOD × IMPACT

(Likelihood of Occurrence × Impact Severity on Environment, Society, and Governance)

RISK ASSESSMENT MATRIX



CUSTOMER RISK CLASSIFICATION

- Very High Risk
- High Risk
- Medium Risk
- Low Risk
- Very Low Risk

* No Risk (Risk Score = 0)

RISK LEVEL
Risk level based on the customer risk classification

MITIGATION METHOD
Site Visit / Audit / Corrective Action Plan / Performance improvement / etc.

Sustainable Supply Chain Processes *(Annually)*

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Supplier Development Process

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1 Supplier Information/ training

- BCP Supplier ESG Program Training
- BCP Supplier Code of Conduct (SCOC) Training as followings;
  - Business Ethics
  - Labor Practice & Human Rights
  - Safety & Occupational Health
  - Environment
  - Social Development Participation
- BCP's work guidelines
- Procurement regulations
- BCP's operating procedures

2 Supplier access to ESG benchmarks

- share the best practices benchmarking with other companies in peer industry.

3 Supplier support (remote/onsite) on implementation of collective/improvement actions

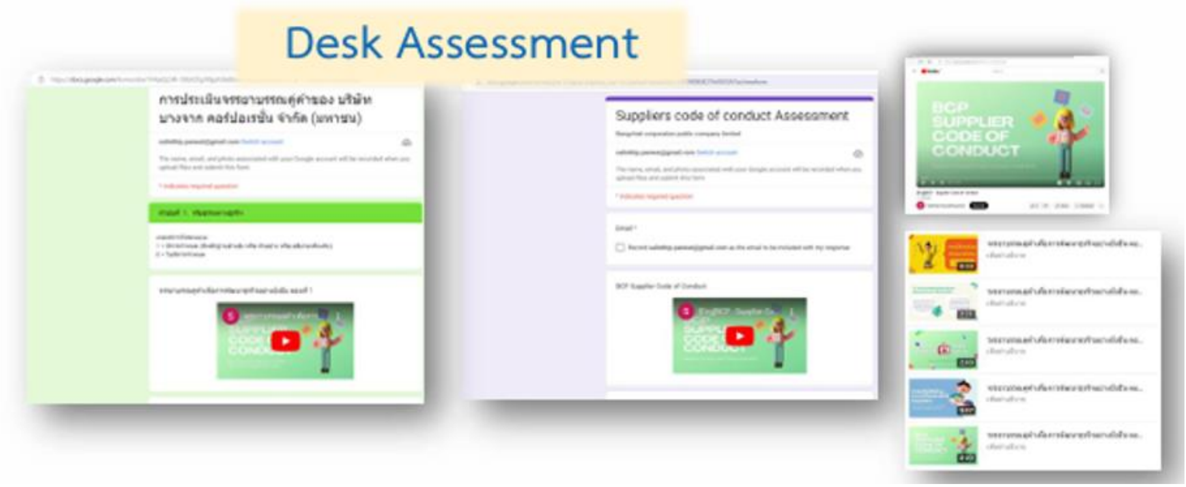
- Encourage suppliers to access SCOC/ESG self assessments to identify gaps.
- Supplier Desk & On-site Assessments
- Encourage suppliers to act and improve their sustainability performance
- Facilitate mutual understanding and propose the integration of ESG principles into the supplier's business operations

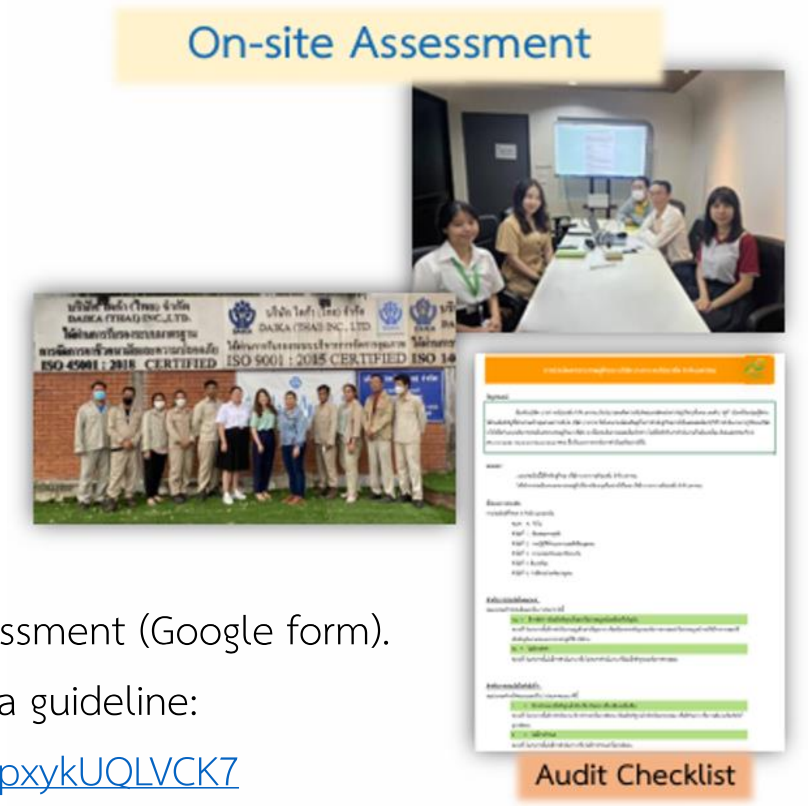
4 In-depth technical support programs to build capacity and ESG performance in suppliers

- Collaborating to enhance their capability for a more sustainable and resilient that can benefit their businesses over the long term as followings;
  - Climate change technical knowledge
  - Green Industry Level 2; GI2 (Green Activity) green industry criteria Training for Factory Suppliers (Certified by the Department of Industrial Works of Thailand)
  - Other Relevant Training

Supplier Desk & On-site Assessments

- The company by the sustainability management division and procurement sets in place the supplier assessment desk with systematic verification of evidence and audit programs (on-site assessments) to assess risks and ensure job completion with significant supplier 35 suppliers.





The company has an online ESG/SCOC assessment (Google form).

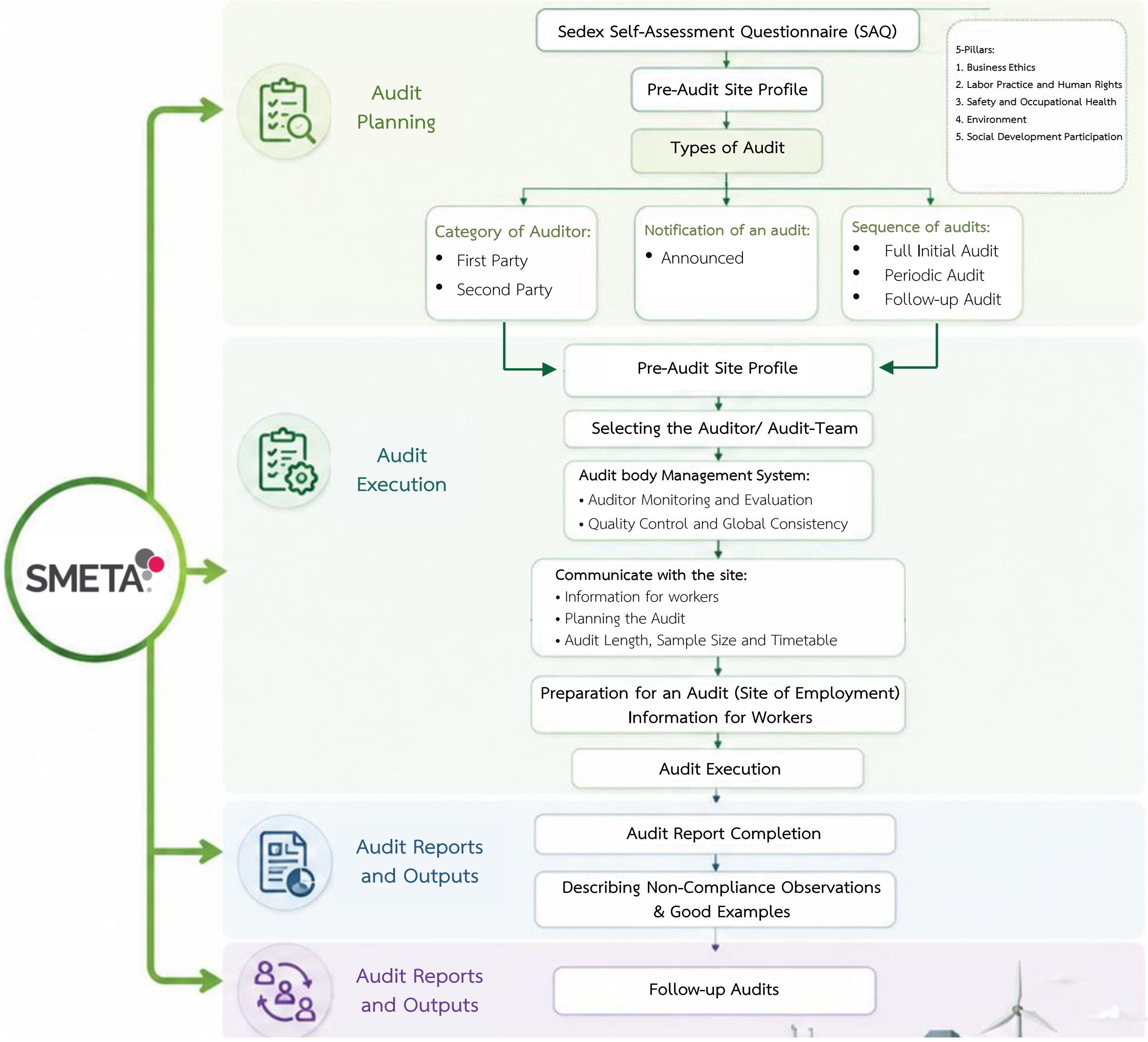
A video in the Google form can be used as a guideline:

- Thai version : https://forms.gle/PFkG5GpxykUQLVCK7
- Eng. Version : https://forms.gle/5LL9gZLsoK3TXEWH6

- Supplier assessments (desk or on-site) are carried out using standards and methodologies of a recognized industry or multi-stakeholder initiative.

Supplier Desk & On-site Assessments

Bangchak Corporation has conducted a SCOC Assessment and audit aligning with the global SMETA standard to ensure that all suppliers operate in accordance with social responsibility principles in all dimensions, including Labor standards, Health and Safety, Environment, and Business Ethics. Furthermore, the company is committed to community development, reflecting their dedication to transparent, accountable, and sustainable business practices.



Reference: Sedex Members Ethical Trade Audit (SMETA) Methodology

- Supplier corrective action/improvement plans

Overview ESG Risk Gap Analysis & Corrective Action Plan –Tier 1 Suppliers

Environment

Risk Issue

Oil Spills to Public and Fires

(8 out of 486 supplier)

Mitigation plan

- Conduct joint emergency drills at least once a year.
- Include penalty clauses in contracts to ensure suppliers adhere strictly to operational guidelines.
- Secure insurance coverage for damages and obtain guarantees from transport companies to cover potential losses

Social

Risk Issue

Complaints

(11 out of 486 supplier)

Mitigation plan

- Include penalty clauses in contracts to ensure suppliers adhere strictly to operational guidelines.
- Encourage Suppliers to install TMS, GPS, and CCTV systems, and hold monthly meetings with transport companies to monitor drivers' behavior and control vehicle speed.
- Promote the installation of driver fatigue prevention systems by suppliers to enhance transport safety.

Business/Governance

Risk Issue

Delayed Deliveries/Failure to Deliver Goods

(11 out of 486 supplier)

Mitigation plan

- Hold daily meetings with contractors to monitor work status.
- Conduct monthly readiness checks (Terminal Feedback).
- Perform quarterly performance evaluations (KPI).

- Supplier information/trainings on company's supplier ESG program, process and requirements
- In-depth technical support programs to build capacity and ESG performance in suppliers
- Supplier access to ESG benchmarks against peers

Supplier Development

Supplier Development and Capacity Building

The Company conducted the Annual Supplier Seminar 2025 and Sustainability Partnership session to enhance suppliers' understanding of ESG principles, Supplier Code of Conduct (SCOC), and emerging climate-related regulations, supporting sustainable procurement practices across the supply chain

Climate Crisis Awareness in the Supply Chain / Supplier Engagement Training

The Company promoted supplier capability development through sustainability partnership activities, knowledge-sharing sessions, and guidance on climate-related regulations to strengthen supplier resilience, competitiveness, and long-term sustainable business practices. In addition, the Company organized an exhibition booth to provide information on the Carbon Markets Club (CMC), aiming to enhance supplier awareness and preparedness for emerging carbon market trends and the transition toward Net Zero. Beyond these engagement activities, Bangchak supports suppliers through its Supplier Code of Conduct (SCOC) assessment process, where assessment results are reviewed to identify improvement gaps. Based on the identified gaps, the Company provides recommendations and guidance to support corrective actions, strengthen suppliers' ESG management practices, and monitors progress through the gap-closure process to drive continuous improvement in suppliers'

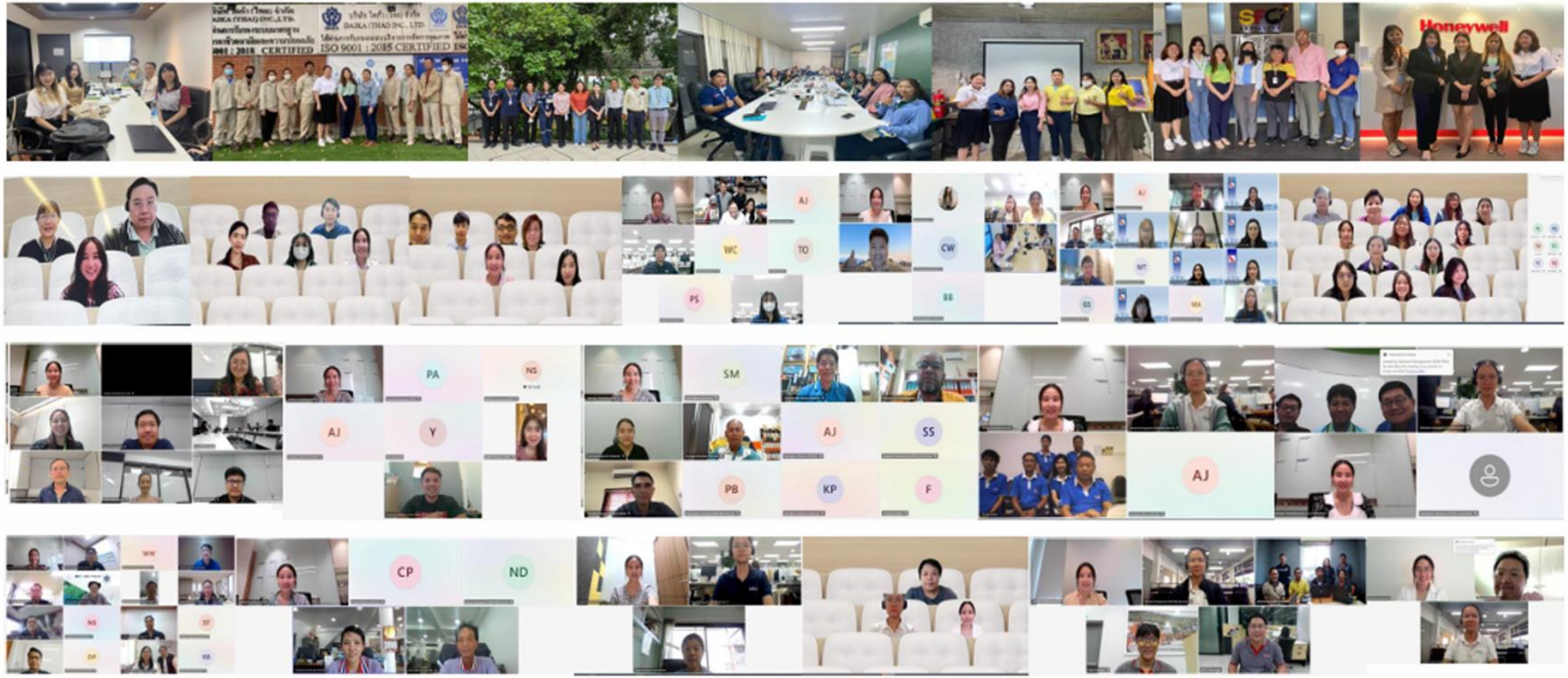
ESG performance.

Supplier access to ESG benchmarks

On 5 November 2025, Bangchak Group organized its Annual Supplier Seminar 2025 under the theme **"Core Connected: Building Our Future through Procurement Center"** to communicate the Group's supplier management direction, procurement policies, and sustainability expectations. The seminar was attended by suppliers across the Group to strengthen their understanding of the Supplier Code of Conduct (SCOC) and sustainable procurement practices. During the event, **18 suppliers** demonstrating exemplary sustainability performance and full compliance with the Supplier Code of Conduct were recognized through **Silver, Gold, and Platinum** recognition levels. By recognizing exemplary performers, the initiative established **benchmarks and role models** that encourage suppliers to learn from leading ESG practices and promote continuous improvement across the supply chain.

o Supplier support (remote/on-site) on implementation of corrective/improvement actions

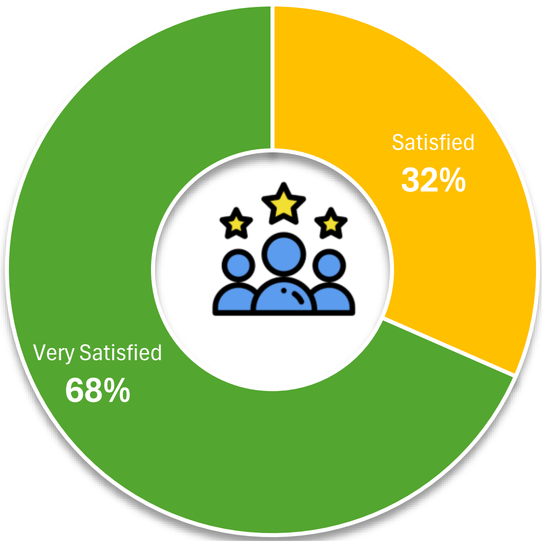
SCOC/ ESG Site Visit/ Audit 2025



In 2025, the Company conducted a sustainability risk assessment with both groups of suppliers: 486 Tier-1 Suppliers and 3,302 Non-tier 1 Suppliers. It was found that suppliers posed higher risks in 3 areas: Environmental; Social; Economic and Governance Risks. The Company collaborated with high-risk suppliers to implement risk mitigation measures, aiming to prevent impacts and likelihood of these risks by 100% There were no terminations of operations with any suppliers assessed as high-risk, maintaining a 0% termination rate. The details are as follows:

Risk Factors	Risk Mitigation Measures	Target	Performance
Environmental Risks			
Oil Spills to Public and Fires	• Conduct joint emergency drills at least once a year. • Include penalty clauses in contracts to ensure suppliers adhere strictly to operational guidelines. • Secure insurance coverage for damages and obtain guarantees from transport companies to cover potential losses	Zero Incident	Incident 0 Case
Social Risks			
Complaints	• Include penalty clauses in contracts to ensure suppliers adhere strictly to operational guidelines. • Encourage Suppliers to install TMS, GPS, and CCTV systems, and hold monthly meetings with transport companies to monitor drivers' behavior and control vehicle speed. • Promote the installation of driver fatigue prevention systems by suppliers to enhance transport safety.	Zero Incident	Incident 0 Case
Economic and Governance Risks			
Delayed Deliveries/ Failure to Deliver Goods	• Hold daily meetings with contractors to monitor work status. • Conduct monthly readiness checks (Terminal Feedback). • Perform quarterly performance evaluations (KPI).	Zero Incident	Incident 0 Case

Supplier Satisfaction Survey 2025



The percentage of supplier satisfaction in 2025

Suggestions from Supplier

Positive

- The assessment helps raise awareness and encourages sustainable development across all aspects of business operations.
- Suppliers recognized the importance of sustainable business practices through the assessment process.
- The questionnaire is highly beneficial for supporting sustainable business operations.
- The assessment provides useful guidance for improving future operational practices.
- Suppliers appreciated learning about sustainability policies and practices aligned in the same direction across business partners.
- The assessment results have been applied to improve business operations in line with current business practices.
- The assessment is considered highly valuable for promoting long-term sustainable business development.

Requirements / Suggestions for Improvement

- Suppliers recommended streamlining the assessment process by reducing duplicated requirements, enhancing digital accessibility, and tailoring guidance to improve efficiency and business relevance.

Result of SCOC/ESG assessment supplier support (Tier 1 Suppliers)

SCOC Gap Overview & Gap Closing– Tier 1 Significant suppliers

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100%
No Gap
Assessment Result

35 Significant Suppliers

ESG Pillar Performance

All 35 significant suppliers
Completed SCOC self-assessment
With no material ESG gaps identified

In 2025, all 35 Significant Suppliers signed the SCOC Acknowledgement and completed the self-assessment through the SCOC Online Self-Assessment program. Through the Company's ongoing collaboration and coordinated planning with its suppliers, no gaps were identified during this year's assessment cycle.

1. **Business Ethics**
   NO GAP **100%**
   35/35 Significant Suppliers

2. **Labor Practices & Human Rights**
   NO GAP **100%**
   35/35 Significant Suppliers

3. **Safety & Occupational Health**
   NO GAP **100%**
   35/35 Significant Suppliers

4. **Environment**
   NO GAP **100%**
   35/35 Significant Suppliers

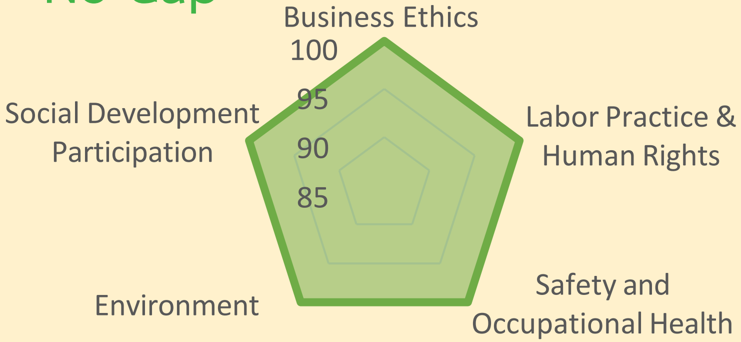
5. **Social Development Participation**
   NO GAP **100%**
   35/35 Significant Suppliers

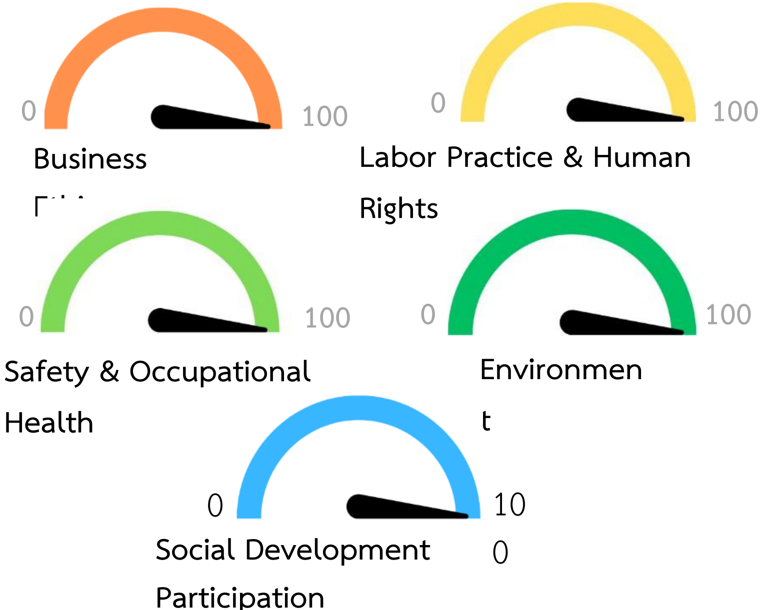
[redacted]

-Example-

Business Type : Lube and based oil - Factory

No Gap





Business Ethics

- จัดทำนโยบายและแนวปฏิบัติตามหลักบรรษัทภิบาล/ต่อต้านทุจริตคอร์รัปชัน คู่มือการกำกับดูแลกิจการที่ดี (Corporate Governance & Code of Conduct)
- จัดทำนโยบายคุ้มครองข้อมูลส่วนบุคคลและการดำเนินงานด้าน PDPA
- จัดทำนโยบายมาตรการป้องกันข้อมูลทางไซเบอร์และดำเนินการที่เกี่ยวข้องกับ Cyber Resilience

Labor Practice & Human Rights

- ได้รับรางวัล “ดีเด่น” องค์กรต้นแบบด้านสิทธิมนุษยชน ประจำปี 2568 ประเภทองค์กรภาคธุรกิจขนาดใหญ่ (ต่อเนื่อง 6 ปีซ้อน) จากกรมคุ้มครองสิทธิ และเสรีภาพ กระทรวงยุติธรรม

Safety & Occupational Health

- ได้รับการรับรองมาตรฐานระบบการจัดการอาชีวอนามัยและความปลอดภัย ISO45001:2018

Environment

- ได้รับการรับรองมาตรฐานระบบการจัดการสิ่งแวดล้อม ISO 14001:2015
- ได้รับการรับรองอุตสาหกรรมสีเขียวระดับที่ 5 (Green Network) โดยสนับสนุนให้คู่ค้าและพันธมิตรเข้าสู่กระบวนการรับรองอุตสาหกรรมสีเขียว

Social Development Participation

- ดำเนินงานโครงการเพื่อพัฒนาชุมชนโดยรอบเขต หลังเข้าร่วมโครงการส่งเสริมโรงงานอุตสาหกรรมให้มีความรับผิดชอบต่อสังคมและชุมชนอย่างยั่งยืน (CSR-DIW)

Overview ESG Risk Gap Analysis & Corrective Action Plan –Tier 1 Suppliers

banachak

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(8 out of 486 supplier)

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- Conduct joint emergency drills at least once a year.
- Include penalty clauses in contracts to ensure suppliers adhere strictly to operational guidelines.
- Secure insurance coverage for damages and obtain guarantees from transport companies to cover potential losses

Social

Risk Issue

Complaints

(11 out of 486 supplier)

Mitigation plan

- Include penalty clauses in contracts to ensure suppliers adhere strictly to operational guidelines.
- Encourage Suppliers to install TMS, GPS, and CCTV systems, and hold monthly meetings with transport companies to monitor drivers' behavior and control vehicle speed.
- Promote the installation of driver fatigue prevention systems by suppliers to enhance transport safety.

Business/Governance

Risk Issue

Delayed Deliveries / Failure to Deliver Goods

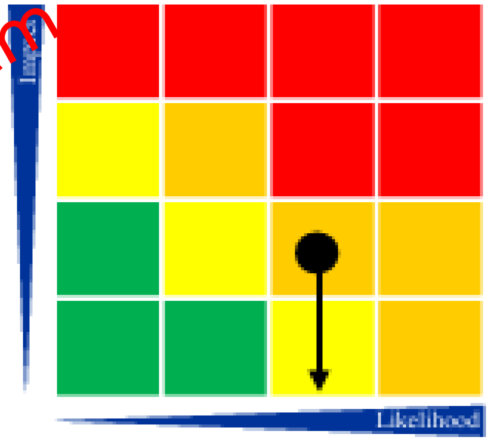
(11out of 486 supplier)

Mitigation plan

- Hold daily meetings with contractors to monitor work status.
- Conduct monthly readiness checks (Terminal Feedback).
- Perform quarterly performance evaluations (KPI).

Environment : Risk Mitigation Plan

Risk Event :	Environmental Risk Issue : Oil Spills
Risk Impact :	Impact on EBITDA
Risk Owner :	RFBG
Target :	Reduce Risk Level from (3,2) to (3,1)
Degree of Acceptance :	Minimize

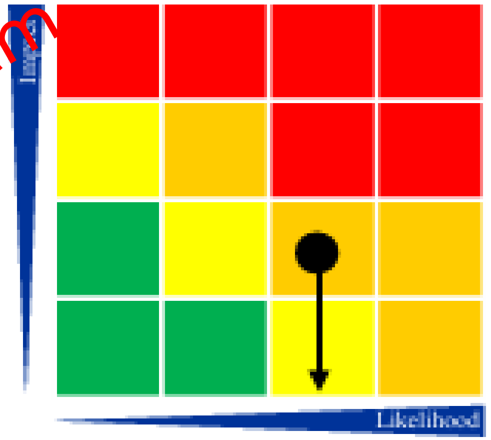


Existing Risk Response	Result
1.Hold daily meetings with contractors to monitor work status	No significant oil and chemical spills into the environment.
2.Encourage Suppliers to install TMS, GPS, and CCTV systems, and control vehicle speed	
3.Conduct joint emergency drills at least once a year.	
4.Include penalty clauses in contracts to ensure suppliers adhere strictly to operational guidelines	

Example of a Follow-up ESG Risk Mitigation Program

Social : Risk Mitigation Plan

Risk Event :	Social Risk Issue : Complaints
Risk Impact :	Impact on EBITDA
Risk Owner :	RFBG
Target :	Reduce Risk Level from (3,2) to (3,1)
Degree of Acceptance :	Minimize

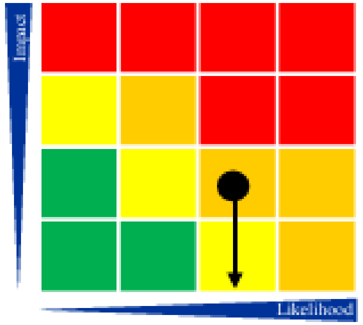


Existing Risk Response	Result
1. Partner Inspection	No Complaints
2. Quarterly Assessment (Terminal Feedback)	
3. Collaborative partner planning to enhance the supply chain in the long term	

Example of a Follow-up ESG Risk Mitigation Program

Governance : Risk Mitigation Plan

Risk Event :	Business/Governance Risk Issue : Delayed Delivery & Failure to Deliver Goods
Risk Impact :	Impact on EBITDA
Risk Owner :	RFBG
Target :	Reduce Risk Level from (3,2) to (3,1)
Degree of Acceptance :	Minimize



Existing Risk Response	Result
1. Hold monthly meetings with contractors to monitor work status	• Delivery was completed as agreed. • The shipment arrived on time as planned.
2. Include penalty clauses in contracts to ensure suppliers adhere strictly to operational guidelines	
3. Conduct monthly readiness checks (Terminal Feedback)	
4.Collaborative partner planning to enhance the supply chain in the long term	

Result of ESG Assessment supplier support (Non-Tier 1 Suppliers)

Overview ESG Risk Gap Analysis & Corrective Action Plan – Non-Tier 1 Suppliers

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Environment

Risk Issue

- Oil Leak

(17 out of 3,302 suppliers)

Mitigation plan

- Supplier Self-assessment
- Monitoring continuously
- Manage an emergency plan to prevent

Social

Risk Issue

- Complaints

(17 out of 3,302 suppliers)

Mitigation plan

- Monitoring continuously
- Site visit, PMS, Corrective action Plan

Business/Governance

Risk Issue

- Delayed delivery

(17 out of 3,302 suppliers)

Mitigation plan

- Supplier Self-assessment
- Monitoring continuously
- Plan for purchasing services/products

KPIs for Supplier Screening

Result of Supplier Screening

2025 Supplier Screening Results	Performance
Tier-1 Suppliers	(Unit: Suppliers)
Tier-1 Suppliers	486
• Number of the Company’s direct and critical suppliers (Critical Tier-1 Suppliers)	31
• Number of Tier-1 Suppliers with high-level ESG risks (critical and high risks)	14
• Number of significant suppliers conducting business directly with the Company with high-level ESG risks (Significant Tier-1 Suppliers)	35
Percentage of purchases from direct suppliers (Tier-1 suppliers) to total purchases	100%
Percentage of purchases from significant direct suppliers (Significant Tier-1 suppliers) to total purchases	55.4%
Non Tier-1 Supplier	(Unit: Suppliers)
Number of suppliers not conducting business directly with the Company (Non Tier-1 Suppliers)	3,302
• Number of the Company’s non-direct but critical suppliers (Critical Non Tier-1 Suppliers)	215
• Number of Non Tier-1 Suppliers with ESG risks at critical and high levels	17
• Number of significant suppliers but not conducting business directly (Significant Non Tier-1 Supplier)	215
Significant Supplier	
Number of Significant Tier-1 Suppliers and Significant Non Tier-1 Suppliers (Tier-1 and Non Tier-1 Supplier)	250

Remarks: Significant Supplier refers to key suppliers that impact organizational risk, including: 1. Suppliers critical to business operations (Critical Supplier) 2. Suppliers with high-level ESG risks (Critical and High Potential ESG Risk Supplier) 3. Suppliers critical to business operations and with high-level ESG risks (Critical Supplier & Critical and High Potential ESG Risk Supplier)

Result of Sustainability (ESG) Risk Assessment

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Tier-1 suppliers and Non-Tier-1 suppliers ESG risk assessment results	The number of suppliers assessed for ESG risk (Suppliers)	High level risk (critical and high risks: Suppliers)	Gaps closed (Suppliers)
486 Tier-1 Suppliers have undergone ESG risk assessments, achieving a completion rate of 100%			
• Environmental Risk (Disclosure 308-2)	486	8 (1.6%)	8 (1.6%)
• Social Risk (Disclosure 414-2)	486	11 (2.3%)	11 (2.3%)
• Economic and Governance Risks	486	11 (2.3%)	11 (2.3%)
3,302 Non Tier-1 Suppliers have undergone ESG risk assessments, achieving a completion rate of 100%			
• Environmental Risk (Disclosure 308-2)	3,302	17 (0.5%)	17 (0.5%)
• Social Risk (Disclosure 414-2)	3,302	17 (0.5%)	17 (0.5%)
• Economic and Governance Risks	3,302	17 (0.5%)	17 (0.5%)

KPIs for Supplier Assessment and/or Development

Result of Supplier Assessment & Development

	Results of assessment and development to enhance the Sustainability of suppliers	FY 2025	Target for FY 2025
1.Supplier Assessment	1.1 The number of suppliers assessed through desk assessments and on-site assessments	35 Suppliers	35 Suppliers
	1.2 The percentage of Significant Tier-1 suppliers that have been assessed	100%	
	1.3 The number of suppliers assessed for ESG risks arising from substantial actual or potential negative impacts (Substantial Actual/ 40 Suppliers Potential Negative Impacts)	35 Suppliers	
	1.4 The percentage of suppliers at risk of ESG negative impacts that have actually occurred/may occur significantly that have jointly developed plans in place	100%	
	1.5 The number of suppliers at risk of ESG negative impacts that have actually occurred/may occur or whose trading/purchase may be suspended by the Company	0 Supplier	

Result of Supplier Assessment & Development

	Results of assessment and development to enhance the Sustainability of suppliers	FY 2025	Target for FY 2025
2. Promotion and support for improving	2.1 The number of suppliers with improvement/correction plans and have received operational supports	35 Suppliers	35 Suppliers
	2.2 The percentage of suppliers who have been assessed for high ESG risks from negative impacts that have actually occurred/may occur and have improvement/correction plans and have received operational supports	100%	
3. Capability Enhancement	3.1 The number of suppliers who have received capacity enhancement	35 Suppliers	35 Suppliers
	3.2 The percentage of suppliers who have received capacity enhancement	100%	

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