



2024 Supply Chain Management Performance Report

Triple i Logistics Public Company Limited

Supply Chain Management

Triple i Logistics Public Company Limited and its subsidiaries (the “Group”) recognize the importance of establishing effective supply chain management practices to ensure transparency and create shared value between the Group and its business partners, with the goal of achieving sustainable growth together. The Group’s supply chain management approach encompasses the entire process—from selecting qualified and capable suppliers, to monitoring and promoting responsible business conduct in accordance with environmental, social, and governance (ESG) principles, and aligning with the Code of Business Conduct for Suppliers developed by the Company. Furthermore, the Group conducts risk assessments and performance evaluations of its suppliers to foster their capabilities and ensure readiness for business growth. This approach builds confidence in collaborative operations and enhances the ability to respond swiftly to global changes and stakeholder expectations.

In 2024, the Company reviewed the procurement policy and the Code of Business Conduct for Suppliers, covering social, environmental, and corporate governance issues. The Company also reviewed the supply chain management process and communicated it to its subsidiaries to provide a clear framework for all employees and suppliers, tailored to the nature and suitability of each company’s business operations, as follows:

1. **Evaluation of suppliers in compliance with the Code of Business Conduct for Suppliers**, which covers social and/or environmental issues in procurement, and evaluation of prices and quality before adding them to the Vendor List, including assessing them during the year.

Selection of Suppliers	Consideration of Suppliers during the Year
<ul style="list-style-type: none"> ● Source partners through the procurement process. ● Request for quotation and other evidence for consideration. ● Evaluate suppliers on compliance with the Code of Business Conduct for Suppliers. This includes environmentally friendly operations under the principles of Green Procurement and social responsibility, along with evaluating price and quality. ● Add selected suppliers to the Vendor List system. 	<ul style="list-style-type: none"> ● Monitor suppliers through assessments of their compliance with the Code of Business Conduct for Suppliers, including environmentally friendly operations under the Green Procurement principles and social responsibility, along with quality assessment after using services. ● Consider retaining them in the Vendor List system.

Results of Monitoring Compliance with the Code of Business Conduct for Suppliers.

Performance	Unit	2022	2023	2024
Total number of suppliers	No. of Suppliers	1,297	1,409	1,815
Number of suppliers monitored for compliance with the Code of Business Conduct for Suppliers	No. of Suppliers	ND	ND	619

Remark: ND means the Company prepared the Code of Business Conduct for Suppliers in 2023 and promulgated it for its subsidiaries in 2024, such data was not reported in 2022 and 2023.

2. **Supplier Grouping:** Once the suppliers have been included in the Vendor List system, the Group will group suppliers according to the specified criteria to ensure effective risk assessment and preparation of operational plans with each group of suppliers. The suppliers are classified into three groups as follows:

Key Suppliers (Critical Tier 1 Supplier)	Direct suppliers with an annual trading value of “high” or “high” shipments and/or a small number of suppliers who cannot find replacement of goods or services based on the Group’s needs.
Secondary Suppliers (Non-Critical Tier 1 Supplier)	General direct suppliers with an annual trading value of “medium or low” or “medium or low” shipments, and/or suppliers who can find replacements for goods or services.
Key Indirect Suppliers (Critical non-Tier 1 Supplier)	Suppliers who do not trade directly with the Group but trade with the Group’s suppliers. They are selected by suppliers who are in the Critical Tier 1 Supplier Group.

Results of Categorizing the Group's Suppliers (Domestic / Foreign)

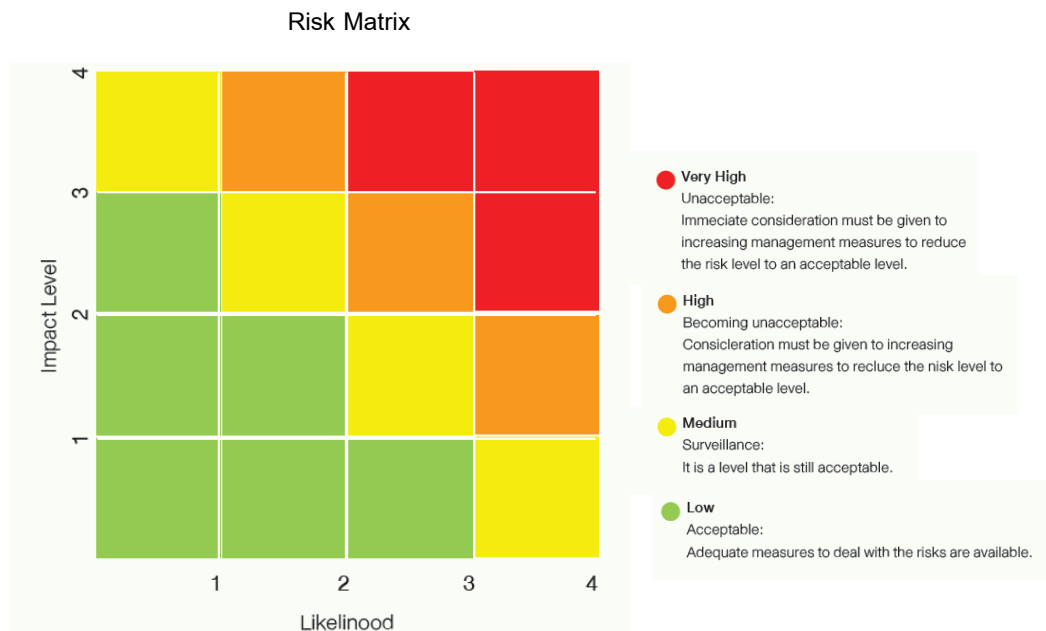
Performance	Unit	2022	2023	2024
Key Suppliers (Critical Tier 1 Supplier)	No. of Suppliers	78	112	340
- Foreign	No. of Suppliers	22	28	94
- Domestic	No. of Suppliers	56	84	246
Secondary Suppliers (Non-Critical Tier 1 Supplier)	No. of Suppliers	1,219	1,297	1,475
- Foreign	No. of Suppliers	98	109	92
- Domestic	No. of Suppliers	1,121	1,188	1,383
Key Indirect Suppliers (Critical Non-Tier 1 Supplier)	No. of Suppliers	11	11	8
- Foreign	No. of Suppliers	0	0	0
- Domestic	No. of Suppliers	11	11	8

3. **Risk Assessment of Key Suppliers:** To ensure that key suppliers are reliable, do not negatively impact the business, and can genuinely drive sustainability together with the Group, the Group will identify environmental, social, corporate governance, and economic (ESG) issues that may affect the Group's operations based on the evaluation of suppliers on compliance with the Code of Business Conduct for Suppliers and conduct the assessment of such key suppliers. The Group ranks risks and potential opportunities according to the level of crisis (high, medium, and low).

In 2024, the Group identified risks based on the assessment results of 340 key suppliers regarding compliance with the Code of Business Conduct for Suppliers, as per the established target. The risks were analyzed and ranked according to the likelihood and impact of potential risks, with the following details:

- 1) Economic Risks, such as service quality and pricing competitiveness, etc.
- 2) Code of Business Conduct Risks, such as Anti-corruption efforts in all forms, etc.
- 3) Environmental Risks, such as compliance with legal requirements and environmental standards, etc.
- 4) Social Risks, such as failure to adhere to human rights principles and labor laws, etc.

The criteria for assessing the risks of key suppliers are defined as follows.



Based on the assessment of environmental, social, governance, and economic (ESG) risks, it was found that all key suppliers had a low-risk assessment across economic, ethical business conduct, environmental, and social aspects. There were no significant issues requiring joint corrective or preventive actions, as these key suppliers fully complied with the Code of Business Conduct for Suppliers as defined by the Group. However, the Group has summarized the results of the ESG risk assessment and communicated the findings to the key suppliers, in order to reflect the best practices in conducting business together

Management of Key Supplier Risks

Risk Issues	Related Topics	Risk Assessment Results	Risk Management
Economic Risks	Financial stability of suppliers and their resilience in handling crises or economic fluctuations.	Low risk level, acceptable. The Suppliers have management measures/guidelines in place in accordance with the Group's requirements and are sufficient to handle the risks.	<ul style="list-style-type: none"> ● Require suppliers to be a registered legal entity conducting business for no less than 1 year, with a paid-up registered capital of no less than 1 year as one of the criteria for selecting suppliers. ● Develop a risk diversification plan for sourcing suppliers and risks associated with dependence on major suppliers.
	The risk arising from the suppliers' provision of substandard services in operations and delivery of goods	Low risk level, acceptable. The Suppliers have management measures/guidelines in place in accordance with the Group's requirements and are sufficient to handle the risks.	<ul style="list-style-type: none"> ● Develop an annual vendor evaluation to monitor performance and as one of the criteria for maintaining suppliers in the Vendor List system. ● Establish a real-time tracking system for monitoring transportation status. ● Provide channels for reporting issues, complaints, and damage inspections.
Code of Business Conduct Risks	The risk arising from the supplier being involved in legal disputes, fraud, or corruption.	Low risk level, acceptable. The Suppliers have management measures and guidelines in place in accordance with the Code of Business Conduct for Suppliers established by the Company.	<ul style="list-style-type: none"> ● Communicate policies related to anti-corruption to suppliers, such as participation in the Thai Private Sector Collective Action Against Corruption (CAC) program.

Risk Issues	Related Topics	Risk Assessment Results	Risk Management
			<ul style="list-style-type: none"> ● Provide a channel for employees or external parties to report misconduct (Whistleblowing Channel). ● Require conducting preliminary due diligence, such as checking legal case histories or allegations through the Department of Business Development or public news sources, etc.
Environmental Risks	The risk arising from the supplier's failure to comply with legal requirements and environmental standards.	Low risk level, acceptable. The Suppliers have management measures and guidelines in place in accordance with the Code of Business Conduct for Suppliers established by the Company.	<ul style="list-style-type: none"> ● Establish the requirements for requesting copies of licenses or environmental certificates. ● Continuously monitor and verify the renewal of licenses.
	The risk arising from the supplier's operations related to waste management and pollution that negatively impact the community and society.	Low risk level, acceptable. The Suppliers have management measures and guidelines in place in accordance with the Code of Business Conduct for Suppliers established by the Company.	<ul style="list-style-type: none"> ● Encourage suppliers to verify the existence of waste treatment/management systems. ● Encourage suppliers to implement measures or guidelines to reduce environmental impacts. ● Provide a channel for external parties to file complaints regarding environmental issues arising from the operations of the Group and its suppliers.
	The risk arising from the supplier's failure to measure or implement a plan to reduce greenhouse gas emissions.	Low risk level, acceptable. The Suppliers have management measures and	<ul style="list-style-type: none"> ● Promote knowledge and awareness about climate change through training seminars or organizing activities to reduce greenhouse gas emissions.

Risk Issues	Related Topics	Risk Assessment Results	Risk Management
		guidelines in place in accordance with the Group's requirements.	<ul style="list-style-type: none"> ● Encourage suppliers to implement measures or guidelines to reduce environmental impacts. ● Request suppliers' cooperation in providing greenhouse gas emissions data from their operations to the Group.
Social Risks	The risk arising from the supplier's failure to comply with labor laws and violations of human rights.	Low risk level, acceptable. The Suppliers have management measures and guidelines in place in accordance with the Code of Business Conduct for Suppliers established by the Company.	<ul style="list-style-type: none"> ● Conduct comprehensive human rights due diligence with suppliers continuously every year. ● Provide a channel for employees or external parties to report misconduct (Whistleblowing Channel).
	The risk arising from the supplier's failure to comply with laws related to the working environment and safety.	Low risk level, acceptable. The Suppliers have management measures and guidelines in place in accordance with the Code of Business Conduct for Suppliers established by the Company.	<ul style="list-style-type: none"> ● Promote knowledge and awareness about compliance with laws related to the working environment and safety through training seminars or organizing various collaborative projects

Results of the ESG risk assessment for key suppliers.

Performance	Unit	2022	2023	2024
Total number of key suppliers assessed for ESG risks	No. of Suppliers	ND	ND	340
Number of key suppliers with high ESG risks	No. of Suppliers	ND	ND	0

Remark: ND means the Group conducted the ESG risk assessment with key suppliers in 2024, such data was not reported in 2022 and 2023.

In addition, the Group has criteria for selecting suppliers for the ESG audit and on-site visits as follows:

- 1) The supplier is a key supplier.
- 2) The supplier is a key supplier that has been assessed for ESG risks and has had a high ESG risk for three consecutive years.
- 3) The supplier has given consent for the Group to conduct the ESG audit and on-site visit to monitor operations and collaborate with the supplier in developing preventive or corrective measures and improving ESG practices.

In 2024, the Group conducted the first ESG risk assessment with key suppliers and found no key suppliers with high ESG risks according to the Group's criteria. Therefore, the Group did not carry out any on-site ESG audits.

4. **Support for the development of collaborative approaches between the Group and its suppliers** to foster sustainable and aligned growth. In 2024, the Group organized 9 training sessions on occupational health and safety for hazardous goods handling (for transportation) for drivers employed by the Group's suppliers. These sessions aimed to raise awareness and provide knowledge on safety, occupational health, and working environment regulations and standards. The topics covered included the following:
 - General knowledge about hazardous chemicals, hazardous substances, and hazardous goods.
 - General knowledge about the management systems, control measures, and regulations concerning hazardous chemicals, hazardous substances, and hazardous goods.
 - Knowledge of safety in operations, occupational health and safety management, and environmental safety.
 - Procedures to follow in case of emergencies.

The results of the project showed that a total of 297 drivers employed by the Group's suppliers participated in the hazardous goods transportation training, and the overall satisfaction rate of the trainees was 99%.

Trade Credit Policy and Term

The Group gives precedence to liquidity and cash management, so it has a policy to set a credit term with suppliers in accordance with the principle of fairness between the Group and its suppliers. The credit term is set within 60 - 90 days. However, the credit term will depend on each type of supplier of the Group and will be determined by various factors, for example, the duration of a business partnership, sales, product turnover, quality, and service standards.

In 2024, the related information regarding the Company's debt repayment period has already been disclosed in the 2024 Annual Report under the topic 'Financial Position and Operating Results, Key Financial Ratios.

Management of creditors and debtors, including Business competitors.

Creditors and Debtors

The Group will strictly comply with the conditions it has established with its creditors by ensuring that complete payments are made on time and adhering to the terms of the agreement, including building relationships and treating creditors based on the principles of honesty, reliability, and mutual trust. If the Group is unable to repay debts as scheduled, the Group will notify its creditors to jointly find solutions.

For debtors, the Group, to the best of its ability, has a duty to build relationships and treat debtors based on the principles of honesty, integrity, reliability, and mutual trust, as well as being responsible, attentive, and giving importance to various conditions that have been established with the debtor.

Business Competitors

The Group will conduct its business according to the rules of fair competition, by not seeking confidential information of business competitors through dishonest or inappropriate means or conducting activities that infringe on the intellectual property rights of others or of its competitors.

In 2024, the Group has also not received any complaints or have any legal disputes with its competitors.

