



**Risk Assessment Criteria**

The Company conducts Supplier Sustainability Assessments based on environmental, social, economic, and corporate governance risks, considering the severity, scope, and likelihood of negative impacts on the supplier and the Company. The results are then summarized and communicated to suppliers.

Risk Level		Approach to Implementation
Level 1	Acceptable Risk	Sustainability assessment of suppliers involved in transactions, using a self-assessment questionnaire to track their sustainability performance.
Level 2	Unacceptable Risk, classified as Sustainability High-Risk Suppliers	Collaborate with suppliers to plan and implement improvement plans and conduct sustainability assessments on a regular schedule through supplier meetings to track progress.
Level 3		Collaborate with suppliers to plan and implement improvements within the specified timeframe, and conduct supplier sustainability assessments on a regular schedule through suppliers meetings or on-site audits to closely monitor progress.

**Results of Supplier Operational Risk Assessment**

The outcomes of the supplier procurement qualification assessments, supplier sustainability assessments, and monitoring of compliance with the Suppliers' Code of Conduct for the year 2025 are summarized below :

Suppliers assessed in 2025	8 suppliers, representing 36.36% of critical tier 1 suppliers
Suppliers undergoing sustainability assessments covering environmental, social, economic, and governance issues	3 suppliers, representing 13.64% of critical tier 1 suppliers
Suppliers required to undergo sustainability assessments through on-site audits	3 suppliers, representing 100% of suppliers required to undergo sustainability assessment
Suppliers undergoing sustainability assessments through on-site audits, covering environmental, social, economic, and governance issues	3 suppliers, representing 100% of suppliers required to undergo on-site audits
Suppliers monitored for compliance with the Suppliers' Code of Conduct	3 suppliers
Suppliers with identified risk issues	2 suppliers, representing 66.66% of assessed suppliers undergoing sustainability assessments

**Risk Issues Arising from Suppliers**

**Environmental Aspect**

- Risk from climate change

**Social Aspect**

- Risks related to employee health, safety, and occupational health
- Risk from non-compliance with human rights policies
- Quality of Service

**Economic and Corporate Governance Aspect**

- Delayed or failed delivery due to changes in regulations
- Shortage of raw materials for distribution or critical components required for project delivery