

# GPSC Supply Chain Management

April 2023

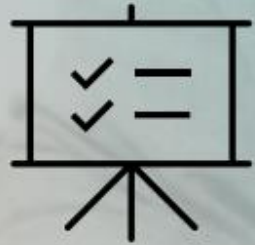


# Content: GPSC supplier ESG Program

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# Vision & Mission



“Be a **Preferred** and **Trusted** Partner of GPSC Group Users”

*SUPPLY CHAIN MANAGEMENT Vision 2020 – 2025*

- P** – Process Compliance & Good Governance
- P** – Proactive Procurement
- E** – Effective Procurement

*SUPPLY CHAIN MANAGEMENT Mission*





# GPSC Group Procurement Practice



Follow GPSC Group  
Corporate Governance  
policy & regulation



Fair treatment &  
transparency to all  
suppliers



Comply with the  
procurement obligation

- On-time payment
- Other Obligations



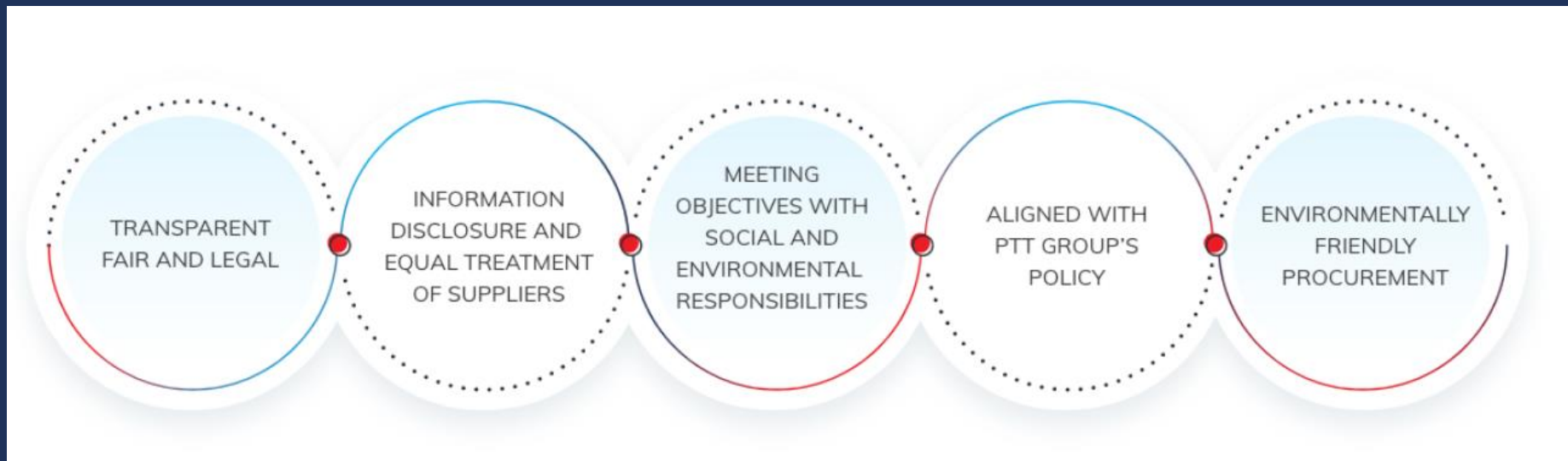
Encourage sustainable  
supplier development with  
good performance history

- GPSC's SSHE policy
- ESG development

# Supply Chain Management

GPSC's supply chain management includes sourcing of raw materials: natural gas, coal, raw water, and clarified water. PTT PLC is our most critical supplier providing natural gas which is the main raw material. Other suppliers providing non-fuel goods and other services include construction and design service, mechanical equipment, machinery, IT service and many more.

GPSC is committed to the effective procurement and management of supplies, insurance, and other aspects of operations related to business sustainability. The company introduced the Sustainable Procurement and Supplier Management Policy to ensure excellence in procurement with transparency, fairness, and alignment with global practices.



# Supplier Sustainable Code Of Conduct

## GPSC SUPPLIER SUSTAINABLE CODE OF CONDUCT

- Business Integrity
- Confidentiality and data portion
- Corporate Social Responsibilites
- Conflict of Interest



- Freely Chosen Employment
- Child Labor Avoidance
- Wages and Benefits
- WorkingHours
- Non-Discrimination
- Layoffs Practice
- Humane Treatment
- Freedom of Association



- Safety and Working Environment
- Security and Emergency Preparedness
- Occupational Health, Injury, and Illness



- Environmental Management Through lift-cycle perspective
- Solid Waste and Hazardous Waste
- Wastewater
- Air Emissions and Greenhouse Gas
- Soil and Groundwater Contamination



GPSC recognizes the importance of encouraging suppliers to uphold governance principles with social and environmental responsibilities in their business operations.

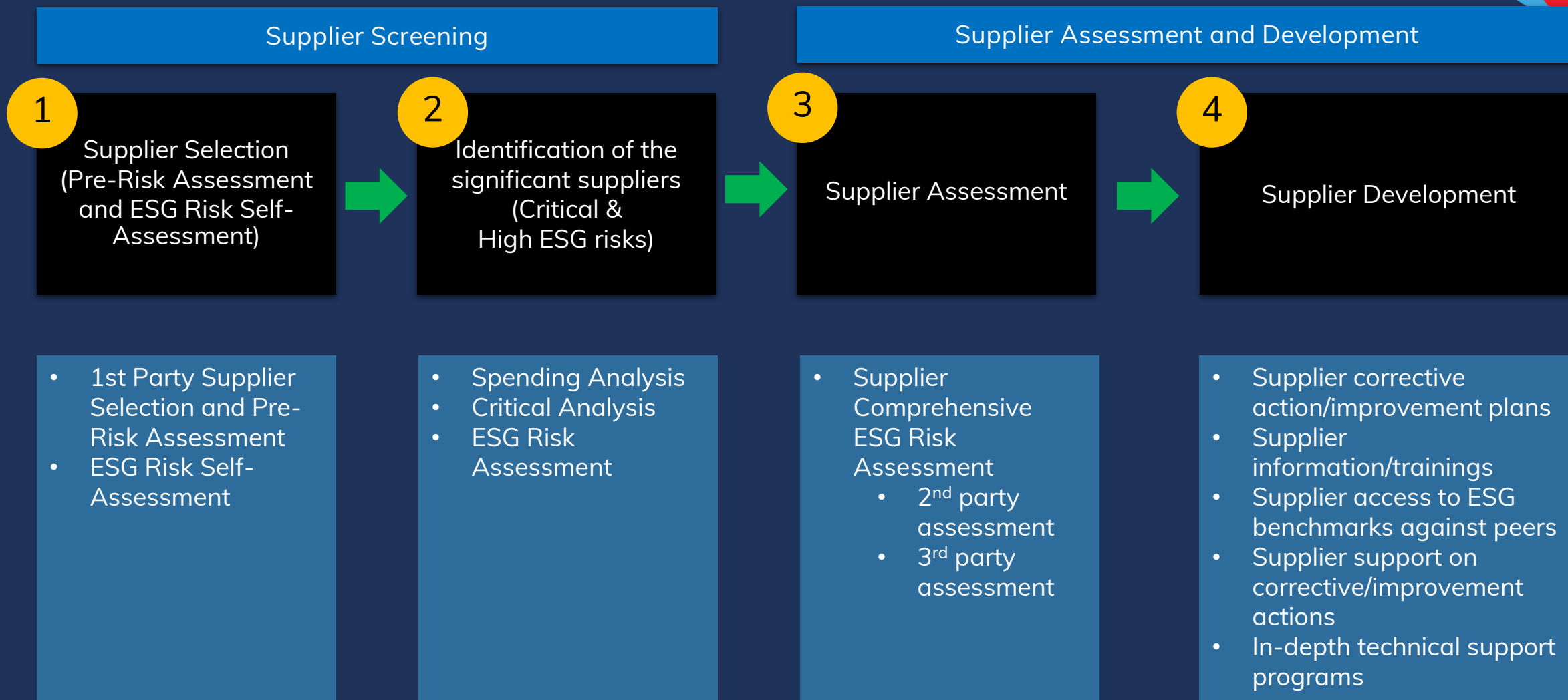
Therefore, the company created the Supplier Sustainable Code of Conduct to communicate the rules which require strict compliance by suppliers. The content of the Supplier Sustainable Code of Conduct ranges from business ethics, human rights, to safety, and environmental management.

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# Supply Chain ESG Risk Management Process

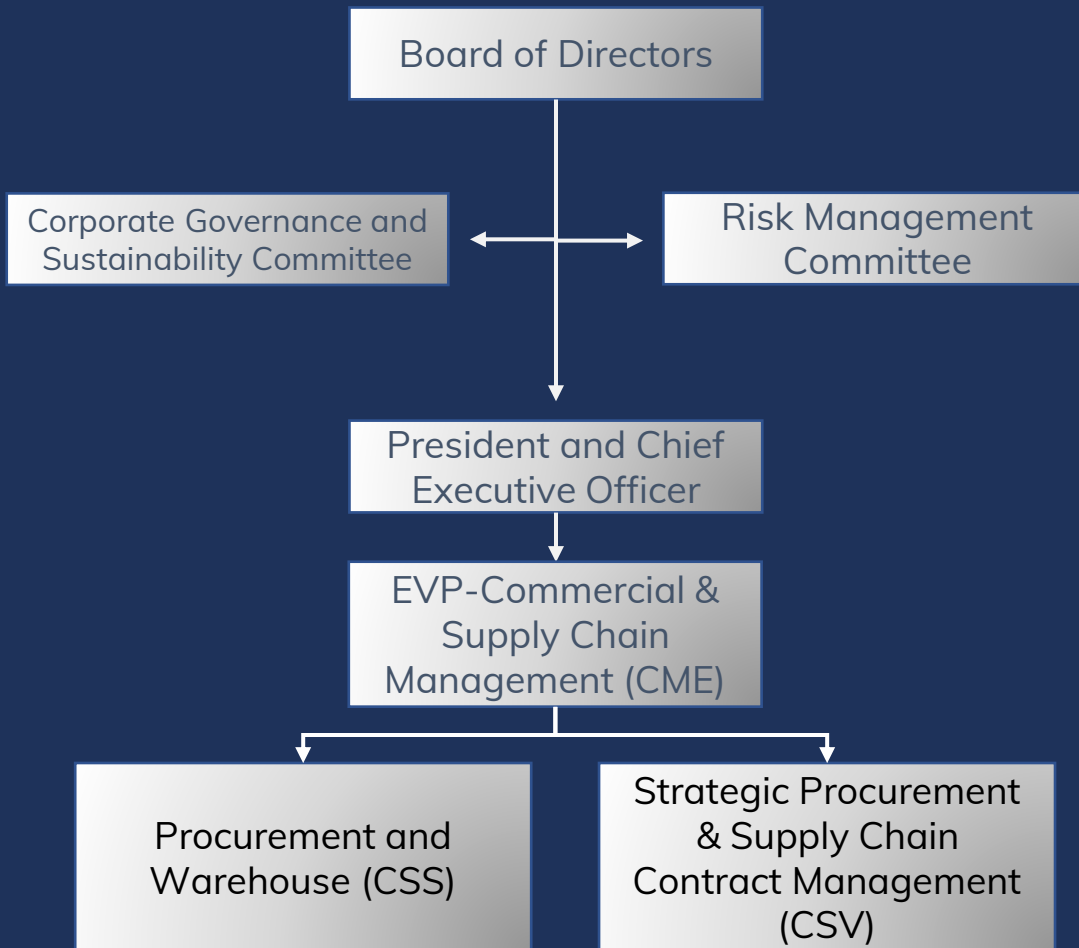


\*The process covers GPSC Group Tier-1 and Non-Tier 1 Suppliers



# Organizational structure – Supply Chain ESG Management

## Implementing supplier ESG program



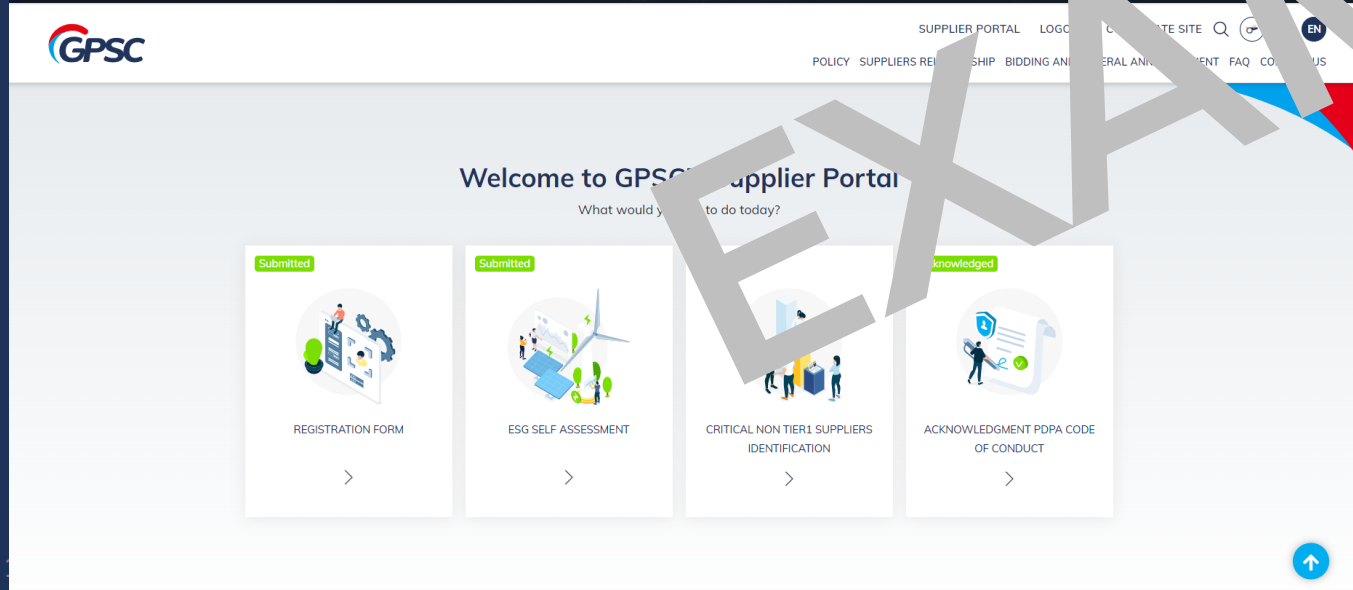
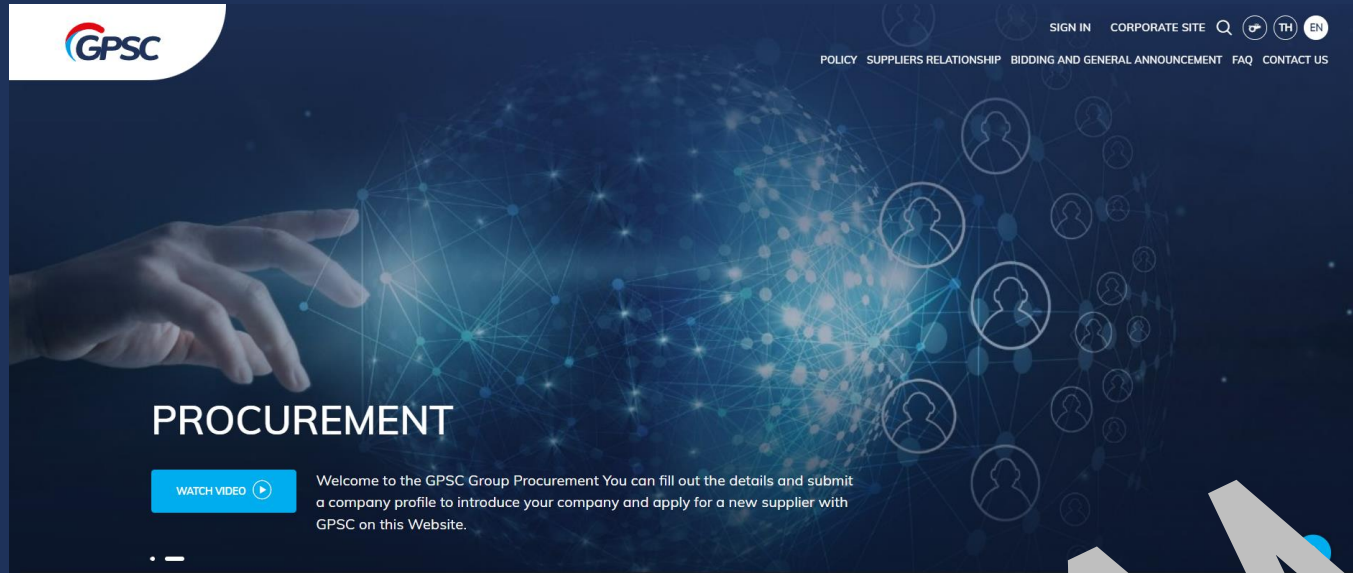
GPSC assigns Board of Directors (BoD) to oversight the overall implementation of the supplier management and supplier ESG program to ensure alignment of vision and implementation which is critical to drive the successful outcomes, and to guarantee maximal priority and focus. Board oversight tasks are delegated to the Corporate Governance and Sustainability Committee as well as Risk Management Committee.

The President and Chief Executive officer (CEO) is responsible to oversee the supplier ESG program implemented under the supervision of EVP-Commercial & Supply Chain Management (CME) and the key responsible function – Strategic Procurement & Supply Chain Contract Management (CSV) and Procurement and Warehouse officer (CSS).

The purchasing practices towards suppliers are also continuously reviewed by CSV&CSS to ensure that the business demands, and expectations are aligned with the GPSC Supplier Code of Conduct, and ESG requirements. After the review process is completed, the progress and results will be reported to CME and higher levels hierarchically.

In 2022, GPSC has implemented the projects improving the purchasing practices to keep aligning with ESG trend and also increasing the procurement efficiency, such as a new ERP and Supplier Portal- please also add more details in the next page]

# Examples of GPSC purchasing practice improvement program 2022 : Supplier Portal



Supplier Registration    Supplier ESG Self-Assessment    GPSC's Critical Non-tier 1 suppliers identification

## SUPPLIER ESG SELF-ASSESSMENT

1 COMPANY POLICY & BUSINESS INTEGRITY    2 SOCIAL RESPONSIBILITY AND SAFETY    3 ENVIRONMENT

### B. Business Integrity

**Business Ethics and Transparency**

B.1 Does the company record and collect documents that are consistent with accounting standards?

☐ 1 There are no records and documents related to the cooperation with GPSC.

☒ 2 There is no systematic storage to collect documents but can show when has requested.

☐ 3 The company has a document that is recorded and collected according to accounting standards.

☐ 4 The company has a system for recording and collecting documents that are transparent and verified according to accounting standards strictly.

B.2 Does the company identify and monitor legal operations related to business?

☐ 1 There is no a method/process for gathering laws related to business.

☐ 2 The company has a method/process for gathering laws related to business.

☐ 3 The company has a method/process for gathering laws related to business and has a person responsible for monitoring and keeping it updated.

☒ 4 The company has a method/process for gathering laws related to business and has a person responsible for monitoring and keeping it updated, including able to list / register laws covering distribution/service Occupational health, safety, and environment.

**Quality Standards**

B.3 Does the company has performance monitoring and review by executives management?

☐ 1 No follow-up of performance and cannot provide information.

☐ 2 The progress of the performance is monitored But doesn't have a record as documented.

☒ 3 The progress of the work is monitored and save the record as a document.

☐ 4 The company has a performance monitoring and performance review are followed by top management covering quality Occupational health and safety And environment Ready to identify problems/development approaches and make a record as a document.

B.4 Does the company's operation comply to a quality management system (ISO 9001) or equivalent, and is it certified according to international standards or not?

☐ 1 There is no quality management system (ISO 9001) operation or equivalent.

☐ 2 The company has an operation according to the quality management system guidelines (ISO 9001) or equivalent. But did not seek certification from outside agencies

☒ 3 The company has a quality management system (ISO 9001) guidelines that are operated or equivalent. And has been certified by a credible agency.

☐ 4 The company has an operation following the quality management system guidelines (ISO 9001) or equivalent. It has been certified by a reliable agency. And can represent a continuous improvement

**Risk Management**

B.5 Does the company have risk assessment associated with the business and set guidelines for action on such risks or not?

# Examples of GPSC purchasing practice improvement program 2022

- GPSC implemented a Supplier Portal in 2022 to enhance procurement practices in supplier management and ESG Risk Screening. The portal was developed as a single platform for supplier data collection, registration and communication including bidding and general announcement.
- Suppliers can register and login to update their information and be able to perform following actions in the portal;
  - Registration and update information
  - Document submission (e.g. company affidavit, Statement, ISO and other certificates etc.)
  - Perform ESG Risk self-assessment.
  - Critical Non-tier 1 identification
  - Understand and acknowledgement of GPSC Sustainable Supplier Code of Conduct
  - Acknowledgement of GPSC terms and conditions
  - Acknowledgement of GPSC practices toward Personal Data Protection Act (PDPA)
  - Evaluate the need of Data Processing Agreement (DPA)
- Supplier registered to Supplier Portal shall pass through the Pre-Qualification Process and get the approval from related parties and automatically interface register to SAP S4Hana; GPSC's New ERP, directly. This step helps shorten the registration process and ensure the completion of information and document.
- The score of ESG Risk self-assessment shall be summarized and downloaded by supplier in which GPSC shall consider the final score as the pre-risk screening score for supplier pre-qualification process

# Training for company's buyers and/or internal stakeholders

Company's purchaser training on Supplier ESG program  
2022

No.	Activity	Timeline	
1	Background & Objective	15 mins	10:00 – 10:15
2	Create google form for all group and Reassign group (if any)	15 mins	10:15 – 10:30
3	Supply Risk Assessment	30 mins	10:30 – 11:00
4	Break	5 mins	11:00 – 11:05
5	Sustainability Risk Assessment	50 mins	11:05 – 11:55
6	Summary	5 min	11:55 – 12:00

GPSC provides an internal workshop as the training for the company's buyers and/or internal stakeholders (called "Purchaser"), prepared by Strategic Procurement and Supply Chain Contract Management (CSV), to make understanding on their roles in the supplier ESG program.

Training Agenda

- Supplier Risk Assessment

The training is conducted based in annual basis to keep updating the supply chain management policy, supplier code of conduct and other relevant procedures.

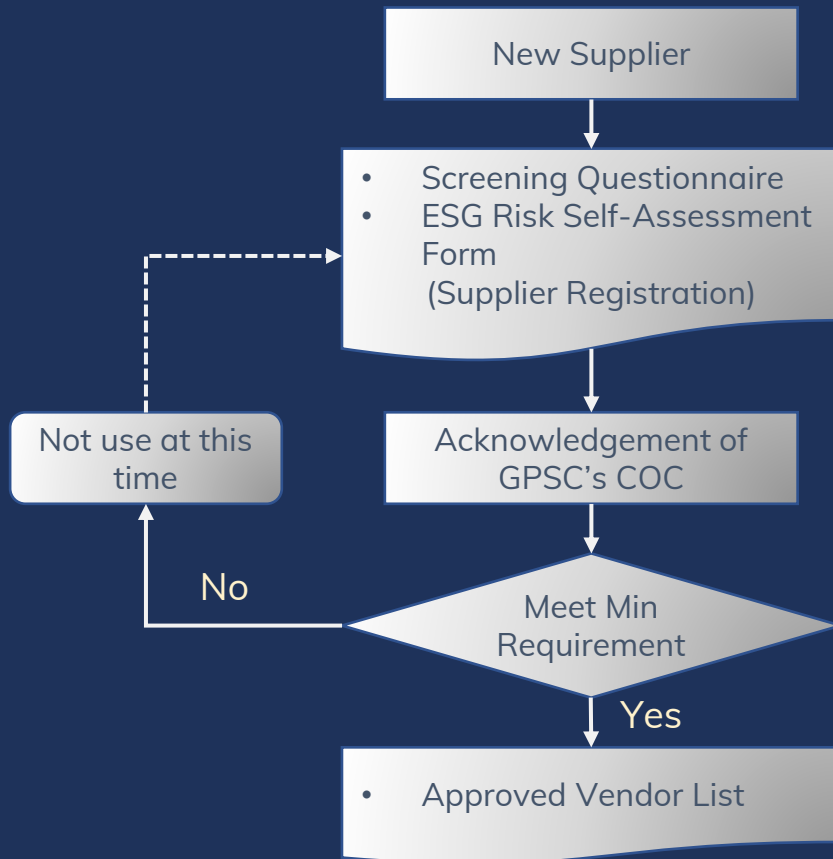
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	• ESG risk assessment	24-30
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# Supplier selection process: overview



GPSC has adopted the system of vendor list and supplier selection to ensure that suppliers deliver products and services that meet the company's requirements. The scope of assessment covers suppliers' capabilities based on GPSC's Criteria laid out in the ESG supplier assessment form (25% ESG weight included\*). Suppliers approved through the supplier selection process will be registered on the Approved Vendor List (AVL) in SAP S4Hana system by GPSC's procurement staff via Supplier Portal interface.

\*See detail of ESG Weight in the next page

# Supplier selection - 1st Party Supplier Selection and Pre-Risk Assessment

GPSC Group evaluates supplier using an evaluation form in the selection process

## 1 1<sup>st</sup> Party Supplier Selection and Pre-Risk Assessment

Criteria	Weight	Type	Description
Business	10	Business and Governance	This section evaluates nature of business including registered capital, company profile, and financial profile
Product	30	Product and service	This section evaluates source of products and services, production and distribution capacities, stock and resource management
Distribution	20	Product and service	This section evaluates internal policy, management standards on OHS issues including safety record, PPE, and quality control
Occupational Health and Safety (OHS)	15	Social	This section evaluates internal policy, management standards on OHS issues including safety record, PPE, and quality control
After sale service & Technical support	15	Product and service	this section evaluates support on after sale service and technical of the business and product warranty
Corporate Social Responsibility (CSR)	10	Social	This section evaluates CSR policy, environmental management system and human rights

Suppliers shall meet a minimum of 70% in order to get approved into GPSC Approved vendor List (AVL)

\*See next page for an example of Supplier Pre-Qualification Form

ชื่อบริษัท : .....		วันที่ประเมิน : .....					
รายละเอียดการพิจารณา - ศักยภาพของบริษัทผู้จัด (โดยภาพรวม)	Weight	คะแนนการ ผ่านที่ 1	คะแนนการ ผ่านที่ 2	คะแนนการ ผ่านที่ 3	คะแนนการ ผ่านที่ 4	หน่วย จัดค่า	Average
1 การประเมินด้านธุรกิจ	10	0	0	0	0	0	0.00
1.1 เงินทุนจดทะเบียน	0						
1.2 เอกสารแนะนำบริษัท (Company Profile) เช่น	0						
1.2.1 ภูมิที่ตั้งของ	0						
1.2.2 ภูมิที่ตั้งจดทะเบียนภาษีมูลค่าเพิ่ม	0						
1.3 ฐานทางการเงิน							
2 การประเมินทางด้านการผลิต / การจัดส่งพัสดุ	30	0	0	0	0	0	0.00
2.1 แหล่งที่มาของวัตถุดิบที่ใช้ในการ	5						
2.2 ความสามารถในการผลิต/จัดส่งพัสดุตามกำหนดเวลา	0						
2.2.1 จำนวนสินค้าคงคลัง/สต็อก มีเพียงพอต่อการ							
2.2.2 จำนวน ค่าแรง และ ค่าใช้จ่ายอื่นที่เกี่ยวข้องกับการ							
2.2.3 ระบบการ							
2.3 แผนการ							
3 การประเมินด้านสิ่งแวดล้อม หรือ	20	0	0	0	0	0	0.00
3.1 การจัดการของเสีย	10						
3.2 การอนุรักษ์พลังงาน	5						
3.3 การอนุรักษ์น้ำ	5						
4 การประเมินด้านความปลอดภัย และ สิ่งแวดล้อม	15	0	0	0	0	0	0.00
4.1 นโยบายและคู่มือความปลอดภัยของบริษัท	3						
4.2 ประกาศนียบัตรรับรองด้านสิ่งแวดล้อม เช่น ISO 14000, ISO 18000 หรืออื่นๆ	2						
4.3 การอบรม จัดประชุม และ การมีส่วนร่วมของพนักงานด้านความปลอดภัย	4						
4.4 บันทึกความปลอดภัย (Safety Record) และ มีการใช้อุปกรณ์ PPE	2						
4.5 ระบบคุณภาพ และ การควบคุมคุณภาพผลิตภัณฑ์	4						
5 การประเมินด้านการให้บริการหลังการขาย/บริการ	15	0	0	0	0	0	0.00
5.1 After sale service & Technical support	10						
5.2 นโยบายการรับประกันสินค้า	5						
6 การประเมินด้านความรับผิดชอบต่อสังคม (CSR)	10	0	0	0	0	0	0.00
6.1 นโยบายการรับผิดชอบต่อสังคม	3						
6.2 ระบบการจัดการด้านสิ่งแวดล้อม	3						
6.3 ด้านสิทธิมนุษยชน	4						
	100						0.00

หมายเหตุ: บริษัทที่ผ่านเกณฑ์การประเมินจะต้องได้คะแนนรวมอย่างน้อย 70 คะแนน

CS-F-0019 Rev.01

อนุมัติโดย: ผู้จัดการส่วนกลางจัดซื้อจัดจ้าง

☐ ไม่อนุมัติ  
☐ อนุมัติ และ ขึ้นทะเบียนผู้จัด GPSC (AVL)

ความเห็นเพิ่มเติม : (กรณีคะแนนไม่ถึง 70 คะแนน แต่มีความเห็นเพิ่มเติมจากผู้จัด GPSC (AVL))

ลงนาม: ..... วันที่: / /

( )

# Example of 1<sup>st</sup> Party Supplier Selection and Pre-Risk Assessment

4 การประเมินด้านอาชีวอนามัย ความปลอดภัย และ สิ่งแวดล้อม	15	0	0	0	0
4.1 นโยบายและคู่มือความปลอดภัยของบริษัท	3				
4.2 ประกาศนียบัตรรับรองด้านสิ่งแวดล้อม เช่น ISO 14000, ISO 18000 หรืออื่นๆ	2				
4.3 การอบรม จัดประชุม และ การมีส่วนร่วมของพนักงานด้านความปลอดภัย	4				
4.4 บันทึกความปลอดภัย (Safety Record) และ มีการใช้อุปกรณ์ PPE	2				
4.5 ระบบคุณภาพ และ การควบคุมคุณภาพผลิตภัณฑ์	4				
5 การประเมินด้านการให้บริการหลังการขาย/บริการ	15				
5.1 After sale service & Technical support	10				
5.2 นโยบายการรับประกันสินค้า	5				
6 การประเมินด้านความรับผิดชอบต่อสังคม (CSR)	10	0	0	0	0
6.1 นโยบายการรับผิดชอบต่อสังคม					
6.2 ระบบการจัดการด้านสิ่งแวดล้อม					
6.3 ด้านสิทธิมนุษยชน	4				

# Supplier selection - ESG Risk Self-Assessment

## 2 ESG Risk Self-Assessment

Suppliers shall complete the ESG Risk Self-Assessment form for GPSC Group on Supplier Portal to pre-screen the ESG Risk level of supplier in the supplier selection process. The ESG Risk Self assessment comprises of 5 main sections. The self scoring level is considered based on the intensity of the ESG implementation in supplier's company

Criteria	Type	Examples of Evaluated Topic
Company System and Policy	Business and Governance	<ul style="list-style-type: none"><li>• Sustainable Development Policy</li><li>• Environmental and Other Issues Communication Policy</li><li>• Privacy Protection and Cybersecurity Policy</li><li>• Anti-corruption, discrimination and harassment Policy</li></ul>
Business Integrity	Business and Governance	<ul style="list-style-type: none"><li>• Business Ethics and Transparency</li><li>• Quality Standards</li><li>• Risk Management</li></ul>
Society	Social	<ul style="list-style-type: none"><li>• Human Rights</li><li>• Labour Relations</li><li>• Social Responsibility</li></ul>
Occupational Health and Safety	Social	<ul style="list-style-type: none"><li>• Occupational Health and Safety</li><li>• Security and Emergency Preparedness</li></ul>
Environment	Environmental	<ul style="list-style-type: none"><li>• Environmental Impact Assessment and Control Measures</li><li>• Work Plans / Projects to Reduce Environmental Impacts</li><li>• Environmental Training for Employees</li><li>• Environmental Performance Data collection</li><li>• Complaints, Lawsuit, or Convictions on Environmental Issues</li></ul>

After self-assessment completed by suppliers, GPSC will review and perform systematic data verification with the selected suppliers in order to validate the submitted information. Suppliers shall provide information upon GPSC request via the following approaches:

- Direct contact – Face to Face interview
- Formal Email
- Interview through online and telephone

# Example of ESG Pre-Risk Self-Assessment Form in Supplier Selection Process

Supplier Registration

Supplier ESG Self-Assessment

GPSC's Critical Non-tier 1 suppliers identification

SUPPLIER ESG SELF-ASSESSMENT

1

2

3

COMPANY POLICY & BUSINESS INTEGRITY

SOCIETY & OCCUPATIONAL HEALTH AND SAFETY

ENVIRONMENT

General Information

Supplier name \*

Tax ID Number \*

Email \*

VAT Branch Number (N.W.20) \*

Website

A. Company Policy

A.1 Does the company has signed the GPSC's Sustainable Code of Conduct ? And communicated and trained executives and employees throughout the organization ?

☐ 1 There is no signing of GPSC Supplier Sustainable Code of Conduct

☒ 2 Signed the GPSC Supplier Sustainable Code of Conduct but has not yet communicated to the employees concerned.

☐ 3 Signed for GPSC Supplier Sustainable Code of Conduct and communicate with relevant employees.

☐ 4 Signed the GPSC Supplier Sustainable Code of Conduct and communicate with relevant employees throughout the organization.

A.2 Does The company has a sustainable development policy ? and KPIs are used in the evaluation according to what metric or not ?

☐ 1 There is no policy that is consistent with documented sustainability.

☐ 2 There is no documented policy consistent with requirements/guidelines for performance indicators throughout the organization.

☐ 3 Have a documented policy with content consistent with sustainable development and communicated to employees throughout the organization

☒ 4 There is a documented policy with content consistent with sustainable development and communicated to employees throughout the organization Along with setting relevant indicators.

A.3 Does The company communicate a safety occupational health and environmental policy ?

☐ 1 There is no environmental policy as a document

☒ 2 There is no safety, Occupational health, and work environmental policies as documents, But there is a campaign/supervision by the supervisor.

☐ 3 Having safety, Occupational health, and work environmental policies as a document and communicating to employees throughout the organization.

☐ 4 Having safety, Occupational health, and work environmental policies as a document with indicators as operational goals, And communicating to employees throughout the organization

SUPPLIER ESG SELF-ASSESSMENT

1

2

3

COMPANY POLICY & BUSINESS INTEGRITY

SOCIETY & OCCUPATIONAL HEALTH AND SAFETY

ENVIRONMENT

B. Business Integrity

Business Ethics and Transparency

B.1 Does the company record and collect documents that are consistent with accounting standards ?

☐ 1 There are no records and documents related to the business operation with GPSC.

☒ 2 There is no systematic process to collect documents but only when has been requested.

☐ 3 The company has a document that is recorded and collected in a transparent system according to the accounting standards.

☐ 4 The company has a systematic process to collect documents that are verified according to accounting standards strictly.

B.2 Does the company identify and monitor legal documents related to business ?

☐ 1 There is no a systematic process for gathering laws related to business.

☐ 2 The company has a systematic process for gathering laws related to business.

☐ 3 The company has a systematic process for gathering laws related to business and has a person responsible for monitoring and keeping it updated.

☐ 4 The company has a systematic process for gathering laws related to business and has a person responsible for monitoring and keeping it updated, including able to list / monitor laws covering distribution/service Occupational health, safety, and environment.

Quality Standards

B.3 Does the company have performance monitoring system by executives management ?

☐ 1 No follow-up performance and cannot provide information.

☐ 2 The progress of the performance is monitored But doesn't have a record as documented.

☐ 3 The progress of the performance is monitored and save the record as a document.

☐ 4 The company has a performance monitoring and performance review are followed by top management covering quality Occupational health and safety And environment Ready to identify problems/development approaches and make a record as a document.

B.4 Does the company's operation comply to a quality management system (ISO 9001) or equivalent, and is it certified according to international standards or not ?

☐ 1 There is no quality management system (ISO 9001) operation or equivalent.

☐ 2 The company has an operation according to the quality management system guidelines (ISO 9001) or equivalent, But did not seek certification from outside agencies

☒ 3 The company has a quality management system (ISO 9001) guidelines that are operated or equivalent, And has been certified by a reliable agency.

☐ 4 The company has an operation following the quality management system guidelines (ISO 9001) or equivalent, It has been certified by a reliable agency, And can represent a continuous improvement

Risk Management

B.5 Does the company have risk assessment associated with the business and set guidelines for action on such risks or not ?

SUPPLIER ESG SELF-ASSESSMENT

1

2

3

COMPANY POLICY & BUSINESS INTEGRITY

SOCIETY & OCCUPATIONAL HEALTH AND SAFETY

ENVIRONMENT

D. Occupational Health and Safety

Occupational Health and safety

D.1 Does the company have a management system for occupational health and safety (SHE) or not ?

☐ 1 No action involved.

☐ 2 There is no system, but there is a lawful practice with relevant documentation.

☐ 3 The company has a management system for occupational health and safety. And has been certified by a credible agency.

☒ 4 The company has a management system for occupational health and safety, It has been certified by a reliable agency, And can represent a continuous improvement

D.2 Does the company have an occupational health risk assessment or not ?

☐ 1 There is no occupational health risk assessment and safety That may occur in performance.

☒ 2 The company has a risk assessment that may occur in performance Covering all activities of the company or have an occupational health plan / activity corresponding to a significant risk.

☐ 3 The company has an assessment of occupational health risks and safety covers all activities that provide service for GPSC.

☐ 4 The company has an assessment of occupational health risks and safety covers all activities of the company and also has an occupational health plan / activities that correspond to significant risks.

D.3 Does the company have designated personnel for occupational health and safety in the company ?

☐ 1 There is no security officer of the company.

☒ 2 The company has a safety officer, But not all positions as required by law.

☐ 3 The company has a safety officer of the company, all positions as required by law And there is an appointment as a document.

☐ 4 The company has a safety officer in every position as required by law, With the announcement of appointment as a document and register with the Provincial Labor Protection and Welfare Office.

D.4 Does the company collect information on occupational health and safety performance ?

☐ 1 No data is collected at all.

☒ 2 No systematic data collection.

☐ 3 The company's information is collected according to law Systematically.

☐ 4 The company's information is collected according to the law systematically and operations are continuously improved.

D.5 Does the company organize an activity to raise awareness about workplace safety for the employees ?

☐ 1 Never have an activity to raise awareness of occupational safety and training for company employees.

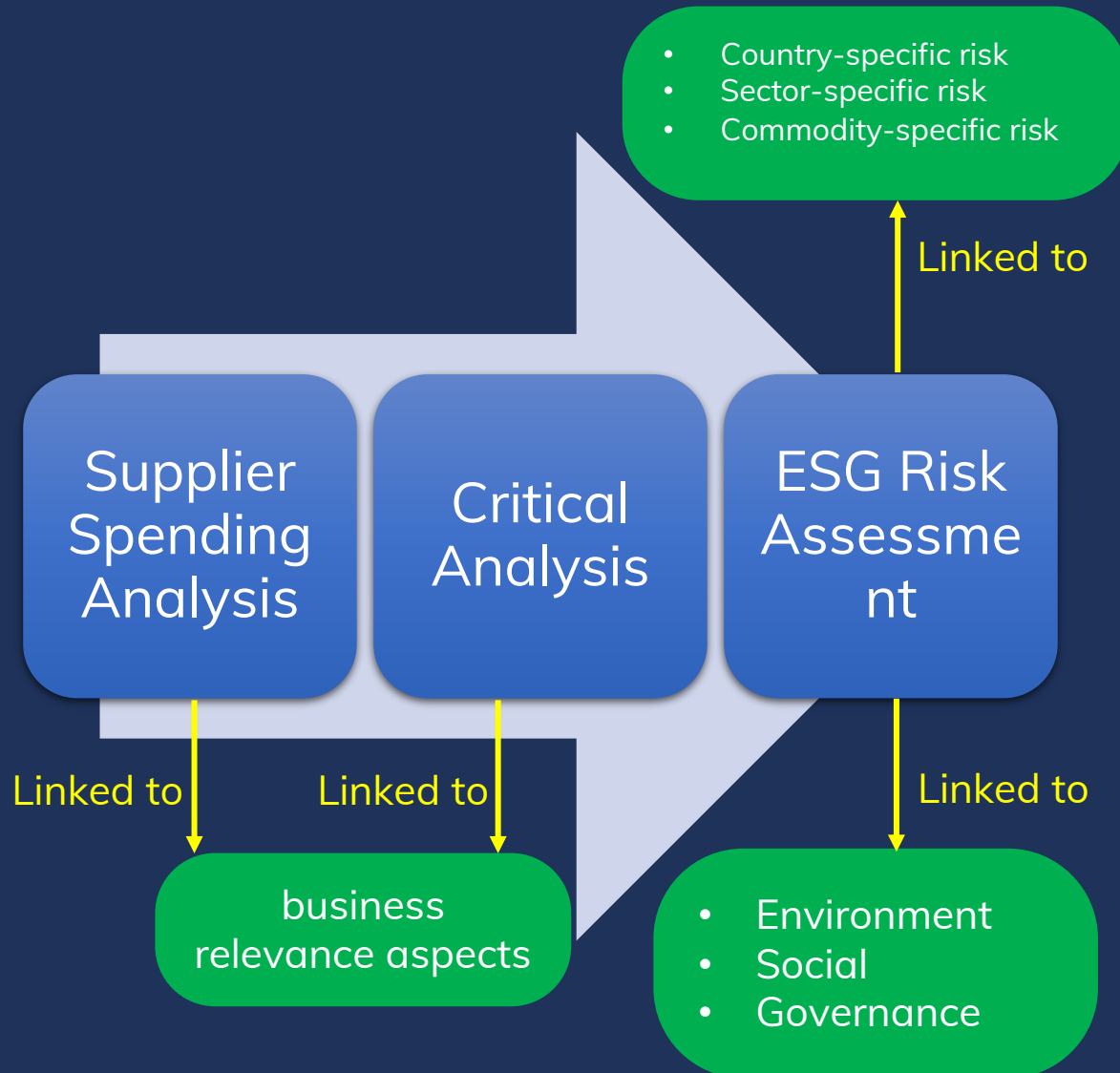
☒ 2 Never organized any activities But arrange for employees to join activities with GPSC.

☐ 3 Organize activities within the company and arrange for employees to join activities.

☐ 4 Organize activities within the company and have a post-activity follow-up system.



# Identification of the significant suppliers: Overview



GPSC Group annually conducts the analysis on supplier spending, Critical Analysis and ESG Risk Assessment to suppliers who are deemed to pose substantial risks of negative ESG impacts or significant business relevance to the company or a combination of both. The analytical results are used as input into formulating appropriate management strategies and mitigation measures

The significant (including critical tier-1 and high ESG risk) suppliers are categorized from comply the following criteria:

1. High expenditure
2. Critical components
3. Non-substitutable
4. Strategic Relationship (Parental Company)
5. High ESG Risk

# Significant supplier (Spending Analysis Results 2022)

No. of Supplier: 1,440 (Y2022)  
2022 Total Spend (MTHB): 82,369

GPSC Group's highest spending suppliers in 2022 were in Feedstock Category

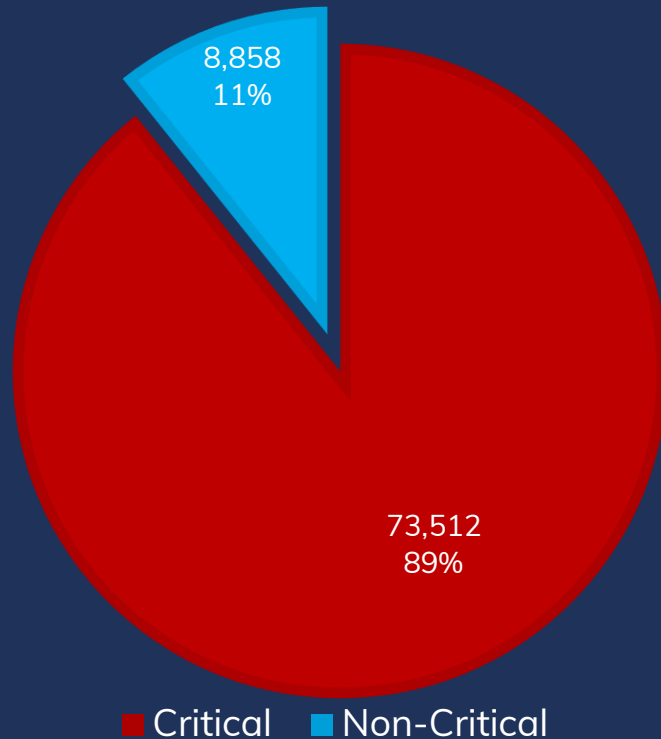
Category	No. of Suppliers	Spend (MTHB)
Raw Material - Gas	2	53,045
Raw Material - Coal & Biomass	6	11,939
Mechanical Equipment	231	3,247
Maintenance service	318	3,118
Construction and Design Service	44	1,186
Raw Material - Water	6	738
Instrument Equipment	137	472
Machinery	56	333
Electrical Equipment	84	278
Process / Production	21	208
Safety	40	71
Admin	17	29
Other Materials	87	4,957
Other Services	392	2,748
Grand Total	1,440	82,369

Country	No. of Supplier	Spend (MTHB)
Thailand	1,331	80,506
Korea	17	701
United Arab Emirates	2	287
Singapore	24	263
Japan	8	160
China	8	116
United States	11	100
Belgium	3	81
Indonesia	3	52
Finland	1	26
USA	12	20
Australia	3	11
United Kingdom	8	8
Taiwan, Province Of China	3	8
Taiwan	1	6
Malaysia	3	4
Germany	3	4
Hong Kong	1	4
Switzerland	1	3
India	2	3
Hungary	1	1
Austria	1	1
Italy	2	1
Scotland	1	1
Netherlands	2	0.8
France	2	0.7
Denmark	1	0.4
Ireland	1	0.3
Egypt	1	0.1
Grand Total	1,440	82,369

# Significant supplier (Spending Analysis Results 2022)

## Critical Category

CRITICAL SUPPLIER SPEND (MTHB)

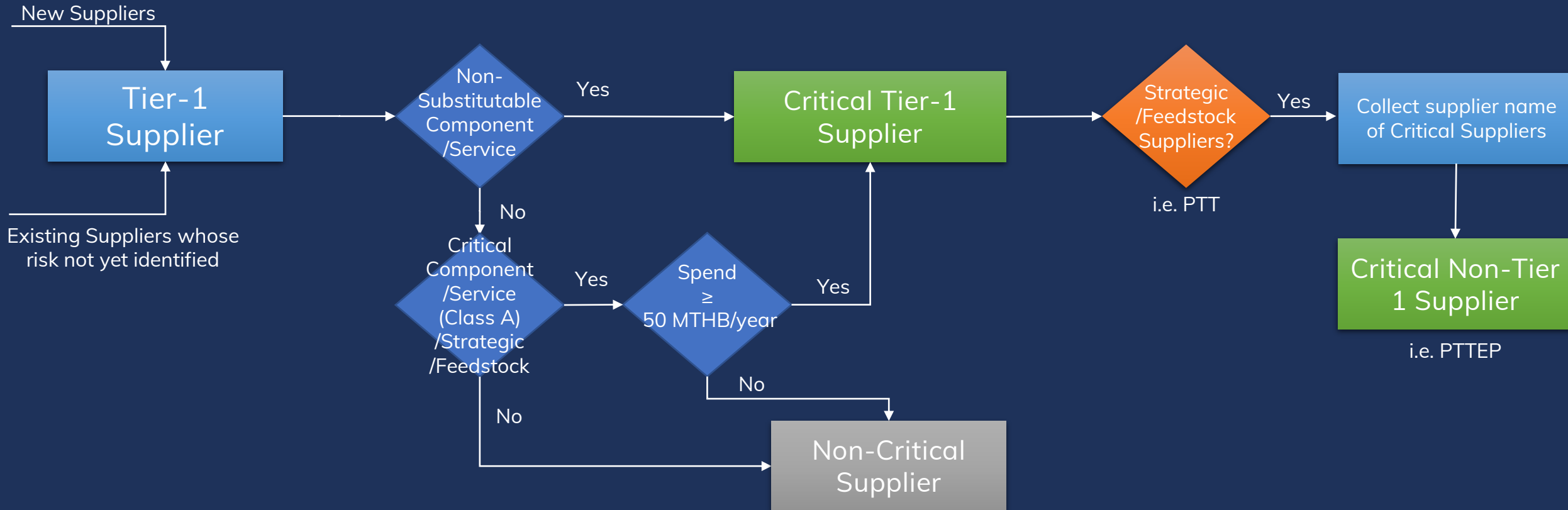


Category	No. of Critical Supplier	% of 2022 Spend
Raw Material - Gas	1	64%
Raw Material - Coal & Biomass	6	14%
Raw Material - Water	5	1%
Mechanical Equipment	5	1%
Maintenance service	10	2%
Construction and Design Service	5	1%
Instrument Equipment	2	0.04%
Machinery	1	0.02%
Electrical Equipment	2	0.03%
Process / Production	7	0.1%
Safety	-	-
Admin	-	-
Other Materials	10	6%
Other Services	9	1%
<b>Grand Total</b>	<b>63</b>	<b>89%</b>

Note: Supplier can supply more than 1 category

# Significant supplier (Critical Analysis)

## Critical Supplier Identification – Work Flow



# Significant supplier (Critical Analysis)

Critical Tier-1 suppliers of GPSC Group refer to those who has high expenditure, are critical components, and non-substitutable to GPSC Group

- **High-Volume spending** and are critical component/service supplier
  - High-volume spending: More than 50 MTHB
- **Critical component suppliers**: such as feedstock suppliers and class “A” component and advanced services
- **Non-substitutable suppliers**: such as advanced construction and engineering and feedstock suppliers
- **Strategic Relationship (Parental Company)** as GPSC Group’s strategy and direction needs to align and comply with parental company’s business strategy

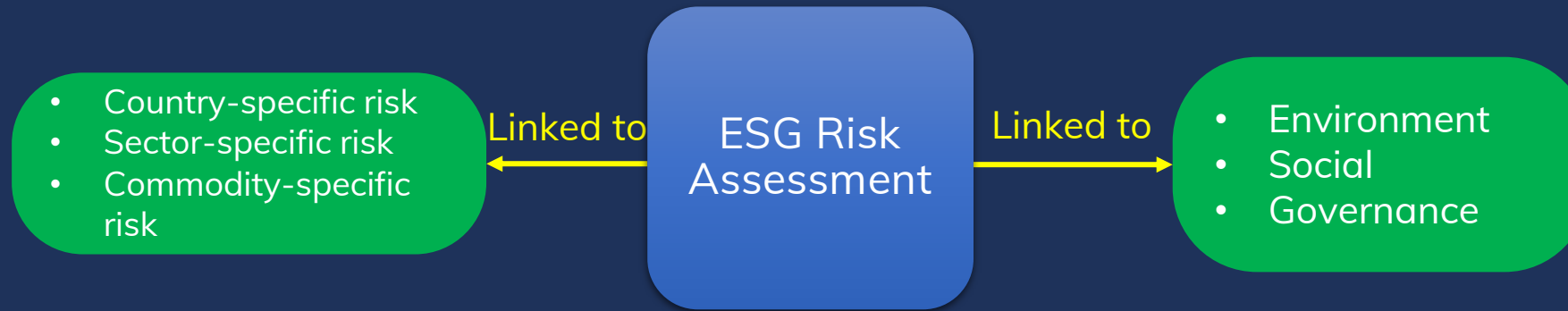
\*GPSC Group defines Critical Non-Tier 1 from strategic suppliers (i.e. parental company) and Feedstock Supplier

Based on analysis of 2022, the critical supplier are summarized below:

Type of supplier	Absolute number of suppliers	Share of total procurement spent(%)
Total tier 1 suppliers	1,440 Non-Fuel : 1,426 Raw Material: 14	100 %
Significant (Critical) tier 1 suppliers	63 Non-Fuel: 51 Raw Material: 12	89% Non-Fuel: 10% Raw Material: 79%
Critical non-tier 1 suppliers	1	-



# ESG risk assessment: High Level Desktop based Supplier ESG Screening



For the ESG risk assessment, GPSC Group conducts the high-level analysis on the Environment, Social and Governance aspect with all the following specific risks separately:

Screening Methodology	Description	Examples of Evaluated Criteria
Country-specific risk:	Risk for negative environmental, social, and governance impacts related to a country's political, social, economic, environmental or regulatory situation.	<ul style="list-style-type: none"> <li>• Risk for natural disaster</li> <li>• Law &amp; Regulations</li> <li>• Geopolitics</li> <li>• Operational Area</li> </ul>
Sector-specific risk	Risk related to supplier distinction/characteristic among the sector	<ul style="list-style-type: none"> <li>• Critical Component</li> <li>• Choice of suppliers in the market</li> <li>• Market share among suppliers</li> <li>• Supply growth rate</li> </ul>
Commodity-specific risk	Risk for negative environmental, social, governance and other specific criteria-related to commodity	<ul style="list-style-type: none"> <li>• Technology alternative/switching</li> <li>• Substitution of products/service</li> <li>• Source of input</li> </ul>

# Example of High-Level Desktop based Supplier ESG Screening

## ESG Risk Assessment by sector-specific risk

## ESG Risk Assessment by country-specific risk

## ESG Risk Assessment by commodity-specific risk

6. 0.2.1 Is the main supplier's operation in the area/region prone to hurricanes, earthquakes, or other natural disasters?

Mark only one oval.

- ☐ 4 - Yes, with history record of major impact resulting in unable to operate for 3 days or more
- ☐ 3 - Yes, with history record of minor impact resulting in unable to operate for less than 3 days
- ☐ 1 - No
- ☐ 0 - Not applicable

7. 0.2.2 Is the supplier in the area/region with different jurisdiction of law with GPSC's Operation?

The country that has strictly law which has huge difference to Thai Law or international standard (i.e. working hour of European countries, US that are strictly controlled. The special permit is required for overtime working, and the countries that require special & different permits or standard from manufacturers). The country that has huge difference in jurisdiction of law from Thailand.

Mark only one oval.

- ☐ 4 - Yes, with significant difference of legal requirement
- ☐ 3 - Yes, with minor difference of legal requirement
- ☐ 1 - No
- ☐ 0 - Not applicable

8. 0.2.3 Is the supplier in the area/region with geopolitical risk?

Geopolitical risk could led to your supply chain in disruption by global political events. The most obvious and high profile are wars and revolutions, where the less dramatic such as protest and boycott which can cause serious consequences for businesses. This geopolitical area/region could mean countries/regions with political instability, struggle for relative power and security, high regionalism, and high nationalism; for examples: Myanmar, Cambodia, North Africa, and Middle East

Mark only one oval.

- ☐ 4 - Yes
- ☐ 1 - No
- ☐ 0 - Not applicable

9. 0.2.4 Are all supplier operation sites in the same region?

Geopolitical risk could led to your supply chain in disruption by global political events. The most obvious and high profile are wars and revolutions, where the less dramatic such as protest and boycott which can cause serious consequences for businesses. This geopolitical area/region could mean countries/regions with political instability, struggle for relative power and security, high regionalism, and high nationalism; for examples: Myanmar, Cambodia, North Africa, and Middle East

Mark only one oval.

- ☐ 4 - There is no other operation site
- ☐ 3 - There are other operation sites in the same area/region
- ☐ 2 - There is 1 operation site with different area/region
- ☐ 1 - There are more than 1 operation site with different area/region
- ☐ 0 - Not applicable

22. 3.2 Are there no alternative technologies provided to products/services?

Mark only one oval.

- ☐ 4 - No alternative technology services provided to products/services
- ☐ 3 - 1 alternative technology services provided to products/services
- ☐ 2 - 2-3 alternatives technology services provided to products/services
- ☐ 1 - There are many alternative technology services provided to products/services
- ☐ 0 - Not applicable

23. 3.3 If these technologies existed, are there high cost to switch to new ones? \*

Mark only one oval.

- ☐ Option 1
- ☐ Option 2
- ☐ Option 3
- ☐ Option 4
- ☐ Option 5

24. 4.1 Are there a limited number of suppliers of inputs?

Mark only one oval.

- ☐ 4 - Only 1 supplier in the market
- ☐ 3 - 2-3 suppliers in the supply market
- ☐ 2 - 4-7 suppliers in the supply market
- ☐ 1 - More than 7 suppliers in the supply market
- ☐ 0 - Not applicable

25. 4.2 Are other sources of inputs generally difficult to access?

Mark only one oval.

- ☐ 4 - Yes
- ☐ 1 - No
- ☐ 0 - Not applicable

5. 0.1.1 Is the supply product a critical component?

Class as per GPSC's definition

Mark only one oval.

- ☐ 4 - Yes, Class A OR Service for Critical Equipment
- ☐ 1 - No, Class B or C OR Material or Service for Critical Equipment
- ☐ 0 - Not applicable

12. 1.1 Are there only few suppliers in the supply market? \*

Mark only one oval.

- ☐ 4 - Only 1 supplier in the market (Monopoly)
- ☐ 3 - 2-3 suppliers in the supply market
- ☐ 2 - 4-7 suppliers in the supply market
- ☐ 1 - More than 7 suppliers in the supply market
- ☐ 0 - Not applicable

13. 1.2 Do a few supplier hold a major market share? \*

Mark only one oval.

- ☐ 4 - Suppliers holding 100% of the market share (Monopoly)
- ☐ 3 - Individual supplier holds between 50-80% of the market share
- ☐ 2 - Supplier holds between 50-30% of the market share
- ☐ 1 - Supplier hold max of 30% of the market share
- ☐ 0 - Not applicable

14. 1.3 What is the growth rate of supply?

Mark only one oval.

- ☐ 4 - Growth rate of supply is 5% or less
- ☐ 3 - Growth rate of supply is from 6-15%
- ☐ 2 - Growth rate of supply is from 16-30%
- ☐ 1 - Growth rate of supply is more than 30%
- ☐ 0 - Not applicable

# ESG risk assessment

Supplier ESG Risk Evaluation is the evaluation of the risk rating of Supply Risk, Sustainability Risk and other Supply Chain Risk such as Strategic Risk, Country/Geographic Risk, Subcontractor Risk, Technology, performed by purchasers using the questionnaire. The questionnaire comprises of following risk issues;



## Questionnaire

- Online Questionnaire (once a year)
- Scoring based on Risk Level, Impact & Likelihood



## Risk Evaluation Result

- Analyze the risk evaluation result
  - Sustainability Risk and Supply Risk analysis
  - Critical Supplier Identification
  - Critical & High Risk Suppliers
  - Supplier Categorization
  - Supplier Classification



## Evaluated by

- Internal Stakeholders (Purchasers)



## Evaluation Methodology

- Review and update risk issues related to SCM
- Training Internal Stakeholder (Purchasers)
- Evaluate using ESG Risk Assessment Form



## Improvement Strategy

- Set-up strategy for Supplier Relationship Management, Supply Chain Management and Supplier ESG Desktop/Comprehensive Assessment

# ESG risk assessment

GPSC Group identify Supplier risk using Supplier Risk Evaluation which comprises of the 3 main risks as follows; Supplier ESG Risk is evaluated in the sustainability risk evaluation section.

Risk		Risk Issue	No. of Questions	Total No. of Questions	Rating Criteria
Supply Risk	1	Competition among suppliers	5	20 Required 17 Optional 4	4 Risk Level • Extreme • High • Medium • Low
	2	Barriers to entry to the market of new suppliers	5		
	3	Substitution products/ Services	3		
	4	Bargaining power of suppliers of inputs	3		
	5	Bargaining power of buyer	4		
Sustainability Risk	6	Economic	3	20 Required 15 Optional 5	Impact & Likelihood • Extreme • High • Medium • Low
	7	Environment	9		
	8	Reputation	6		
	9	Safety	2		
Other Supplier's Risk	10	Strategic Risk	1	8 Required 1 Optional 7	4 Risk Level • Extreme • High • Medium • Low Impact & Likelihood
	11	Country/Geographic Risk	4		
	12	Subcontractor Risk	2		
	13	Technology Risk	1		

# Example of ESG Risk Assessment - Form

No.	Risk Issues	Significant	Options for consideration	Level of Impact					Remarks
				4 - Critical impact	3 - High impact	2 - Normal impact	1 - Low impact	0 - Not applicable	
	<b>Sustainability Risk</b>								
6	<b>Economic</b>								
6.1	<b>Pricing</b> Impact level of that Supplier to GPSC's opportunity/Deliverability/Product Pricing	Required	Option 1	Extremely loss in both GPSC's Financial and Business Opportunity	Highly loss in both GPSC's Financial and Business Opportunity	No GPSC's business or operational interruption but there is some costs	No effects on GPSC's operating cost		
			Option 2	More than 20% reduction in GPSC's Product/Service deliverability	10-20% reduction in GPSC's Product/Service deliverability	5-10% reduction in GPSC's Product/Service deliverability	Less than 5% reduction in GPSC's Product/Service deliverability		
			Option 3	Change in price can resulting in increasing of cost per unit of GPSC's product 10% or more	Change in price can resulting in increasing of cost per unit of GPSC's product between 7-9%	Change in price can resulting in increasing of cost per unit of GPSC's product between 5-6%	Change in price can resulting in increasing of cost per unit of GPSC's product less than 5%		For pricing more than 5,000,000 million baht only
6.2	<b>Project Delay</b> Impact level of that Supplier to GPSC's opportunity/Deliverability/Planned production or output	Required	Option 1	Extremely loss in both GPSC's Financial and Business Opportunity	Highly loss in both GPSC's Financial and Business Opportunity	No GPSC's business or operational interruption but there is some costs	No effects on GPSC's operating cost		
			Option 2	More than 20% reduction in GPSC's Product/Service deliverability	10-20% reduction in GPSC's Product/Service deliverability	5-10% reduction in GPSC's Product/Service deliverability	Less than 5% reduction in GPSC's Product/Service deliverability		
			Option 3	- Project delay of more than 10% of GPSC's planned production - Resulting in 10% or more different in output against GPSC's planned output	- Project delay of between 7-9% of GPSC's planned production - Resulting in 7-9% different in output against GPSC's planned output	- Project delay of between 5-6% of GPSC's planned production - Resulting in 5-6% different in output against GPSC's planned output	- Project delay of less than 5% of GPSC's planned production - Resulting in less than 5% different in output against GPSC's planned output		Should focus only on impact on key GPSC's activity
6.3	<b>Quality</b> Impact level of that Supplier to GPSC's opportunity/Deliverability/Planned Production or output	Required	Option 1	Extremely loss in both GPSC's Financial and Business Opportunity	Highly loss in both GPSC's Financial and Business Opportunity	No GPSC's business or operational interruption but there is some costs	No effects on GPSC's operating cost		
			Option 2	More than 20% reduction in GPSC's Product/Service deliverability	10-20% reduction in GPSC's Product/Service deliverability	5-10% reduction in GPSC's Product/Service deliverability	Less than 5% reduction in GPSC's Product/Service deliverability		
			Option 3	- Project delay of more than 10% of GPSC's planned production - Resulting in 10% or more different in output against GPSC's planned output	- Project delay of between 7-9% of GPSC's planned production - Resulting in 7-9% different in output against GPSC's planned output	- Project delay of between 5-6% of GPSC's planned production - Resulting in 5-6% different in output against GPSC's planned output	- Project delay of less than 5% of GPSC's planned production - Resulting in less than 5% different in output against GPSC's planned output		efficiency
7	<b>Environment</b>								Should focus on some specific industry only
7.1	<b>Air Pollution</b> Impact level of the Material/Service provided by that Supplier to GPSC's Air pollution in terms of damaged/recovery time/law and regulation	Required	Option 1	Damaged area is between 5-10 km from the accident point	Damaged area is less than 5 km from the accident point	Damaged area is only within the operating site	Very slightly effect on damaged area		
			Option 2	1-2 years recovery time	6-12 months recovery time	less than 6 months recovery time	-		
			Option 3	Extremely exceed compliance requirement (laws and regulations)	Warning letter form the government agency	Slightly exceed compliance requirement (laws and regulations)	No effect		
7.2	<b>Greenhouse Gas Emission</b>	Required	Option 1	Unknown status of supplier's management approach to GHG emission AND no disclosure on GHG emission scope 1 & 2	Unknown status of supplier's management approach to GHG emission BUT disclose on GHG emission scope 1 & 2	Supplier's Management approach/system is in place BUT no disclosure on GHG emission scope 1 & 2	Supplier's Management approach/system is in place AND disclose on GHG emission scope 1 & 2		Check supplier website and their sustainability report (publicly available)
7.3	<b>Vibration and Noise Pollution</b> Impact level of the Material/Service provided by that Supplier to GPSC's Vibration and Noise Pollution in terms of damaged/recovery time/law and regulation	Optional	Option 1	Damaged area is between 5-10 km from the accident point	Damaged area is less than 5 km from the accident point	Damaged area is only within the operating site	Very slightly effect on damaged area		
			Option 2	1-2 years recovery time	6-12 months recovery time	less than 6 months recovery time	-		
			Option 3	Extremely exceed compliance requirement (laws and regulations)	Warning letter form the government agency	Slightly exceed compliance requirement (laws and regulations)	No effect		
7.4	<b>Water Consumption and Wastewater Emission</b> Impact level of the Material/Service provided by that Supplier to GPSC's Water Consumption and Wastewater Emission in terms of damaged/recovery time/law and regulation	Required	Option 1	Damaged area is between 5-10 km from the accident point	Damaged area is less than 5 km from the accident point	Damaged area is only within the operating site	Very slightly effect on damaged area		
			Option 2	1-2 years recovery time	6-12 months recovery time	less than 6 months recovery time	-		
			Option 3	Extremely exceed compliance requirement (laws and regulations)	Warning letter form the government agency	Slightly exceed compliance requirement (laws and regulations)	No effect		
7.5	<b>Waste Management</b> Impact level of the Material/Service provided by that Supplier to GPSC's Waste Management in terms of damaged/recovery time/law and regulation	Required	Option 1	Damaged area is between 5-10 km from the accident point	Damaged area is less than 5 km from the accident point	Damaged area is only within the operating site	Very slightly effect on damaged area		
			Option 2	1-2 years recovery time	6-12 months recovery time	less than 6 months recovery time	-		
			Option 3	Extremely exceed compliance requirement (laws and regulations)	Warning letter form the government agency	Slightly exceed compliance requirement (laws and regulations)	No effect		



# ESG risk assessment

Risk Evaluation Result of suppliers shall be used to classified suppliers into groups for Inventory Management, Operational Strategy Set-up and Supplier Relationship Management

Sustainability Risk	Supply Risk			
	E4	E3	E2	E1
	M11	H7	E6	E5
	L14	M12	H9	H8
	L16	L15	M13	H10

The risk rating of suppliers are put into risk matrix to finalize the combined risk of the suppliers for further Supplier Categorization and Classification

Suppliers are categorized into groups based on their risks and expenditures for Inventory Management and operational strategy identification i.e. Sourcing strategy

The risks and expenditures are also used to identify the Relationship that GPSC should have with the supplier i.e. Partnership

# ESG risk assessment

## The identification of high ESG Risk Suppliers

- High ESG Risk Suppliers refer to Supplier who has high risks on ESG issues that can cause significant both financial and non-financial impact on GPSC Group. This includes the following 3 aspects:
  - ❑ Environmental: Air Pollution, Greenhouse Gas Emission, Vibration and Noise Pollution, Water Consumption and wastewater emission, Waste Management, Energy Consumption Management, Biodiversity, Environmentally Friendly materials, and Law and Regulations related to other Environmental issues.
  - ❑ Social: Anti-corruption, Fair Competition of Supplier, Labor Relations, Human Rights, Privacy and Intellectual Property, Impact on Health and Safety including security of surrounding community, Emergency Preparedness, Accident Linked to Environmental and social Impact
  - ❑ Governance: Business Ethics and Integrity, Cybersecurity and privacy protection
- Suppliers who has total sustainability risk score = 4 (High) will consider as High ESG Risk Supplier

Sustainability Risk Level	Total score	Risk Management Measures
Normal	1	• Internal monitoring and assessment • Self ESG-Assessment by supplier
Low	2	
Medium	3	• Internal monitoring and assessment • Self ESG-Assessment by suppliers • Comprehensive ESG-Audit with corrective action plans • External Sustainability Audit • Supplier Performance Follow-up
High	4	

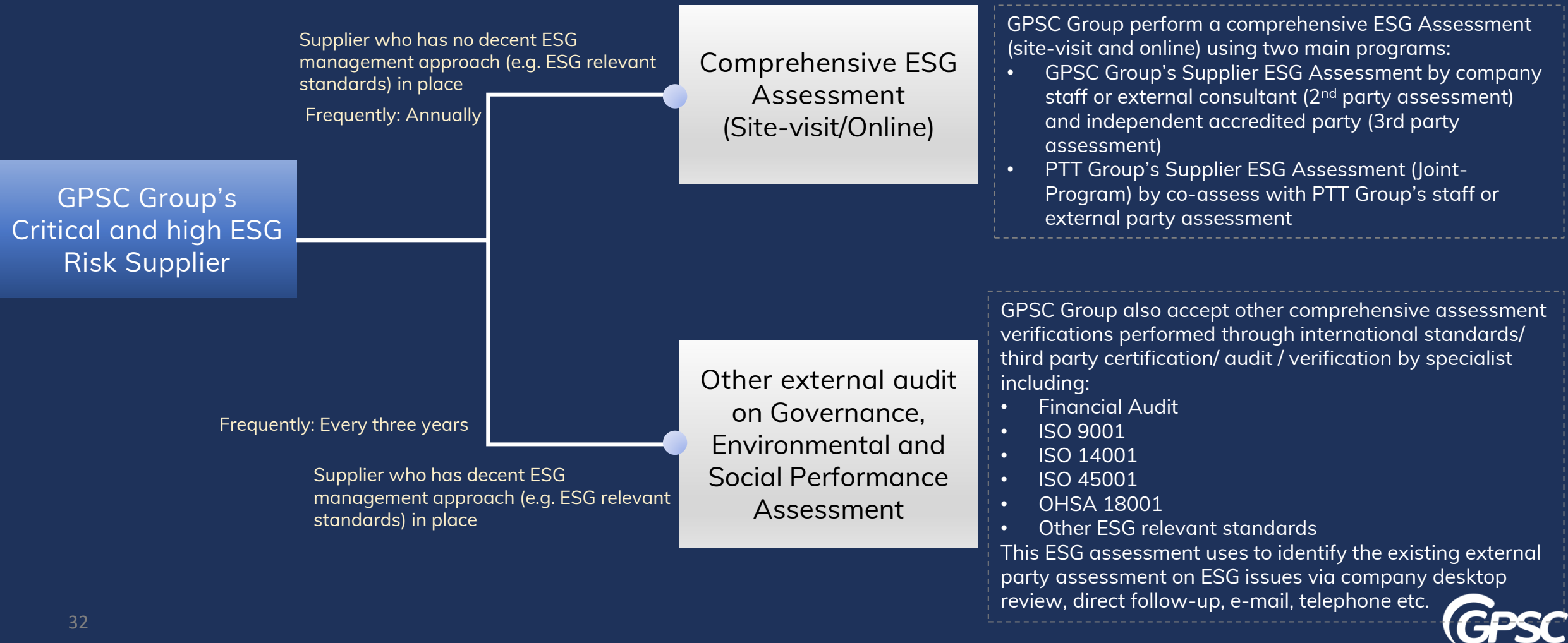
# Content: GPSC supplier ESG Program

No.	Content	Page
1.	Introduction	3-6
2.	Supply Chain ESG Risk Management	8-12
3.	Supplier ESG Screening	14-30
4.	Supplier Assessment and Development	32-48
4.1.	Supplier Assessment	32-38
	• Supplier on-site assessments (2 <sup>nd</sup> and 3 <sup>rd</sup> party assessment) - Comprehensive ESG Risk Assessment	32-38
	• Standards and methodologies for supplier Assessments	34
4.2.	Supplier Development	39-48
	• Supplier corrective action/improvement plans	39-42
	• Supplier information/trainings	43
	• Supplier access to ESG benchmarks against peers	44
	• Supplier support on corrective/improvement actions	45-46
	• In-depth technical support programs	47-48
5.	KPI and Performance for Supplier ESG Programs	50-52



# Supplier on-site assessments (2<sup>nd</sup> and 3<sup>rd</sup> party assessment)

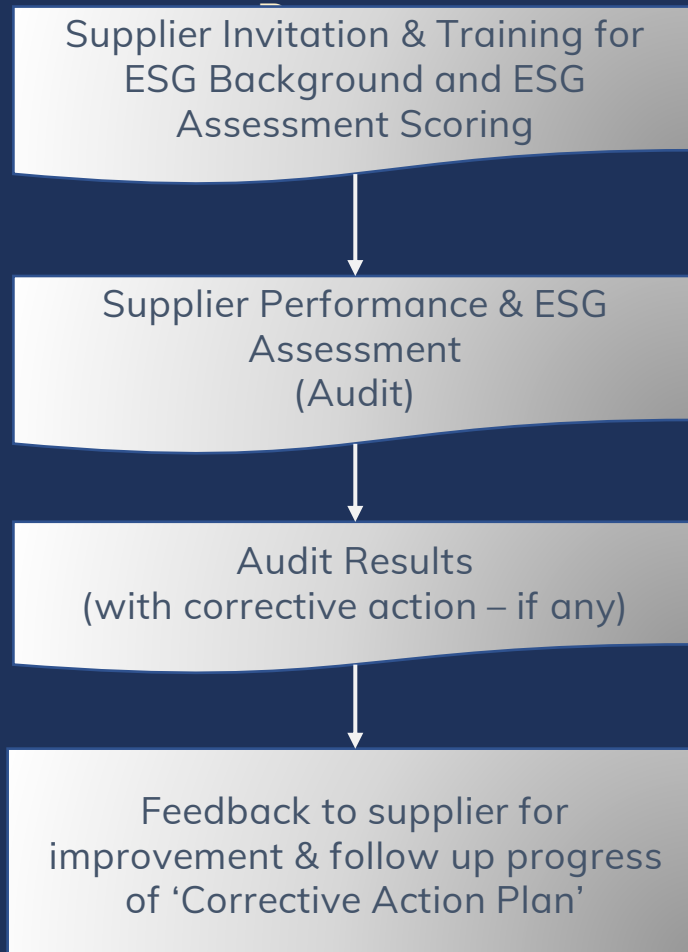
## Supplier Comprehensive ESG Risk Assessment (Methodology)



# Supplier on-site assessments (2<sup>nd</sup> and 3<sup>rd</sup> party assessment)

## Supplier Comprehensive ESG Risk Assessment (Methodology - Site Visit)

### Comprehensive Audit



To support the sustainable development of suppliers, GPSC Group performs a comprehensive company online and on-site to access environmental, social, and governance risks on suppliers. The assessment is carried out purchasing company employees or external consultant (2<sup>nd</sup> party assessment) and independent accredited auditing body (3<sup>rd</sup> party assessment) such as MASCI (Management System Certification Institute(Thailand)) Accredited auditor of ISO Standard, Eco Factory, Green Industry, and KPMG (KPMG Phoomchai Business Advisory Ltd).

The audit results are used as input into identifying solutions or ways to improve suppliers' efficiency and compliance with the Supplier Sustainable Code of Conduct. The details of the minimum audit criteria are as follows:

- Supply Chain Management
- Quality Standard
- Law and Regulation Compliance
- Business Continuity Management
- Supplier Code of Conduct and Anti-Corruption
- OHS
- Environmental Management
- Human Rights
- Emergency Preparedness and Response
- Social Responsibility

Findings, gaps, and recommendations will provided to supplier for improvement to meet GPSC Group's expectation where GPSC Group conducted a monitoring and follow-up based on annual basis

# Standards and methodologies for supplier Assessments

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GPSC adopts and applies multi recognized standard questionnaires for carrying out the comprehensive ESG Assessment. These standards are;

- ISO 26000
- ISO 9001
- ISO14001
- OHSAS18001
- ISO45001
- SA8000/ISO27001
- ISO37001
- ISO22301
- ISO31000
- GRI Standard
- ISO20400
- AA1000

The assessment is performed by the accredited auditors using Evidence-based assessment methodology.



# Supplier on-site assessments (2<sup>nd</sup> and 3<sup>rd</sup> party assessment)

## Score Level and Definition

GPSC Group defines supplier assessment with the full score of 4 where suppliers must earn more or equal to 2.5 point in order to pass GPSC Group's ESG assessment. Suppliers who has score less than 2.5 point will be excluded from Bidding invitation and contracting if they cannot join the improvement program and improve ESG performance to meet higher score within 1 year of improvement. The process ensure that GPSC incorporate ESG performance in suppliers' selection which is to guarantee that sustainability is embedded into supplier selection and contract awarding.

The definition of score level is summarized as follows:

Score Level	Definitions
 3.26 – 4.00 : Excellence	Sustainability practices have been implemented at the excellent level. Monitoring is not required.
 2.51 – 3.25 : Good	Sustainability practices have been implemented at the good level. Improvement can be achieved in some areas but monitoring is not required
 1.00 – 2.50 : Fair	Sustainability practices have been implemented at the fair level. Suppliers must propose plan and timeline to improve performance in environmental, social, and governance area (ESG Corrective Action Plan), which has to be completed within the timeframe.
 ต่ำกว่า 1.00 : Poor	Implementation of sustainability is at the poor level. Supplier must propose a plan and timeline to improve performance in environmental, social, and governance area (ESG Corrective Action Plan) before any bidding can take place.

# Supplier on-site assessments (2<sup>nd</sup> and 3<sup>rd</sup> party assessment)

## Supplier ESG Comprehensive Assessment (Medium Term Plan)

Objective: To migrate SCM risks and creating sustainable value of Supply Chain Management through ESG Risk Evaluation and Assessment Framework

Total Supplier (Fuel & Non-Fuel): ~1,600  
 Critical Supplier & High Risk Supplier: ~60  
 Target to complete 60 suppliers ESG Assessment: Y2024

#	Activity	2021				2022				2023				2024				2025 Onward			
1	Supplier Risk Evaluation by Purchaser									Evaluate on S4Hana											
2	Supplier ESG-Self assessment																				
3	Critical Non-Tier 1 Identification Workshop																				
4	Supplier ESG Assessment																				
5	Follow-up Improvement Plan																				
6	Accumulative Critical Suppliers being Assessed																				

# Supplier on-site assessments (2<sup>nd</sup> and 3<sup>rd</sup> party assessment)

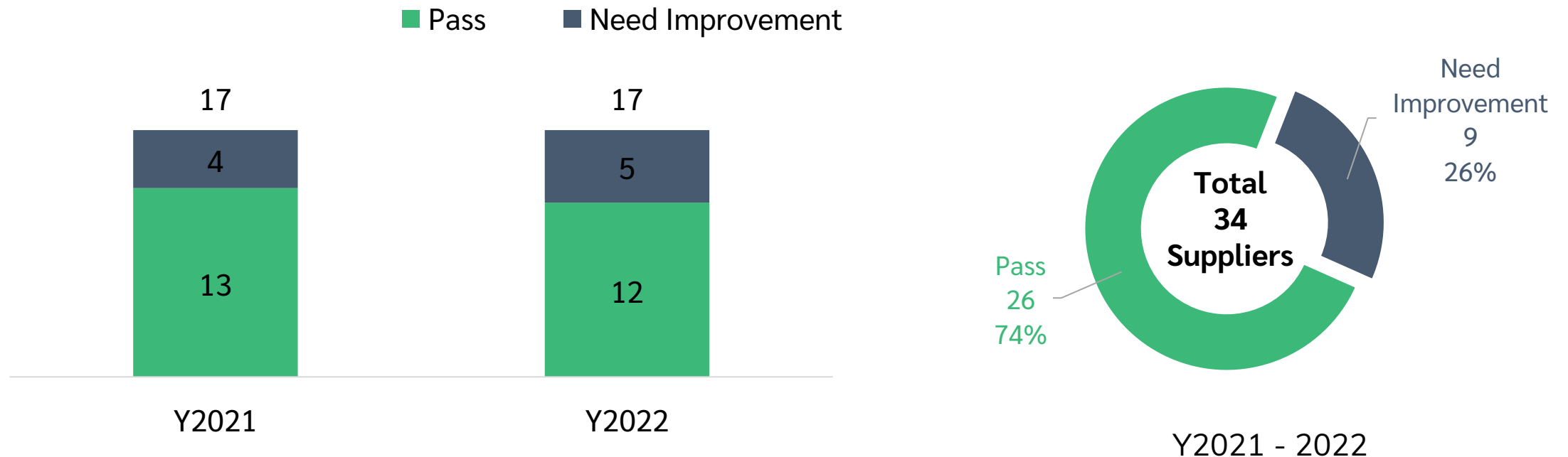
## Supplier ESG Comprehensive Assessment (Result, 2021 – 2022)

### Assessment Result (2021 – 2022)

GPSC Group has done the ESG comprehensive assessment of 34 suppliers in 2021 – 2022. 74% of Assessed suppliers pass the required score of 2.5 points while 26% (9 suppliers) are processed to the improvement program

\*See next slide for Example of ESG Comprehensive Audit Result

Supplier on-site assessments (2<sup>nd</sup> and 3<sup>rd</sup> party assessment) Results



# Supplier on-site assessments (2<sup>nd</sup> and 3<sup>rd</sup> party assessment)

## Example of Supplier ESG Comprehensive Assessment Report

รายงานผลการประเมินด้านความยั่งยืน  
สำหรับคู่ค้าของ GPSC ประจำปี 2564



ชื่อองค์กร

Name of Supplier

ผลของการตรวจประเมิน ณ วันที่ 30 พฤศจิกายน 2564 เวลาที่ตรวจประเมิน 9.00 – 17.00 น.

คณะผู้ตรวจประเมิน	ผู้รับการตรวจประเมิน/ผู้แทน
Auditor team	Supplier's representatives

Summary of supplier ESG assessment results report

การตรวจติดตามผลหลังการประเมิน:

☒ ไม่พบข้อผิดพลาด ☐ ต้องมีการติดตามผล (จะมีการทำการพัฒนาต่อไป)

E. สังเกต

B. ตรวจสอบเอกสาร

C. สัมภาษณ์

รายงานการตรวจประเมิน

ผลการดำเนินงานตามเกณฑ์การประเมินด้านความยั่งยืนของคู่ค้า  
(Supplier ESG Assessment) GPSC

ชื่อองค์กร

Name of Supplier

สรุปผลการประเมิน

1.

2.

Summary of supplier ESG assessment results report

Auditor signature

วันที่

Assessment date

# Supplier corrective action/improvement plans

- The corrective action plan shall be proposed by suppliers who are interested to improve their ESG Performance based on the findings, gaps, and recommendations GPSC Group provided in Supplier Feedback of the assessment result.
- GPSC Groups conducts a monitoring and follow-up based on monthly and quarterly basis by 3rd Party using online assessment.
- Suppliers shall submit their evident of actions via email to GPSC Group to evaluate.
- The advisory service are provided to the suppliers during the improvement program until suppliers reach the expectation score.



## Monitoring and Follow up Process

- Online Assessment
- Monthly and/or Quarterly Basis



## Assessor / Advisor

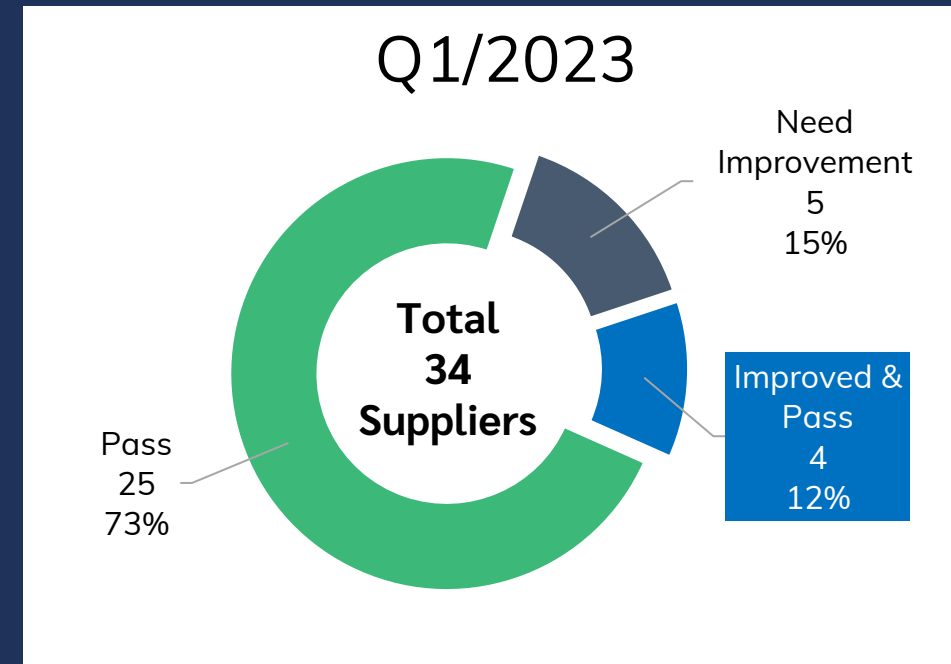
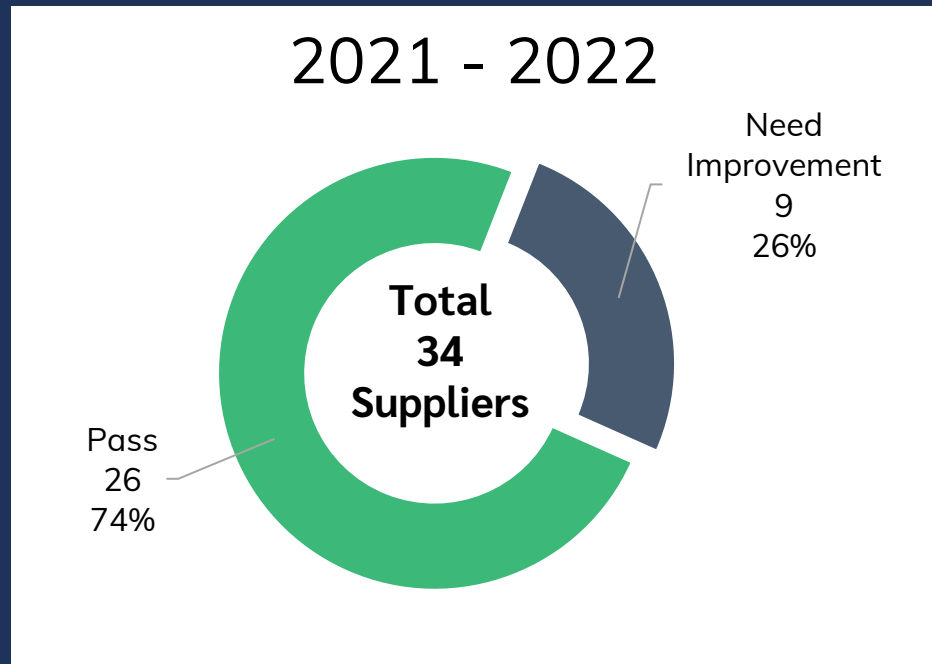
- External Auditor (3rd Party)

# Supplier corrective action/improvement plans

## Updated Result as of Q1 2023

- In 2021 – 2022, all suppliers whose did not meet GPSC's expectation have joined the improvement program (9 Suppliers)
- 44% (4 Suppliers) have improved their score and pass GPSC Group's expectation
- The improvement result is as show below;


*\*See next page for the example of improvement plan and follow-up report*






# Supplier corrective action/improvement plans

## Example of Follow-up Report



แบบฟอร์มแนวทางการแก้ไขและป้องกันความไม่สอดคล้องตาม  
เกณฑ์การประเมินศักยภาพด้านความยั่งยืนของคู่ค้า GPSC



Supplier company

Assessment year

Assessment score

วันที่

Assessment date

บริษัท

คะแนนจากการประเมิน ปี


ผู้ประสานงาน

GPSC coordinator


โทร

Contact information

หมวด	รายการประเมิน	แนวทางการดำเนินการของบริษัท	ผลการติดตาม	การดำเนินการขั้นต่อไป
A.1	Assessment list	Supplier Performance	Assessment Results	Suggestion for improvement
A.2				
A.4				



แบบฟอร์มแนวทางการแก้ไขและป้องกันความไม่สอดคล้องตาม  
เกณฑ์การประเมินศักยภาพด้านความยั่งยืนของคู่ค้า GPSC



หมวด	รายการประเมิน	แนวทางการดำเนินการของบริษัท	ผลการติดตาม	การดำเนินการขั้นต่อไป
C.8				
D.4	Assessment list	Supplier Performance	Assessment Results	Suggestion for improvement
D.5				

# Supplier corrective action/improvement plans

## Example of Supplier Performance Monitoring report

รายงานผลการประเมินด้านความยั่งยืน  
สำหรับคู่ค้าของ GPSC ประจำปี 2564



ชื่อองค์กร

Supplier Name

ผลของการตรวจประเมิน ณ วันที่ 8 ธันวาคม 2564 เวลาที่ตรวจประเมิน 9.00 – 17.00 น.


คณะผู้ตรวจประเมิน	ผู้รับการตรวจประเมิน/ผู้แทน
Auditor team	Supplier's representatives

Summary of supplier ESG assessment results report




การตรวจติดตามผลหลังการประเมิน:

☐ ไม่ต้องการติดตามผล ☒ ต้องการติดตามผล (จะมีการทำการนัดหมายต่อไป)



แบบฟอร์มแนวทางการแก้ไขและป้องกันความไม่สอดคล้องตาม  
เกณฑ์การประเมินศักยภาพด้านความยั่งยืนของคู่ค้า GPSC



Supplier Name

Assessment date

สรุปผลการติดตาม บริษัท

Assessment score

นัดหมายการประชุมติดตามครั้งต่อไป วันที่

ผู้แทนบริษัท

GPSC's representative signature

Date

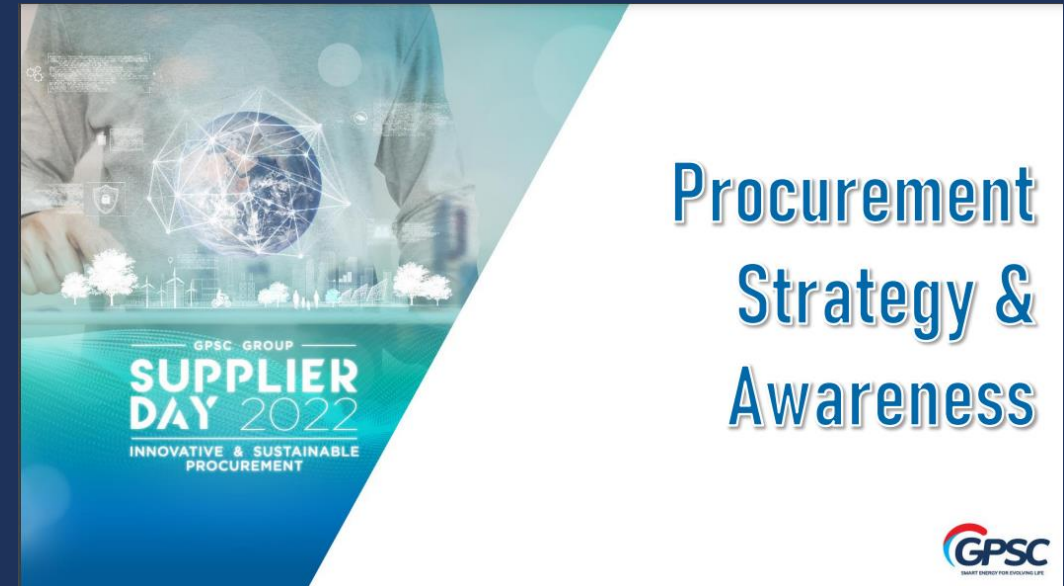
ผู้ติดตาม

GPSC's representative signature

Date

# Supplier information/trainings

GPSC conducts the supplier day for providing information/trainings on company's supplier ESG program, process and requirements. These sessions were conducted on 8 November 2022 with more than 350 suppliers participated through online channel.



# Supplier access to ESG benchmarks against peers

GPSC has developed the peer benchmarking information platform for providing an opened performance information on specific areas and case studies for improving the supplier ESG performance. Moreover, suppliers can request more detailed information form GPSC for the more specific information for more insight.

The screenshot displays an email interface with a header bar indicating the subject is "[EXTERNAL]: RE: ผลการประเมินด้านความยั่งยืนคู่ค้า GPSC ปี 2564 บริษัท GPSC Suppliers". The email is from "Accredited Auditors" to "GPSC Suppliers". The interface includes standard email actions like Reply, Reply All, and Forward, along with a timestamp of "Thu 3/10/2022 8:49 AM".

Below the header, there are two attachments: "GPSC แบบฟอร์มแนวทางการพัฒนา ปรับปรุงการดำเนินการด้านความยั่งยืน.xlsx" (141 KB) and "MMM opp for improvement.xlsx" (47 KB). A follow-up note states: "Follow up. Start by Tuesday, March 29, 2022. Due by Tuesday, March 29, 2022." A prominent yellow warning banner reads: "CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you verify the content is safe."

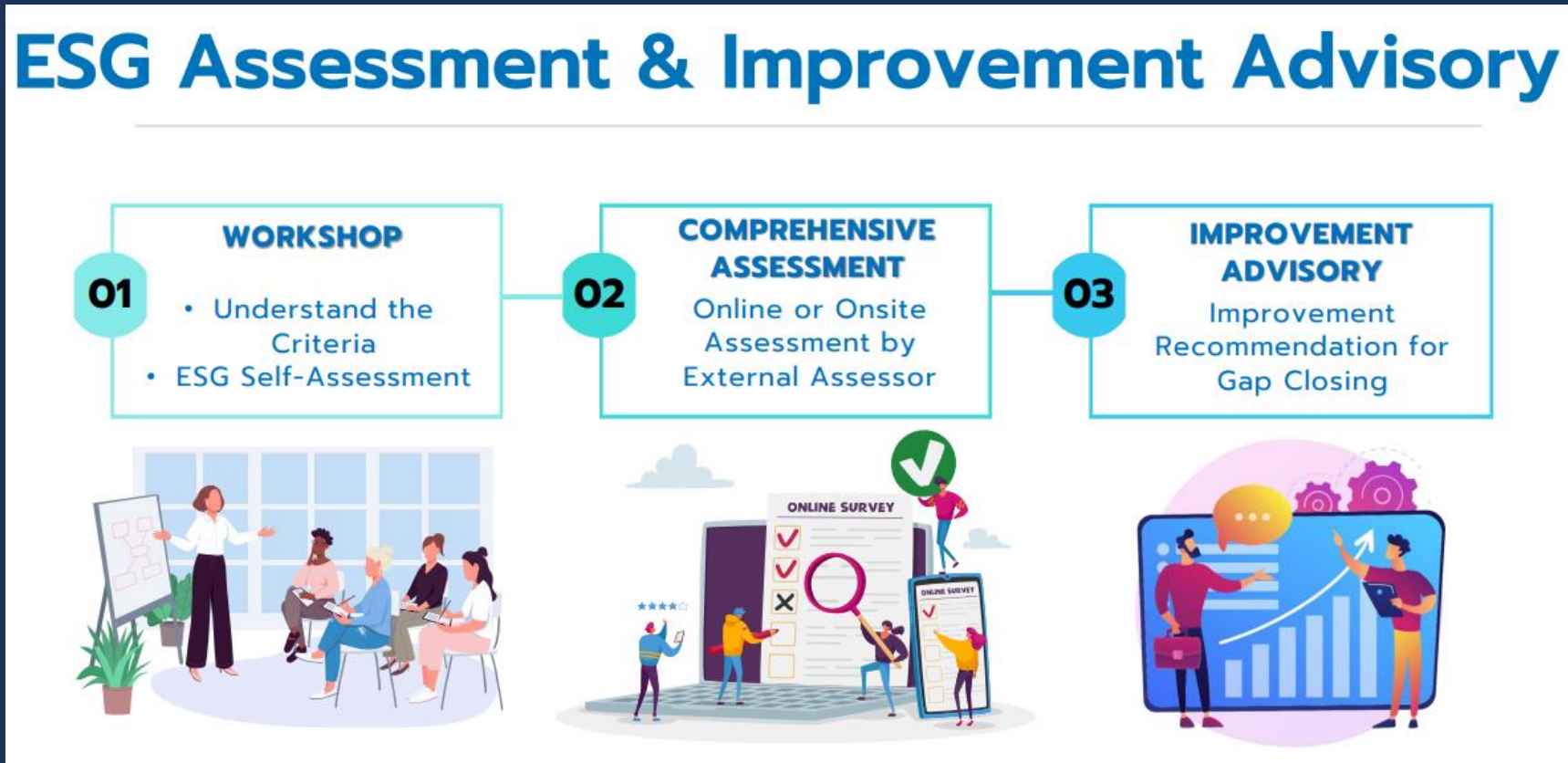
The main body of the email contains a section titled "Supplier's contact person" and a list of bullet points detailing the audit process and benchmarking information. A red box highlights the following links:

- A2. นโยบายการพัฒนาที่ยั่งยืน
  - [https://www.ttcl.com/sustainability/corporate\\_social\\_responsibility/policy](https://www.ttcl.com/sustainability/corporate_social_responsibility/policy)
- A4. นโยบายสิ่งแวดล้อม
  - <https://www.trc-con.com/storage/sustain/cg/20210528-cg-policy-2021-05-28.pdf> (p.21)
- A5. นโยบายรักษาข้อมูลที่เป็นความลับ
  - <https://www.trc-con.com/storage/sustain/cg/20210528-cg-policy-2021-05-28.pdf> (p.23)
  - <https://www.ensysenergy.com/privacy-policy/>
  - <http://www.emc.co.th/index.php/privacy-menu>

A large "EXAMPLE" watermark is overlaid on the email content. To the right, a smaller inset shows a follow-up email from "Accredited Auditors" to "GPSC procurement team" dated "On 02-Dec-22 14:45", which includes the text "Assessor provided example of document to supplier".


# Supplier support on corrective/improvement actions

GPSC supports, both remote and on-site, suppliers on implementation of corrective/improvement actions in term of keeping monitoring their performance and giving feedback for further improvement




# Supplier support on corrective/improvement actions

Example of the supplier support on implementation of corrective/improvement actions



แบบฟอร์มแนวทางการแก้ไขและป้องกันความไม่สอดคล้องตาม  
เกณฑ์การประเมินศักยภาพด้านความยั่งยืนของคู่ค้า GPSC



บริษัท  จำกัด คะแนนจากการประเมิน ปี  = 

ผู้ประสานงาน  โทร

วันที่

หมวด	รายการประเมิน	แนวทางการดำเนินการของบริษัท	ผลการติดตาม	การดำเนินการขั้นต่อไป
A.1	Assessment list	Supplier Performance		
A.2			Assessment Result	Suggestion for improvement
A.4				



# In-depth technical support programs

GPSC regularly provides in-depth technical support programs to build capacity and ESG performance for suppliers, such as occupational health and safety (OHS) training for supplier and contractor who have to work in the operation site with the expectation to Zero incident at work that GPSC places the issue at the key priority.

In 2022, several in-depth technical support programs were delivered to the selected suppliers to raise knowledge on the following topics with more than 350 suppliers joined in the sessions:

- Quality, Security, Safety Health and Environment
- Corporate Cyber Security Awareness
- Sustainability and Climate Change



# In-depth technical support programs

GPSC also encourages and supports suppliers to apply for Green Industry (GI) Level 1-2 Certification through the medium-term program (5 years). Selected group suppliers shall be invited to join the program based on the type of their products and services, and their ESG risk level. The objective of the program is to support suppliers in continuous improvement and enhance the sustainable development of suppliers. The definition of GI Level 1 and 2 are as follows;

GI Level 1 Green Commitment : Commitment demonstrated by policy, goals and action plans to reduce environmental impacts, and effective organizational internal communication

GI Level 2 Green Activity: Activities in compliance with policy, goals and plans which have been set to reduce substantially environmental impacts as commitment states

No.	Activity	2022	2023	2024	2025	2026	2027
1	Supplier Selection and Grouping						
2	Support Suppliers to achieve GI L1 Certification with all PTT Group						
3	Support Suppliers to achieve GI L2 Certification						
3.1	Supplier Selection						
3.2	Supplier GI2 Training by accredited consultant (GI2 Importance, benefit and application methodology)						
3.3	Implementing Period (supplier arrange plans and update progress)						
3.4	Consulting Period and Document Review						
3.5	Suppliers apply for GI L2 Certification						
4	Annual Summary						

# Content: GPSC supplier ESG Program

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2.	Supply Chain ESG Risk Management	8-12
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5.2.	KPIs for Supplier Assessment and Development	51-52
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	• KPIs for Suppliers with Corrective Action Plans • KPIs for Suppliers in Capacity Building Programs	52



# KPIs for Supplier Screening

KPIs for Supplier Screening		2022
1.1 Total number of Tier-1 suppliers		1,440
1.2 Total number of significant suppliers in Tier-1		63
1.3 % of total spend on significant suppliers in Tier-1		89%
1.4 Total number of significant suppliers in non Tier-1		1
1.5 Total number of significant suppliers (Tier-1 and non Tier-1)		64

## Notes:

significant suppliers includes suppliers who are classified as critical, high ESG risk suppliers or both

# KPIs for Supplier Assessment and Development (1/2)

KPIs for Supplier Assessment	Performance 2022	Target 2022
1.1 Total number of suppliers assessed via desk assessments/ on-site assessments*	64 (100%)	64 (100%)
1.2 % of significant suppliers assessed	100%	100%
1.3 Number of suppliers assessed with substantial actual/ potential negative impacts	5	5
1.4 % of suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	100%	100%
1.5 Number of suppliers with substantial actual/potential negative impacts that were terminated	0	0

Notes: \* For suppliers which were identified as significant in the supplier screening process.

# KPIs for Supplier Assessment and Development (2/2)

KPIs for Suppliers with Corrective Action Plans	Performance 2022	Target 2022
2.1 Total number of suppliers supported in corrective action plan implementation*	5	5
2.2. % of suppliers assessed with substantial actual/potential negative impacts supported in corrective action plan implementation	100%	100%
KPIs for Suppliers in Capacity Building Programs	Performance 2022	Target 2022
3.1 Total number of suppliers in capacity building programs*	64	100%
3.2 % of significant suppliers in capacity building programs	100%	100%

Notes: \* For suppliers which were identified as significant in the supplier screening process.



THANK YOU

