



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

BUSINESS PARTNER MANAGEMENT POLICY

POLICY APPROVED BY BOARD OF DIRECTORS

POLICY OWNER: HEAD OF COMPLIANCE & MONITORING

POLICY EFFECTIVE DATE: 1 MARCH 2023

1. PURPOSE & SCOPE

This policy aims to ensure that:

- Business Partners of True Corporation Public Company Limited and its subsidiaries (the "Company") follow the Company's standards for responsible business conduct as set out in the Business Partner Code of Conduct (BP CoC).
- Compliance risks associated with Business Partners are identified, assessed, and properly managed throughout the lifetime of the relationship.

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

- Suppliers/ vendors, including any manufacturers, contractors, consultants and service providers
- 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

This policy and its associated procedures are applicable to the Company and all its subsidiaries.

2. POLICY REQUIREMENTS

The Company shall not engage with, or continue to be engaged with, Business Partners that pose an unacceptable compliance risk that cannot be mitigated. The Company shall have a system for conducting risk assessment and following up/ monitoring of Business Partners including screening for sanctions. The requirements regarding Business Partners are subject to the exemptions prescribed in the Exemption List in Annex B to the Business Partner Procedure.

2.1 Business Partner Risk Assessment Prior to Engagement

The Company shall conduct risk assessment of prospective Business Partners prior to engagement to assess whether they may entail an unacceptable risk. The responsibility shall be assigned to Risk Reviewer(s) with required competence.

2.1.1 Business Partners

The Risk Reviewer shall conduct risk assessment of prospective Business Partners (Individual Risk Assessment) prior to engagement, in accordance with the Procedure Business Partner Management.

The purpose of this risk assessment is to specify the risk related to the Business Partner and the engagement resulting in the Business Partner risk rating (Individual Risk Rating) that is assigned on the scale INSIGNIFICANT, LOW, MEDIUM, HIGH. The result of the assessment shall be properly documented.

The Company's Ethics & Compliance function shall undertake the assessment for the following prospective Business Partners/ types of engagement:

- Mergers, acquisitions, joint ventures, divestments
- Lobbyists interacting with public officials
- Business Partners that are found to be subject to international trade sanctions.

2.1.2 Sponsorships, Donations and Other Contributions

All sponsorships, donations, and other contributions (collectively the "Contributions") shall follow the Procedure Sponsorships, Donations and/or other social contributions.

The Company Ethics & Compliance function shall be consulted for all Contributions to faith-based organizations, political, governmental, military, police and/or other public institutions and/or public entities.

All Contributions shall be reported to Compliance Committee and Board of Directors at regular intervals.

For further details see the Procedure Sponsorships, Donations and/or other social contributions.

2.2 Engagement of a Business Partner

2.2.1 Engagement of a Business Partner with HIGH or MEDIUM Individual Risk Rating

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

The Company Ethics & Compliance shall always be involved and consulted well in advance of a decision to engage with any Business Partner with Individual Risk Rating of MEDIUM and HIGH. Ethics & Compliance shall then coordinate and lead a forum of relevant expert functions (Integrity Due Diligence (IDD) Forum), to check the Risk Reviewer's assessment and provide its recommendation to the Contract Owner.

2.2.2 Commitment to Business Partner Code of Conduct

The Company expects all Business Partners to commit to the BP CoC. The Contract Owner shall be responsible for ensuring that this commitment with the Business Partner(s) is obtained.

2.3 Business Partner Follow Up Throughout Engagement Lifetime

2.3.1 Risk Monitoring and Mitigations

After the Business Partner is engaged, the Company shall periodically monitor the Business Partner's compliance with BP CoC throughout the engagement lifetime. The level of monitoring shall be based on the Business Partner's risk level.

2.3.2 Escalation of Serious Incidents

Contract Owners and Managers is responsible for Business Partner Follow Up. Contract Owners and Managers shall ensure that any serious incidents that they come across overseeing relevant Business Partners are followed up, further investigated, and that necessary mitigations are executed.

Serious incidents and repeated non-conformities may result in a reassessment of risk related to the Business Partner and may require additional mitigating actions.

2.4 Review and Reassessment

The Company shall ensure that all existing Business Partners undergo periodic risk reassessments. The frequency of reassessments shall be based on the risk rating of each Business Partner but shall at least be once every 3 years.

On an annual basis, Company shall perform an overall risk review of its portfolio of Business Partners to obtain a high-level understanding of the compliance risks in the Company and to identify mitigations or improvements needed, and review the Exemption List to ensure that the exemptions remain relevant and appropriate.

3. REPORTING

The Company Ethics & Compliance shall report to Compliance Committee, Corporate Governance Committee, and Board of Directors on a quarterly basis or when requested. The topics reported may include but not be limited to the following:

- Results of annual Business Partner Portfolio review
- Engagements with high-risk Business Partners
- Any serious incidents

4. REFERENCE DOCUMENTS

The Company governing documents contain additional requirements, including:

- Business Partner Management Procedure
- Business Partner Code of Conduct
- Sponsorships and Donations

5. DEFINITIONS AND ABBREVIATIONS

The Company shall establish the roles and assign the responsibilities to ensure compliance with this Policy:

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 this Policy for the relevant Business Partners for the lifetime of the engagement.

Contract Manager

The person within the Company responsible for assisting the Contract Owner with managing a Business Partner including with ensuring compliance with this Policy.

Risk Reviewer

Person responsible for working with Contract Owners to gather and review information, assess relevant risks and issue a recommended Individual Risk Rating together with mitigating actions.

Ethics & Compliance

The function responsible for ensuring that Policy requirements are implemented, monitored and followed-up. This responsibility also includes the coordination and involvement of relevant business functions.

Supply Chain Sustainability

The function is responsible for following up on Business Partners' sustainability compliance.
