



## **Sustainable Supply Chain Management Plan**

The Sustainable Supply Chain Management Plan aims to create sustainable energy without long-term, environmentally or societal impacts. It emphasizes efficient resource utilization and flexible supply chain structure management which adaptable to external environmental changes, without posing risks to business and avoiding harm to society or the environment in the long run. Environmental and social factors are considered and incorporated into decision-making and operations to ensure sustainability. The company has therefore developed the following plan and guidelines for implementation.

### **1. Green Procurement**

The company conducts procurement processes according to the 'Green Procurement' guidelines. This is part of the supply chain management policy aimed at minimizing the impact on the environment, focusing on the selection of environmentally friendly products. The company has developed best practices for suppliers to help manage environmental, social, and governance (ESG) risks, including enhancing the capabilities of suppliers, particularly in adapting to new government regulations, which may be misunderstood and cause delays in procurement. Therefore, it is important to drive smooth business operation and achieve organizational objectives.

### **2. Supplier Selection Criteria**

The company has established criteria for selecting suppliers based on their production capabilities, which meet customer product requirements. This includes evaluating the partner's quality standards, production capacity, adherence to various operational standards, service readiness, transportation, safety, and occupational health practices. Additionally, the supplier operations must align with social and environmental responsibility. The company utilizes questionnaires for initial assessments and conducts follow-up inspections to ensure selected suppliers have sufficient capabilities and reliability. Local suppliers are considered to maintain effective relationships and operations within the community.

### **3. Management of Key Suppliers Groups**

The company manages key supplier groups based on high-value procurement criteria and/or suppliers who are critical to the production process and/or provide limited products and services. Risk assessment and management processes of these suppliers are conducted as a priority, alongside communication and site visits when appropriate. These visits help define strategies, set guidelines, and monitor progress in enhancing quality and collaboration with partners to foster continuous improvement in all aspects of the partnership.

### **4. Supplier Risk Assessment**

The risk analysis in procurement is conducted by evaluating suppliers who have high purchasing value or those whose production factors are critical and may affect the delivery of products to customers. Therefore, the company must assess the potential risks that could arise and develop contingency plans to ensure that the risk management is at a level that does not impact customers or the business operation. Suppliers are also required to assess the risks in their own operations, considering the potential scenarios that may occur and formulating strategies to mitigate any business disruptions.

### **5. Supplier Sustainability Evaluation**

The Company has established comprehensive supplier management measures, including audits and evaluations, to ensure that all suppliers comply with international standards and possess adequate production capabilities. These measures aim to maintain the quality of products and services. Specific activities include Environmental, Social, and Governance (ESG) on-site audits and key supplier site visits, ensuring that suppliers conduct their operations in alignment with sustainable business ethics and the Company's Code of Conduct.

### **6. Supplier Development Approach**

- Provide suppliers with customer-related information such as product expectations, standards, and quality criteria
- Sharing knowledge of manufacturing processes and technologies for collaborative product development
- Support suppliers in transitioning to Green Procurement to meet future customers and market demands
- Encouraging suppliers to adhere to business ethics and
- Foster the growth of secondary suppliers and support their development into key strategic suppliers