



## 9. INTERNAL CONTROLS AND CONNECTED TRANSACTIONS

### 9.1 Internal control

#### Summary of the Board of Directors' opinion on the Company's internal control system

At the Board of Directors' Meeting No. 1/2026 held on 19 February 2026, the Board considered the Company's internal control system evaluation based on the assessment form prescribed by the SEC, which had been reviewed by the Audit Committee at its Meeting No. 1/2026 held on 18 February 2026. Both bodies expressed consistent views that the Company's internal control system, as a whole, is adequate and appropriate, and provides reasonable assurance regarding the accuracy and reliability of the Company's and its subsidiaries' consolidated financial statements as of 31 December 2025. In this regard, the Company has established and maintained an internal control system to provide reasonable assurance that accounting records are accurate, complete, and sufficient to safeguard the assets of the Company and its subsidiaries.

#### 9.1.1 Adequacy and appropriateness of the internal control system

The Company's internal control system : - COSO - Integrated Internal Control Framework

##### **COSO – Integrated Internal Control Framework**

True is committed to maintaining high standards of internal control by adopting the COSO Integrated Internal Control Framework to support the achievement of the Company's mission, strategy, and business objectives. This ensures that internal control activities are adequate, efficient, and effective across the following five components:

##### **1. Control Environment**

True fosters a corporate culture driven by integrity and ethics, ensuring business operations comply with laws, organizational objectives, and goals. The Company has established a clear Corporate Governance Policy, Code of Conduct, and Anti-Corruption measures as guidelines for directors, executives, and employees. These policies are communicated via internal portal and training programs to ensure their understanding and strict compliance across the organization. In addition, the Company has clearly defined the responsibilities and roles of management and employees at each level, which are linked to the performance evaluation system and disciplinary governance, to support compliance with the Company's principles of good corporate governance.

True has established an organizational structure that supports proper Segregation of Duties and define authority to ensure effective Checks and Balances. True operates under the Three Lines of Defense model to ensure that relevant risks are appropriately managed and controlled, consisting of:



- First Line of Defense (Operating Units): as risk owners who are responsible for assessing and managing risks, as well as establishing internal control processes to prevent and mitigate potential impacts.
- Second Line of Defense (Governance Units): such as Enterprise Risk Management (ERM), Compliance and Monitoring, and other related functions. They define policies, provide advisory services, and monitor risk management activities performed by the Operating Units who are risk owners.
- Third Line of Defense (Internal Audit): an independent audit unit that reports directly to the Audit Committee.

Furthermore, True promotes a culture of transparency by encouraging employees and external stakeholders to participate in oversight through the "Integrity Hotline". This secure and confidential whistleblowing channel serves as a vital tool for risk management and elevating the organization's governance standards.

## **2. Risk Assessment**

True is committed to provide systematic risk management to support operations in achieving organizational goals, as well as to prevent and mitigate potential impacts from any events or situations, by considering both internal and external environments that are constantly changing.

True has adopted ISO 31000 (an international standard that defines principles and guidelines for risk management), along with COSO ERM 2017 (Enterprise Risk Management), focusing on integrating risk management with strategic planning and emphasizes its implementation in daily operations across the organization. The Company has established policies and guidelines relevant to risk management and communicated to all executives and employees for acknowledgement. Furthermore, these policies and guidelines are regularly reviewed and updated to remain responsive to the changing business environment.

## **3. Control Activities**

True prioritizes robust internal control processes to manage risks that could negatively impact the achievement of organizational goals. The Company has established written policies and procedures for risk management and internal control, with operational guidelines applicable to key functional areas, including finance, procurement, vendor management, and personal data protection. These are communicated to all employees to ensure that the measures set by management to mitigate risks are appropriately implemented.

Additionally, True has clearly defined the authority and approval frameworks for each management level through the Delegation of Authority Policy, approved by the Board of Directors to ensure transparency and operational efficiency.

To support effective and appropriate controls tailored to the specific nature of each business unit, all employees participate in the control process based on the Three Lines of Defense model.



The Operating Units (first line of defense) are responsible for defining and implementing control measures to manage risks and keep their impacts aligned with the organization's risk appetite. The control measures include Preventive Controls and Detective Controls which are designed to suit the environment and specific nature of each workflow. They incorporate a clear Segregation of Duties and a blend of Automated Controls and Manual Controls to ensure that internal controls are applied appropriately alongside operations. To ensure effectiveness, these operations are oversighted and supported by the Governance Units (second line of defense), which provide advisory services and ongoing monitoring, while the Internal Audit (third line of defense) independently evaluates the adequacy of these controls and reports periodically to the Audit Committee.

#### **4. Information & Communication**

True places great importance on communicating information that is accurate, complete, timely, and sufficient to support decision-making of shareholders, the Board of Directors, executives, employees, and other relevant stakeholders. The Company prioritizes developing efficient information systems and communication channels, both internal and external, including controls over access to critical information and the appropriate storage of documents in compliance with legal requirements.

True ensures transparent and systematic information management. Meeting invitations, supporting documents, and minutes of Board of Directors or Shareholders' meetings (as applicable) are timely distributed to relevant parties within appropriate timeframes as required by law. Key reports and information presented during meetings are thoroughly prepared and verified to ensure completeness and accuracy.

For internal communication, True provides systematic and accessible channels for employees at all levels to be able to access essential information relevant to their responsibilities, such as internal portals (OneTrue Page, Success Factor), messaging and meeting platform (Microsoft Team), email, and SMS. There is an internal communication unit supporting these efforts to ensure they are systematic, effective, and comprehensive.

Furthermore, True provides clear and comprehensive communication channels for external stakeholders through the corporate website and Annual Report. Dedicated units are assigned to communicate information across various aspects to ensure that all disclosed information is accurate, complete, transparent, and in compliance with legal requirements.

Regarding whistleblowing, True provides the "Integrity Hotline" for employees, vendors, and all stakeholders to report legal violations, unethical behavior the breaches the governance principles, or suspicious behavior related to corruption. All reported information will be kept strictly confidential, and whistleblowers will be protected from retaliation or punishment.



True maintains a commitment to developing and implementing information systems with adequate security controls to support internal and external communication. The Company places great importance on controlling and preventing unauthorized access to data while supporting systematic and reliable data management processes. Furthermore, True regularly provides training on cybersecurity and the appropriate use of personal data to ensure that employees possess the necessary knowledge and skills to use information systems appropriately, safely, and effectively.

## **5. Monitoring Activities**

True conducts Ongoing Monitoring to evaluate the adequacy and effectiveness of internal controls performed by management. This allows the Company to identify control deficiency or emerging risks, and take corrective actions in a timely manner. Additionally, periodic evaluations are conducted by Internal Audit Department or Internal Control Department to ensure that the company's control systems remain adequate, effective, and adaptable to a constantly changing environment.

Regarding Deficiency Management, the Company provides reports detailing all reported or detected internal control issues. These reports specify remediation measures and implementation timelines, with management accountable for implementing these improvements and reporting the progress of the resolutions. In addition, the results of the assessments, including areas for improvement, are reported to the Audit Committee and senior management in accordance with mandated reporting requirements.

Furthermore, True conducts Ethics Compliance Monitoring by fostering understanding and awareness of its Code of Conduct among the Board of Directors, executives, and all employees through continuous training and internal communication. The Company maintains oversight to ensure that all personnel strictly adhere to company's Code of Conduct and avoid behaviors that could lead to conflicts of interest or violations of laws and regulations.

### **9.1.2 Deficiencies in the Internal Control System**

	2023	2024	2025
Total number of deficiencies in the internal control system (cases)	-	-	-

### **9.1.3 The Audit Committee's opinion and auditor's observations on internal control**

Does the Audit Committee hold a view on internal control that differs from that of the Board of Directors? : No

Does the external auditor have any observations regarding the Company's internal control? : No



### 9.1.4 Internal Audit

The Internal Audit Department is tasked with providing independent and objective assurance and consulting services to add value and improve the operations of the Company. It helps the Company achieve its objectives by assessing and enhancing the effectiveness of risk management, internal control, and governance processes in a systematic and organized manner, with a focus on aligning operations with the Company's long-term strategic goals. This ensures that audits remain relevant and create long-term value for the organization.

The Internal Audit Department operates independently from management and reports directly to the Audit Committee regarding internal audit activities. Its objectives, authority, responsibilities, and those of the head of the department are clearly defined in the charter. The department adheres to internal auditing standards in line with global professional auditing guidelines, as well as the requirements of the Information Systems Audit and the Company's internal auditing procedures.

The Internal Audit department prepares a flexible annual audit plan, which is assessed based on the business strategy direction and key risks that could impact the Company's operations, as well as management concerns. The annual plan is reviewed and approved by the Audit Committee and the Board of Directors. In addition to executing the approved audit plan, the Internal Audit Department also performs special tasks as requested by management or the Audit Committee, ensuring that all activities are conducted with Integrity, independence, and transparency.

Under the annual audit plan, the Internal Audit Department will assess and review potential risks, evaluate the adequacy and effectiveness of internal controls, and report significant deficiencies, non-compliance with regulations, and recommendations for improving processes. The department follows up on these matters to ensure management takes corrective actions based on the department's suggestions, including those from external auditors. The Audit Committee will receive regular reports on the audit findings, the progress of corrective actions by management, and the ongoing activities of the Internal Audit Department.

To enhance operational efficiency, the Internal Audit Department leverages modern technologies, such as data analytics and automated audit management systems, to improve accuracy and increase overall operational effectiveness. The department also emphasizes continuous training and development of personnel to strengthen expertise and readiness in tackling new challenges, including audits related to Environmental, Social, and Governance (ESG) factors, which are increasingly critical in today's business environment.

For effective communication of audit results, the Internal Audit Department has established clear and efficient reporting channels and processes to ensure management can take appropriate and effective corrective actions. Additionally, the department helps build confidence among the Board of Directors, shareholders, and other stakeholders regarding governance and risk management practices.



To ensure the quality of internal audit work meets international professional standards and complies with the department's charter, regular quality assessments are conducted. The results of these assessments are reported to the Audit Committee and the Board of Directors.

Furthermore, the Internal Audit Department has established clear Key Performance Indicators (KPIs) to measure its success, focusing on the execution of the audit plan, compliance with recommendations, and the results of internal quality evaluations.

### **9.1.5 Head of Internal Audit**

The Company has appointed Miss Warunya Chenpitayaton as the Head of the Internal Audit. The Head of Internal Audit is suitable to perform such duties for right qualification, and complied with relevant requirements of education, work experience and training.

The appointment, transfer, and dismissal of the Head of Internal Audit shall be approved by the Audit Committee.



## 9.2 Connected Transactions

9.2.1 - 9.2.2 Names of Groups or Persons with Potential Conflicts, Nature of Relationship, and Transaction Information

### Persons/Entities with Potential Conflicts

Name of Person or Entity / Nature of Business	Nature of Relationship	Information as of date
Charoen Pokphand Group of companies (CPG) / investment business in import and distribution of chemicals and providing academic technical services.	CPG Group is a major shareholder of the Company. The CPG Group holds total shares equal to 29.72% of the Company's total issued shares and paid-up shares of the Company	Refer to the list of shareholders as at 18 November 2025
Telenor ASA and subsidiaries (TelenorGroup) / Holding Company	Telenor Group is the major shareholder of the Company. Telenor Group holds 30.30% of the Company's total issued shares and paid-up shares of the Company	Refer to the list of shareholders as at 18 November 2025



True Group carried out the connected transaction for the year ended 31 December 2025, the significant connected transaction are as follows:

Company Name	Details of transactions	for the year ended 31 December 2025 (Baht million)	Rationale and necessity
1. Charoen Pokphand Group of companies (CPG)	- Sales of mobile handset and accessories	8,368.33	True Group has entered into sales of mobile handset and accessories agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Office rental and related services	292.36	True Group has entered into office rental and related services agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Activities sponsorship	103.75	True Group has entered into activities sponsorship agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Digital Data Network services	826.67	True Group has entered into Digital Data Network services agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Mobile services	1,931.15	True Group has entered into mobile services agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- IoT Solution Service	355.45	True Group has entered into IoT Solution Service agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Other services	394.03	True Group has entered into services agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.



Company Name	Details of transactions	for the year ended 31 December 2025 (Baht million)	Rationale and necessity
	- Office rental and related services expense	1,181.46	The transactions arose in ordinary course of business at the rate of Baht 200 – 220 per square metre per month for rental and Baht 220 – 520 per square metre per month for service. The maturity is normally in the year and is allowed to be renewed.
	- Management fee	54.96	True Group has entered into management fee agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Vehicle rental and related services	110.76	True Group has entered into vehicle rental agreement with CP Group. The transactions arose in ordinary course of business at the rate of Baht 15,000 per unit per month. The maturity is normally 3 years.
	- Training	75.46	True Group has entered into training agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Commission from refill card and other service	105.30	True Group has entered into commission agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Collection agent fee	547.51	True Group has entered into collection agent agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Advertising and Marketing expenses	145.26	True Group has entered into advertising and marketing agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.



Company Name	Details of transactions	for the year ended 31 December 2025 (Baht million)	Rationale and necessity
	- Equipment installation fee and related services	78.19	True Group has entered into equipment installation fee agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Repair and maintenance network	1,781.50	True Group has entered into repair and maintenance network agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Internet server rental	1,265.28	True Group has entered into internet server rental agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Outsource services	16.36	True Group has entered into outsource services agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Warehouse service and logistics	101.17	True Group has entered into warehouse service and logistics agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Commission	2,090.60	True Group has entered into commission service agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Network services	942.42	True Group has entered into network service agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- IOT	24.30	True Group has entered into IOT agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.



Company Name	Details of transactions	for the year ended 31 December 2025 (Baht million)	Rationale and necessity
	- Computer system services and maintenance fee	237.29	True Group has entered into computer system services agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Other service expense	293.98	True Group has entered into service agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Loyalty program	56.91	True Group has entered into loyalty program agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Bulk SMS	16.90	True Group has entered into bulk sms agreement with CP Group. The transactions arose in ordinary course of business that the Company proposed to the third party.
	- Receivable	14,555.78	
	- Payable	3,719.08	
2. Telenor ASA and subsidiaries (TelenorGroup)	- Revenue from international roaming service	42.25	During the operational process, Telenor provides secondments with appropriate experience and capacity as requested by the Company to jointly manage the business operations for the best interest of shareholders by charging an applicable service fee. The Company's Internal Audit Department submitted the opinion on this matter to the Audit Committee. The Audit Committee reviewed the Management's justification regarding the necessity, consider edits reasonableness, and approved the transaction.
	- Revenue from interconnection	13.51	
	- Fees to Telenor under a service agreement	306.47	
	- Software and system maintenance fee	35.03	
	- International roaming costs	0.22	



Company Name	Details of transactions	for the year ended 31 December 2025 (Baht million)	Rationale and necessity
	- Interconnection costs	102.02	Revenue from mobile phone service arose from the mobile phone services charged to Telenor Asia (ROH) Co., Ltd., the office of which locates in Thailand.
	- Receivable	39.36	
	- Payable	407.80	Revenue from international roaming service arose from the usage of Telenor subsidiaries' customers who traveled to Thailand and used the roaming service on dtac's network. The fee was charged in accordance with the agreement.
			Revenue from and cost of interconnection, including cost of international signaling and international internet transit service, arose from the interconnection between True Group and Telenor Global Services AS. True Group purchased computer software and made annual maintenance contract to improve operational efficiency of the Company.

### The Audit Committee's opinion concerning the entering into related party transaction

The Audit Committee reviewed related party transactions and management's reports on related party transactions or transactions that could result in conflicts of interest with the Company. The Audit Committee considered that such transactions were subject to general commercial conditions. They were appropriate in the best interest of the Company and complied with the rules of the Capital Market Supervisory Board and the regulations of SET. In addition to the regular review of related party transactions, the Audit Committee has directed an independent external firm to conduct a related party transactions process improvement and redesign to strengthen the control and monitoring process, thereby ensuring continuous adherence to the related party transaction rules and regulations.



## Measures and Procedures for Approving the Entering into of Related Party Transactions

The Company including its subsidiaries are obligated to comply with Section 89/12 of the Securities and Exchange Act B.E. 2535 and later amendments regarding transactions to be entered into between the Company or its subsidiaries and the Company's Related Persons ("Related Party Transaction").

To comply with the aforesaid law, the Board of Directors Meeting No. 1/2023, which was held on 1 March 2023 and the Board of Directors Meeting No. 3/2025, which was held on 9 May 2025, passed a resolution to approve these "Rules", including the Approval-in-Principle of the normal business transactions and the supporting normal business transactions with General Commercial Conditions, The key summary is as follows:

- (a) the sales, purchases, rent/lease, and leasing of telecommunications equipment and its associated equipment (e.g., cable, generator, electronic data capture, modems, circuit-switches systems, routers, etc.);
- (b) the sales, purchases, rent/lease of telecommunication products and its associated products (e.g., phone kits, SIM cards, SIM card packages and starter kits, e-refill products, refill vouchers, device accessories, modems, circuit-switches systems, routers, etc.);
- (c) the sales, purchases, rent/lease of air time for broadcasting;
- (d) the provision and obtaining of services of the following and similar services:
  - (i) telecommunications services;
  - (ii) telecommunications and broadcasting related maintenance services;
  - (iii) content provider access services;
  - (iv) point(s) of interconnection and international telecommunication services;
  - (v) international roaming services and connectivity services;
  - (vi) business services and management services (including the obtaining of intellectual property rights);
  - (vii) distribution or other services rendered (e.g., the distribution of e-refill products, etc.);
  - (viii) services and development services for solution, robotics, automation, artificial intelligence, software, application, website, information technology system, etc.;
  - (ix) consultancy, advisory, training, research and development services;
  - (x) advertisement, production and publication services;
  - (xi) co-location, data center, cloud and managed services;
  - (xii) outsourcing and professional services;
  - (xiii) products and services from strategic business partners
  - (xiv) call center services;
  - (xv) logistics related services;
  - (xvi) online payment, e-payment, payment gateway services, etc.;
  - (xvii) agent appointment services (e.g., distributors, partners, payment agents, etc.); and
  - (xviii) importation and custom clearance services
- (e) the acquiring and granting of rights (including any intellectual property rights) in relation to contents, program, events, shows, series, etc., for broadcast distribution and transmission and in relation to solution, software, application, platform, website, etc.;



- (f) the rental of circuits, assets and properties of the following and similar products:
  - (i) high speed leased circuit, cable, Wifi, etc.;
  - (ii) immovable properties (e.g., land, office space, space, furniture associated with space, warehouses, base stations, cell sites, etc.) and facility services not exceeding three-year period; and
  - (iii) movable properties (e.g., car, furniture, etc.)
- (g) the provision and obtaining of marketing campaign and co-marketing campaign (e.g., sale and purchase of points, point exchange program, revenue sharing basis, etc.);
- (h) the provision and maintenance of telecommunications services including, inter alia, point(s) of interconnection and cost sharing for international telecommunication services;
- (i) the procurement of products, services and/or contracts which are necessary and/or expedient to support the business operations of the Company or its subsidiaries (including, inter alia, insurance protection, etc.);
- (j) the provision or the obtaining of such other equipment, products and/or services which are incidental to or in connection with the provision or obtaining of equipment, products and/or services in sub-paragraphs (a) to (i) above;
- (k) any amendments of aforesaid agreements where a new scope of work is added or the fee is changed or the term is extended or renewed, is subject to the procedures for approving connected party transaction.

The Company has also implemented the following procedures for approving related party transaction in accordance with scopes of transactions that have been approved by the Board of Directors:

- (a) where the value of a transaction is not more than THB 50 million, the transaction will be reviewed and approved at the CXO level in the Company as set out in the Authority Matrix;
- (b) where the value of a transaction exceeds THB 50 million but is not more than THB 100 million, the transaction will be reviewed and approved by the Company's Group CEO as set out in the Authority Matrix;
- (c) where the value of a transaction exceeds THB 100 million, the transaction will be reviewed by the Audit Committee and approved by the Board of Directors.

Sponsorships to related persons shall never be considered as Normal Business Transactions or Supporting Normal Business Transactions.

#### Policy for Future Related Party Transactions

With regard to future related party transactions, the Company anticipates engaging in such transactions within the scope of its normal business transaction and the supporting normal business transaction between the Company and its subsidiaries. These transactions will be conducted in accordance with the good corporate governance policy of the Company, the Rules of Entering into Related Party Transaction as well as all relevant regulations. Any related party transaction requiring the Board of Directors' approval will first be submitted to the Audit Committee for consideration and review before being proposed to the Board of Directors for approval.