

POLICY				
Sustainable Supply Chain				
Document Number:	Revision:	Date:	Page	Authorized by:  Chief Executive Officer
BPP-AEM-PO-013	00	27 September 2019	1 of 3	
Department: Asset Management				

Introduction:

Supply chain sustainability is the management of environmental, social and economic impacts and the encouragement of good governance practices, throughout the supply chain of goods and services. This provides to meet long-term value creation, in economic, social, ethical and environmental terms, with regard to Banpu Power's vision and mission. In addition, this make confidence to ensure compliance with law and regulations and support international principles for sustainable business conduct, for instance, the United Nations Global Compacts (UNGC).

Policy Objective:

This policy aims to ensure that supply chain of Banpu Power and its subsidiaries are managed in order to create sustainable value to all stakeholders.

Policy Scope:

This policy shall be integrated and applied to Banpu Power and its subsidiaries which Banpu Power has management control. Moreover, this policy should be promoted to our joint ventures and throughout supply chain.

Definitions:

- Procurement means activities of acquiring goods or services from suppliers, including sourcing, purchasing, negotiating and acquisition.
- Supplier means organization or person that provides a product or service used in the supply chain of the Company; for example, vendor, contractor, subcontractor, consultant, manufacturer, primary producer, and broker.
- Supplier Code of Conduct is the basic commitments that the Company requires from its suppliers.

POLICY				
Sustainable Supply Chain				
Document Number:	Revision:	Date:	Page	Authorized by:  Chief Executive Officer
BPP-AEM-PO-013	00	27 September 2019	2 of 3	
Department: Asset Management				

- Supplier Due Diligence is the process which the Company proactively identify, assess, prevent, mitigate and account for how its suppliers address their actual and potential adverse impact. The supplier due diligence is also a part of decision-making and risk management process.

Policy Statement / Principles:

At Banpu Power, we commit to creating long-term sustainable value to all stakeholders, with emphasis on care for environmental and society. To achieve our missions, we reinforce sustainability across the supply chain as follows:

- Integrate environmental, social and governance (ESG) objectives into our supply chain strategy and other supply chain related policies to leverage opportunities and mitigate risks arising throughout our supply chain;
- Conduct Supplier ESG Due Diligence to ensure that sustainability risks in the supply chain are identified and properly managed;
- Conduct procurement transparently in accordance with Corporate Code of Conduct;
- Engage with supplier who conduct business adhering to ethical, social and environmental responsibility, with the respect for human rights, and being aligned with our Supplier Code of Conduct and other related policies;
- Ensure that our suppliers are complied with all local regulatory requirements as well as international labor standards (where applicable);
- Support local procurement in every country where we operate;
- Encourage our suppliers to extend our sustainability practices across their supply chain through continuous improvement and process innovation; and
- Publicly disclose sustainability performance of our supply chain on a regular basis to related stakeholders.

POLICY				
Sustainable Supply Chain				
Document Number:	Revision:	Date:	Page	Authorized by:  Chief Executive Officer
BPP-AEM-PO-013	00	27 September 2019	3 of 3	
Department:				
Asset Management				

In implementing this policy, Banpu Power shall establish measurable key performance indicators and then monitor performance regularly in order to ensure that this policy's goals and targets will be practically achieved. HSEC Corporate would conduct Quality Assurance Review (QAR) with country in every operations once in every two years.

Responsibility:

- Management in all levels must hold accountability and take leadership in deploying this policy.
- Management in each country shall review/develop local related policy which aligns with this corporate policy by coordinating with HSEC Corporate.
- Every function related to the activities of acquiring goods or services shall review/develop local related standards or procedures to ensure its compliance with this corporate policy.
- Every employee is expected to extend the awareness and recognition of this policy to our business partners across the supply chain.

Reference:

Banpu Sustainable Supply Chain Policy

