



# **Charter of the Corporate Governance and Sustainable Development Committee**

**CP Axtra Public Company Limited**

**(Effective from 1 October 2024)**

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## 1. Objectives

The Board of Directors (“the Board”) of CP Aextra Public Company Limited (“the Company”) appointed the Corporate Governance and Sustainable Development Committee (“the CGSD Committee”) to support the Board’s operation according to corporate governance guidelines and 2030 CPG’s Sustainability strategies. The Board approved the Charter of the Corporate Governance and Sustainable Development Committee as a framework for performing duties regarding corporate governance and sustainable development to improve the ethical standards in all aspects of the Company. This is to ensure that the business operations are conducted with transparency, economic, social, and environmental responsibility, and fairness to all stakeholders.

The CGSD Committee is committed to promoting the policy and guidelines related to good corporate governance principles and sustainable development framework as well as building corporate culture to encourage all employees of the Company and Group Company, to understand and implement such principles in their operation. This is to ensure that the business operations are conducted efficiently on an ethical basis and in line with international corporate governance standards, to create confidence and trust among shareholders and stakeholders.

## 2. Composition and Qualifications

- 2.1. The CGSD Committee consists of not less than 3 members who are non-executive directors. Majority of the members must be independent directors.
- 2.2. The Chairman of the CGSD Committee must be an independent director and must not hold the position of the Chairman of the Board.
- 2.3. Members of the CGSD Committee must be knowledgeable and well-experienced to fully understand their roles and responsibilities, as well as be able to dedicate sufficient time to perform their duties in order to achieve the objectives.
- 2.4. Head of Sustainability Department or Compliance Department or Corporate Governance Department or a person assigned by head of the above departments, who has been approved by the CGSD, shall act as the secretary of the CGSD.

## 3. Appointment, Tenure and Termination

- 3.1. Appointment of the CGSD Committee
  - 3.1.1. The Board appoints the Chairman and members of the CGSD Committee, selecting from the qualified Board members.
  - 3.1.2. When the members of the CGSD Committee either complete or fail to complete their terms for any reasons other than the expiration of the term of office, the Board shall appoint new members within 3 months from the date of vacancy to ensure the continuity of the Committee’s operation.

### 3.2. Tenure

The tenure of members of the CGSD Committee follows the tenure of their directorship. When completing their terms, they are eligible for re-election.

### 3.3. Termination

3.3.1. Members of the CGSD Committee shall be terminated upon death, resignation, the termination of their directorship, or disqualification as a member of the CGSD Committee, or the Board's resolution to terminate their position.

3.3.2. To resign from the CGSD Committee, a resignation letter shall be submitted to the Chairman of the Board. The resignation shall be effective from the date on which the Chairman of the Board receives the resignation letter.

## 4. Roles and Responsibilities

- 4.1. Determine the Corporate Governance Policy, Code of Conduct, Anti-Corruption Policy, Sustainability Policies, and Guidelines for developing corporate governance practices to be consistent with the requirements of laws, regulations, and rules of government agencies and regulatory organizations, as well as to continuously conform with international standards as operational frameworks for the Company and its subsidiaries, and present to the Board for consideration and approval.
- 4.2. Set the policy, framework, and strategies to promote sustainable development of the Group Company and set sustainable development goals to ensure that operations and results are in line with relevant international standards.
- 4.3. Encourage the Company to do evaluation standards of corporate governance and sustainable development within the Company and regularly arrange assessments by external organizations which are renowned and widely accepted.
- 4.4. Supervise, monitor, and review the Company's operation to comply with the established Corporate Governance Policy and Guidelines, the sustainable development plan as well as good corporate governance principles defined by relevant institutions and external agencies.
- 4.5. Appoint and determine the roles, duties and responsibilities of working groups to assist in carrying out a task on corporate governance, anti-corruption, and sustainable development as necessary, as well as have the authority to direct and monitor the work of the said working groups to ensure that the Company has an effective corporate governance structure in line with the changing business environment, technology and risks.
- 4.6. Advise and give recommendations to the working groups on corporate governance, anti-corruption, and sustainable development.
- 4.7. Review the Charter of the CGSD Committee, Corporate Governance Policy, Code of Conduct, Anti-Corruption Policy, and Sustainability Policies and Guidelines to be suitable for the business conditions on an ongoing basis every year and to ensure the conformance with international practices and guidelines or recommendations of relevant external institutions or agencies, and present to the Board for consideration and approval.
- 4.8. Promote communication and dissemination of the work culture under good corporate governance, sustainability management, and anti-corruption at directors, executives, and employees levels.

- 4.9. In performing its duties, the CGSD Committee may seek opinions from independent consultants or other professional consultants and has the authority to hire consultants or external independent experts to provide opinions or advice as necessary and appropriate, at the Company's expense.
- 4.10. The CGSD Committee may invite management or related persons to attend meetings or provide pertinent information on the matters under discussion if necessary.
- 4.11. Report the meeting outcome or the key issues relating to corporate governance, anti-corruption, and sustainability management to the Board for acknowledgement at least two (2) times a year.
- 4.12. Appoints the secretary of the CGSD committee.
- 4.13. The Chairman of CGSD Committee shall attend the annual shareholders meeting and has the duty to report to the shareholders for acknowledgement of their performance in Annual Registration Statements / annual reports (Form 56-1 One Report) with at least cover the following details:
  - 4.13.1. Number of meetings
  - 4.13.2. Number of the meetings that each member of the CGSD Committee attends
  - 4.13.3. Performance of the CGSD Committee as defined by the Charter.
- 4.14. Perform other duties as assigned by the Board with the approval of the CGSD Committee.

## 5. Meeting

- 5.1. Number of meeting
  - 5.1.1. The CGSD Committee shall hold meetings at least once every quarter.
  - 5.1.2. The Chairman of the CGSD Committee may call for additional meetings if requested by a member of the committee or the Chairman of the Board, or when there is an extra agenda required to consider and discuss.
  - 5.1.3. In calling a meeting, the CGSD Committee shall be notified at least 7 days prior to the meeting date, In the case of necessity or urgency, the meeting may be notified by other methods, or the meeting date may be set earlier.
- 5.2. The Chairman of the CGSD Committee considers and approves the agenda of meetings, as well as other matters proposed by any directors.
- 5.3. Attendees
  - 5.3.1. The quorum of the CGSD Committee meeting requires not less than half of the members. The Chairman of the committee is the Chairman of the meeting. Each member of the CGSD Committee shall attend at least 75% of the total number of meetings held during the year.
  - 5.3.2. In the case the Chairman of the committee is absent from the meeting or is unable to perform his/her duty, the members present at the meeting shall select one of the members to be the Chairman of the meeting.
  - 5.3.3. The secretary of the CGSD Committee or a designated person must attend every meeting.
- 5.4. Exercising Votes
  - 5.4.1. Resolutions of the committee meeting require a majority vote. Each member has one vote. In the event of a tie vote, the Chairman of the meeting shall have a casting vote.
  - 5.4.2. Members of the CGSD Committee having any vested interest in any agenda being considered must excuse themselves and abstain from voting on that particular matter.

#### 5.5. Minutes of Meetings

The secretary of the CGSD Committee or a designated person shall take the minutes of meetings and keep the approved minutes of meetings for reference and audit purposes.

### 6. Performance Assessment

The CGSD Committee is required to conduct performance assessment of the CGSD Committee as a whole and the individual self-assessment every year. The secretary of the CGSD Committee is responsible for preparing a summary of the results of assessment and report to the CGSD Committee and the Board for acknowledgement as well as to disclose the result in the Annual Registration Statements / the Annual Report (Form 56-1 One Report).

### 7. Remuneration of Directors

The CGSD Committee is eligible for remuneration suitable for their roles and responsibilities as determined by the Board and approved by the Annual General Meeting of Shareholders.