



# **Charter of the Board of Directors**

**CP Axtra Public Company Limited**

**(Effective from 20 June 2025)**

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## 1. Objectives

The Board of Directors (“the Board”) of CP Aextra Public Company Limited (“the Company”) as a representative of shareholders and leader of the organization – has key roles in creating sustainable values for the business and returns on investment for shareholders. The Board therefore established its charter and the Corporate Governance Guideline for the Board as a framework for performing duties and as a tool for checks and balances between the Board and the Executives. It is also to ensure that the business operation is conducted for maximum benefits of shareholders and in line with the Company’s vision, mission, policies and strategies.

Moreover, the Board has the authority, roles and responsibilities as specified in the relevant laws, the Company’s Articles of Association, and shareholders’ resolutions. The Board must undertake its duties with honesty and due care to protect the benefits of the Company.

## 2. Composition and Qualifications

- 2.1. The Board consists of not less than five (5) directors, or any minimum number as required by the laws and the resolution of the Shareholders’ Meeting and at least one-third (1/3) of the Board, and not less than three (3) directors must be independent directors. Additionally, not less than half of the total number of directors must reside in the Kingdom of Thailand.
- 2.2. The Board should have expertise in diverse fields including skills and experience relevant to the business, accounting and finance, management, marketing, strategy, crisis management, laws, technology, retail-wholesale, real estate, corporate governance and sustainability, or other fields that benefit the Company. The Board shall have relevant capabilities and unique qualifications, regardless of gender and age, race, nationality, origin, culture, or tradition. The Board shall include at least one non-executive director with skills and experience aligned with the Company’s core business and strategy, and at least one female director.
- 2.3. The Board shall be diverse in terms of skills and experience, encompassing areas such as industry expertise, accounting and finance, business, management, marketing, strategy, crisis management, legal, technology, retail-wholesale, real estate, corporate governance and sustainability, or other fields that benefit the Company. Directors shall possess relevant capabilities and unique qualifications, regardless of gender, age, race, nationality, origin, culture, or tradition. The Board shall include at least one non-executive director with skills and experience aligned with the Company’s core business and strategy, and at least one female director.
- 2.4. The Chairman of the Board and Group Chief Executive Officer should not be the same person. Separate roles and responsibilities of the Chairman of the Board, directors, Sub-Committees, and Group Chief Executive Officer must be clearly defined for checks and balances.
- 2.5. Directors shall have the following qualifications:

- 2.4.1 Directors must be fully qualified and have no prohibited characteristics prescribed by law in the Public Limited Company Act, the provisions of the Securities and Exchange Commission Regulation and the Stock Exchange of Thailand, and other relevant laws.
- 2.4.2 Directors must be knowledgeable and have expertise and experiences that are beneficial to the Company's operations.
- 2.4.3 Directors must have leadership and be able to oversee the Company's business operation efficiently and effectively.
- 2.4.4 Directors must be honest, ethical, and able to dedicate sufficient time to perform duties for the Company.
- 2.4.5 A director should hold a director's position in no more than 5 SET-listed companies (including the Company) and such position holding in other listed companies shall not affect the ability to perform the Company's director duties.

Independent directors are those who have independence from the control of major shareholders or group of major shareholders and management. They can express their opinions independently to protect the benefits of all shareholders equally and to prevent any conflict of interest.

Independent directors must be fully qualified according to the Company's requirement and conforming to the regulations prescribed by the Capital Market Supervisory Board which are:

1. Holding shares not exceeding 0.5% of the total number of shares with voting rights of the Company, its parent company, subsidiary companies, associate companies, major shareholders or controlling persons, which shall be inclusive of the shares held by related persons of such independent director;
2. Neither being nor used to being a director who takes part in the management, employee, staff member, advisor who receives a regular salary, or controlling person of the Company, its parent company, subsidiary companies, associate companies, same - level subsidiary companies, major shareholders or of the controlling persons of the Company, unless the foregoing status has ended not less than 2 years. However, such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the Company;
3. Not being a person related by blood or by legal registration as father, mother, spouse, sibling, and child, including spouse of child, of the executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling person of the Company or its subsidiary companies;
4. Neither having nor used to having a business relationship with the Company, its parent company, subsidiary companies, major shareholders or controlling persons of the Company, in the manner which may interfere with his independent judgement, and neither being nor used to being a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary

companies, associate companies, major shareholders or controlling persons of the Company, unless the foregoing relationship has ended not less than 2 years.

The term “business relationship” shall include any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions, which result in the Company or its counterpart being subject to indebtedness payable to the other party in the amount of 3 % or more of the net tangible assets of the Company or Baht 20 million or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions *mutatis mutandis*. The consideration of such indebtedness shall include indebtedness occurred during the period of 1 year prior to the date on which the business relationship with the person commences;

5. Neither being nor used to being an auditor of the Company, its parent company, subsidiary companies, associate companies, major shareholder or controlling person of the Company, and not being a significant shareholder, controlling person, or partner of the audit firm which employs auditors of the Company, its parent company, subsidiary companies, associated companies, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years;
6. Neither being nor used to being any professional service provider including a legal counselor or financial advisor who receives service fee of exceeding Baht 2 million per year from the Company, its parent company, subsidiary companies, associate companies, major shareholder or controlling person of the Company, and not being a significant shareholder, controlling person or partner of the aforementioned professional service provider, unless the foregoing relationship has ended not less than 2 years;
7. Not being a director appointed as representative of directors of the Company, major shareholder or shareholder who is related to major shareholder;
8. Not undertaking any business of the same nature as and competing with that of the Company or its subsidiary companies or not being a significant partner in a partnership or being a director who takes part in the management, employee, staff member, advisor who receives regular salary or holding shares exceeding 0.5 % of the total number of shares with voting rights of other companies which undertake businesses of the same nature as and competing with that of the Company or its subsidiary companies;
9. Not having any other characteristics which cause the inability to render independent opinions with regard to the Company's business operations.

Independent Directors may be empowered by the Board of Directors to make decision for the business operation of the Company, its parent company, subsidiary companies, associate

companies, the same - level subsidiary companies, major shareholder or the controlling person of the Company in the form of collective decision.

In the case that a person appointed as an independent director has or used to have business relationship or professional service providing with the value of exceeding those prescribed in the Qualifications of independent directors, the Board of Directors may consider waiving this disqualification if the Board opines that the appointment of such person does neither performing of duty nor expression of independent opinion, and the Company already disclosed the following information in the notice of the shareholders' meeting under the agenda for the appointment of independent directors:

- a. Manner of business relationship or professional service causing such person disqualified under the prescribed criteria;
- b. Reason and necessity to maintain or appoint such person as an independent director;
- c. Opinion of the Board of Directors to nominate such person as an independent director.

### **3. Appointment, Tenure and Termination**

#### **3.1 Appointment**

3.1.1 The appointment of directors shall comply with the Company's Articles of Association and applicable laws with full transparency. The nomination process shall follow the established procedures of the Nomination and Remuneration Committee. Details of background information must be provided for consideration by the Board and/or shareholders, as the case may be, such as name, age, educational background, working and professional experience, as well as diversity of skills which are suitable for the Company's business.

3.1.2 The election of directors requires resolution from shareholders meeting with an affirmative majority vote from the total number of votes of the shareholders who are present at the meeting and entitled to vote. In the event of a tie vote, the Chairman of the meeting shall have a casting vote.

The election of the director shall consider and appoint an individual to be director in each position by exercising all votes of each shareholder but not splitting votes. The person receiving the highest number of votes of each position will be appointed as a director of that position.

3.1.3 If a directorship becomes vacant for any reason other than retiring by rotation, the Board of Directors shall appoint a qualified person as a director to fill the vacancy at the subsequent Board meeting unless the remaining term of the vacant directorship is less than 2 months. The director who fills the vacancy shall retain his/her office only for the remaining term of the vacant directorship. The resolution of the Board for such director election shall consist of not less than three-fourth of the votes of the remaining directors.

3.1.4 The Chairman and Vice Chairman are appointed by the Board of Directors.

### 3.2 Tenure

- 3.2.1 A director holds office for a term of three years and may be considered for re-election at the end of the term.
- 3.2.2 An independent director shall serve the office no longer than 9 years. In the event that the reappointment of an independent director is proposed, the Company should reasonably consider the necessity of such a reappointment.

### 3.3 Termination

- 3.3.1 At every Annual General Meeting of Shareholders, 1/3 (one-third) of the total number of directors must retire by rotation. Those directors with the longest tenure are required to vacate office. If it is not a multiple of three, the number of directors nearest to one-third must retire. However, those retiring directors are eligible for re-election.
- 3.3.2 Apart from retiring by rotation, a director shall vacate office upon death, resignation, lack of qualifications or possessing of prohibited characteristics as prescribed by the law pertaining to Public Company Limited, the Securities and Exchange Act and/or other applicable laws, or removal pursuant to the resolution adopted by shareholders meeting, or removal pursuant to a court order, or imprisonment pursuant to the final judgement or legal order except offenses committed by negligence or petty offenses, or being an incompetent person or quasi-incompetent person, or bankrupt.
- 3.3.3 To resign from office, a resignation letter shall be submitted to the Chairman of the Board. The resignation shall be effective from the date on which the Company receives the resignation letter. The resigning director may also notify the registrar of the resignation.
- 3.3.4 The shareholders' meeting may pass a resolution to remove any director from office prior to retirement by rotation, by a vote of not less than three-fourths of the number of shareholders who are present at the meeting and entitled to vote, with the aggregate number of shares not less than half of the number of shares held by the shareholders who are present at the meeting and entitled to vote.

## 4 Roles and Responsibilities of the Board of Directors

The Board of Directors has duties and responsibilities as prescribed by law, the Company's Articles of Association, and shareholders' resolutions, as well as other responsibilities as follows:

- 4.1 Determine the Company vision, objectives, policies, goals, direction, and strategies together with business plan and annual budgets to be in line with the objectives and main goals of the Company. The Board shall consider the appropriate allocation of resources and operational governance as well as analyzing the business environment, factors and risks that may affect stakeholders. The Board also supervises the Management to conduct the operations efficiently and effectively according to the business plans and annual budgets to increase the economic value for the business. Such items shall be reviewed at least once a year.

- 4.2 Determine and adhere to Corporate Governance Policy, Code of Conduct, Anti-Corruption Policy as well as various practices as principles and guidelines for directors, executives, and all employees to follow in conjunction with the Company rules and regulations. policies review and compliance assessment shall be conducted annually.
- 4.3 Fully perform duties with knowledge and ability and be responsible for their own decision with independent discretion based on integrity, prudence, and persistence by considering the best interests of the Company and the fairness to every group of shareholders.
- 4.4 Establish Risk Management Policy and consider key risk factors as well as monitor guidelines for enterprise risk management.
- 4.5 Approve quarterly and annual operating results and performance of the Company.
- 4.6 Establish a reliable accounting system, financial reporting, auditing, risk management, internal control, and internal audit as well as regularly monitor, assess and review risk management system, the internal control system and internal audit system to ensure efficiency and effectiveness.
- 4.7 Determine Policy on Supervisory of Subsidiaries and Associate Companies, including the appointment of personnel to hold positions as directors or executives in subsidiaries and associate companies, as well as appropriate supervision for internal control systems. Policy compliance shall be monitored regularly.
- 4.8 Oversee the promotion of innovation and the application of innovation and technology to enhance the competitiveness of the Company based on social and environmental responsibility.
- 4.9 Supervise the Management to monitor and assess the financial status of the Company, and regularly report to the Board.
- 4.10 Oversee that the information security system is in place which includes determining the policies and guidelines on the confidentiality, the integrity, and the availability of information as well as managing the market sensitive information, and ensuring that directors, executives, employees, and relevant external parties conform to the Information Security System.
- 4.11 Supervise the Management to manage the use of resources such as finance, assets, wisdom, and personnel in an efficient and effective manner by considering the changes in internal and external factors.
- 4.12 Oversees the information disclosure including financial statements, Annual Registration Statements (Form 56-1 One Report) / annual reports that adequately reflect the financial status and operating results as well as supports the Company in preparing the Management Discussion and Analysis in conjunction with the disclosure of the financial statements every quarter.
- 4.13 Appoint and determine the authority and duties of sub-committees and Group Chief Executive Officer as well as determine the approval authority of management for effective business operations and shareholders' interests.
- 4.14 Appoint a Company Secretary to assist in the management of board activities and ensure that undertakings of the Board and the Company comply with relevant laws and regulations.
- 4.15 Encourage the development of directors on a regular basis; for instance, attend training sessions, seminars, and developmental programs abroad, including organizing an orientation for new directors.



- 4.16 Oversees succession plans of the Group Chief Executive Officer and the top executives and report the result to the Board for acknowledgement at least once a year.
- 4.17 Conduct annual performance assessment and determine the remuneration of Group Chief Executive Officer.
- 4.18 Report on their interests or interests of related persons, which are related to the management of the Company or subsidiary companies, to the Company which can be verifiable, for transparency in business operations.
- 4.19 Perform other duties related to Company business as assigned by the shareholders.

## **5 Roles and Responsibilities of the Chairman of the Board**

- 5.1 Oversee, monitor, and ensure that the Board as a whole and various sub-committees perform their duty effectively and efficiently to achieve the Company's objectives and goals.
- 5.2 Determine the agenda of the Board meeting jointly with Group Chief Executive Officer and Company Secretary to ensure that important matters are included and oversee to ensure that directors receive correct, complete, clear and timely information, to provide the directors with adequate time to study, review, and make proper decisions on various matters in the Board meeting.
- 5.3 Provide leadership to the Board by presiding over and managing the meeting effectively as well as allocating sufficient time for the Management to present information, encouraging and allowing directors to ask questions and express their opinion independently, controlling the issues under discussion, and summarizing the meeting's resolutions.
- 5.4 Communicate important information to the Board for acknowledgment.
- 5.5 Encourage the Board members to attend the shareholders meeting and presides over the meeting to ensure of meeting efficiency and response to shareholders' queries.
- 5.6 Encourage and be a role model for the Board members in performing their duties under the scope of authority, duties and responsibilities of the Board in accordance with the law, the Board's charter, good corporate governance principles, code of conduct, and ensure that all directors contribute to the Company's ethical culture and good corporate governance.
- 5.7 Promote cordial relations between executive directors, non-executive directors, and independent directors, as well as between the Board and the management.

## **6 Board Meeting**

- 6.1 The Board of Directors shall hold the Board meeting at least 6 times per year to consider and approve the annual/quarterly financial statements, strategic plans, business plans, and other significant matters as specified in the approval authority. The meeting is scheduled one year in advance so that the directors can manage the schedule to attend the meeting, and the agenda is clearly defined. The Chairman of the Board may call for additional meetings in exceptional circumstances if requested by any director or there appeared to be any urgent matter that requires special Board's approval.
- 6.2 The Board has a policy to encourage independent directors / non-executive directors to meet at least once a year or as necessary to discuss the management issues relating to their area of

interest without having the management attend the meeting and inform the result of the meeting to Group Chief Executive Officer.

- 6.3 The Chairman of the Board considers and approves the agenda of the Board Meeting as well as other matters proposed by any director and gives the opportunity to directors, Group Chief Executive Officer and the Company Secretary to propose other matters in the agenda in advance prior to each meeting.
- 6.4 The Company Secretary is responsible for delivering the notice of the meeting and the meeting agenda as well as meeting documents to directors at least 7 days in advance to allow sufficient time for the directors to study the information prior to the meeting date. In the case of necessity or urgency, in order to preserve the rights or benefits of the Company, notice of the Board meeting can be sent via electronic media or by other means, and an earlier date for the meeting may be set. In the consideration of any issue, the directors are entitled to look at or check the related documents; ask the management to provide additional information; and bring in outside consultants or experts to provide advice, at the Company's expense.
- 6.5 Directors with vested interests in any matter shall leave the meeting during the consideration of that matter and shall not have the right to vote, even though that matter does not qualify as a related party transaction under the notifications of the Securities and Exchange Commission or the Stock Exchange of Thailand.
- 6.6 Attendees of Board Meetings
  - 6.6.1 There must be not less than half of the total number of directors attending the board meeting to constitute a quorum, whereby the Chairman of the Board of Directors acts as the Chairman of the Board Meeting.
  - 6.6.2 In case the Chairman of the Board is not present or is unable to perform his duty, the Vice Chairman shall act as chairman of the meeting.
  - 6.6.3 The Company Secretary or a designated person must attend every Board Meeting.
- 6.7 Exercising Votes
  - 1) Resolutions of the Board Meetings require a majority vote. Each director has one vote. In the event of a tie vote, the Chairman of the Board Meeting shall have a casting vote.
  - 2) Directors having any vested interest in any agenda being considered must excuse themselves and abstain from voting on that particular matter.
- 6.8 Minutes of Meetings

The Company Secretary or a designated person shall take the minutes of meetings and keep the approved minutes of meetings for reference and audit purposes.

## **7 Performance Assessment**

- 7.1 The Board is required to conduct performance assessment every year, including performance assessment of the Board and sub-committee as a whole and the individual self-assessment.
- 7.2 The Company Secretary is responsible for preparing a summary of the results of assessment and report to the Board for acknowledgement as well as to disclose the result in the Annual Registration Statements / the Annual Report (Form 56-1 One Report).

**8. Remuneration of Directors**

Directors are eligible for remuneration suitable for their roles and responsibilities as approved by the Annual General Meeting of Shareholders. The structure and composition of determined remuneration shall be suitable for their duties and responsibilities, achievements related to the Company performance, other relevant factors and appealing enough to attract and retain quality directors or comparable to other companies in the industry peers of similar size of business.

## Records of Revision

Revision No.	Date	Revised Section	Description of Revision
1/2025	19 June 2025	Item 2.2 Page 3	Additional content has been included to address board diversity in alignment with CG Code item 3.1.1
		Item 3.1.1 Page 5	Additional wordings have been included in alignment with CG Code item 8.1.6
		Item 3.2.2 Page 6	Additional wordings have been included in alignment with CG Code item 3.2.5
		Item 6.5 Page 9	Additional wordings have been included according to the comments from Corporate Governance and Sustainable Development Committee No. 1/2025