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SiS Distribution (Thailand) Public Company Limited

Charter of the Corporate Governance and Sustainability Committee



SiS Distribution (Thailand) Public Company Limited (“the Company”) recognizes the importance of good corporate governance policy and principles. Focusing on sustainable growth, aligning itself with society, communities, and the environment to maximize benefits for the Company and overall shareholders. The Board of Directors, therefore, considers appointing a Corporate Governance and Sustainability Committee to support the Board of Directors in establishing policy and guidelines, overseeing corporate governance, and managing sustainability in accordance with the requirements from the Stock Exchange of Thailand (“SET”), the Securities and Exchange Commission, Thailand (“SEC”) and accepted standards.

The Company through the Corporate Governance and Sustainability Committee has established this Charter in accordance with the Codes of Conduct, principles of good corporate governance, and relevant criteria, regulations, and laws. This document serves as a guideline for the committee's operations and is subject to an annual review to ensure alignment with pertinent requirements and current circumstances. Proposed revisions are presented to the Board of Directors for consideration and approval.

1. Scope of Responsibilities of the Corporate Governance and Sustainability Committee

The Corporate Governance and Sustainability Committee has a crucial role in efficiently overseeing operations in accordance with established policies and criteria. Its objectives include providing support to the Board of Directors in ensuring effective corporate governance and sustainability within the Company. The committee is empowered with specific authorities, duties, and responsibilities, as outlined below:

- 1.1 Establishes policies and guidelines related to good corporate governance, social responsibility, and sustainable development.
- 1.2 Considers and reviews corporate governance policy, Codes of Conduct, Anti-Corruption Policy, sustainability policies, social responsibility policies, and other relevant policies to ensure their currency, appropriateness, and adequacy for business operations. This process is conducted in alignment with the requirements of the SET, the SEC, and relevant authorities prior to proposed to the Board of Directors for approval.
- 1.3 Develops and establishes corporate governance and sustainability plans that comprehensively cover all aspects as per the guidelines declared.
- 1.4 Reviews and assesses the working guidelines of the directors to ensure their continuity and alignment with the Company's business operations.
- 1.5 Supports the dissemination of good corporate governance culture and sustainable growth to be understood and practiced by the directors, Management, and employees at all levels.
- 1.6 Provides recommendations to the Board of Directors and Management on good corporate governance, social responsibility, and sustainable development.



- 1.7 Monitors and oversees the performance of the Board of Directors and Management to ensure compliance with laws, regulations, relevant corporate governance standards, as well as the Company's corporate governance and sustainability policies.
 - 1.8 Reports the performance of the Corporate Governance and Sustainability Committee to the Board of Directors at least once a year.
- 1.9 Considers policies and provides recommendations on the operations related to responsibility towards stakeholders.
- 1.10 Prepares the Corporate Governance and Sustainability Committee's report and disclose in the Company's Annual Report, in accordance with the requirements of the SET or relevant authorities.
- 1.11 Ensures regular performance assessment for the overall Corporate Governance and Sustainability Committee and individual self-assessments are conducted annually.
- 1.12 Reviews the Charter of the Corporate Governance and Sustainability Committee annually to ensure their appropriateness in light of any changes in the business environment or relevant requirements.
- 1.13 Performs any other duties as assigned by the Board of Directors with the approval of the Corporate Governance and Sustainability Committee within the scope that does not exceed the authority of the Corporate Governance and Sustainability Committee.
- 1.14 Has the authority to engage external advisors or other professional experts to seek opinions, advice, or assistance in carrying out the duties of the Corporate Governance and Sustainability Committee or any other tasks necessary and relevant, and the associated expenses shall be borne by the Company.

2. Composition of the Corporate Governance and Sustainability Committee

The Corporate Governance and Sustainability Committee shall comprise of followings:

- 2.1 The Corporate Governance and Sustainability Committee is appointed by the Board of Directors or the shareholders' meeting and comprises at least 3 persons, with the majority being independent directors.
- 2.2 The Corporate Governance and Sustainability Committee elects the Chairman of the Corporate Governance and Sustainability Committee which shall be from the independent director, considering thoroughly the qualifications to instill overall effectiveness of the Corporate Governance and Sustainability Committee.

3. Qualification of the Corporate Governance and Sustainability Committee member

- 3.1 Be a director who possesses all the qualifications in accordance with the criteria set by the SET, the SEC, and relevant laws.
- 3.2 Be integrity, honesty and performs duties fairly. This includes advocating sufficient time and opinions for performing the duties as a member of the Corporate Governance and Sustainability Committee member.
- 3.3 Possesses relevant knowledge, skills, and experiences, along with an understanding of the duties and responsibilities involved in overseeing corporate governance and sustainability.
- 3.4 Able to fulfill duties, express opinions, and report on performance in accordance with the responsibilities assigned by the Board of Directors.

- 3.5 The Corporate Governance and Sustainability Committee member should not hold the position of director in more than 5 listed companies as it may impact their ability to fully perform duties in any one company.



4. Terms of Office of the Corporate Governance and Sustainability Committee

- 4.1 The Corporate Governance and Sustainability Committee members will retire upon completing their term as the Corporate Governance and Sustainability Committee or upon completing their term as a director of the Company.
- 4.2 The Corporate Governance and Sustainability Committee members have a term of office for not more than 3 years or in accordance with their term of being a director of the Company. However, the retiring director is eligible for re-election as approved by the Board of Directors or at the shareholders' meeting.
- 4.3 In addition to the above retirement, the Corporate Governance and Sustainability Committee member will retire when:
- 4.3.1 Death
 - 4.3.2 Submit a resignation letter to the Board of Directors, effective from the date the resignation letter reaches the Company.
 - 4.3.3 Fails to meet the qualifications of the Corporate Governance and Sustainability Committee member as stipulated in this charter.
 - 4.3.4 Fails to meet the qualifications to serve as a director according to the criteria of the SET, the SEC, or relevant laws.
 - 4.3.5 The Board of Directors has passed a resolution to remove them from their position. This resolution required at least three-fourths (3/4) of total members presented at the Board of Directors' meeting.
 - 4.3.6 Sentences to imprisonment as stipulated in the judgment, or as ordered by law to serve a prison term, except for offenses committed with negligence or misdemeanor.
 - 4.3.7 Considered by the court to be incompetent or quasi-incompetent.
 - 4.3.8 Considered by the court to be bankrupted.
- 4.4 In the event that the Corporate Governance and Sustainability Committee member wishes to resign before completing their term, he/she must provide advance notice to the Company, not less than 30 days, by submitting a formal letter of resignation to the Chairman of the Board of Directors, providing reasons for the resignation.
- 4.5 In the event that the Corporate Governance and Sustainability Committee member vacates their position before completing their term or for any other reason that renders them unable to continue, the Board of Directors must appoint a qualified person to serve as a new member of the committee within 90 days from the date the committee falls below the required composition as per this charter. The Board of Directors may choose not to appoint a new member if the term of such vacancy is less than 2 months. The newly appointed member will serve for the remaining term of the Corporate Governance and Sustainability Committee members they replace.

5. The Corporate Governance and Sustainability Committee Meeting

The Corporate Governance and Sustainability Committee shall hold the meeting in compliance with the following requirements:

- 5.1 Arranges the meetings as appropriate but not less than twice a year to establish guidelines for the corporate governance and sustainability of the Company, as well as to review corporate governance and sustainability policies. Additionally, they provide a platform for discussing various matters in line with the Committee's duties and responsibilities.
- 5.2 In calling a meeting, the Chairman of the Corporate Governance and Sustainability Committee or the secretary of the Corporate Governance and Sustainability Committee as the designated person shall serve notice calling for such a meeting to all members not less than 3 days prior to the meeting. Except in case of an emergency concerning the interests of the Company, where the notification may be notified by other procedures, or the timing may be less than 3 days.
- 5.3 A meeting shall be deemed quorate when at least half of the total number of the Corporate Governance and Sustainability Committee members are present.
- 5.4 The Corporate Governance and Sustainability Committee members may participate and cast votes in meetings through electronic means or other appropriate channels. The secretary at the meeting recording the minutes shall document such proceedings in the meeting report.
- 5.5 In the event that the Chairman of the Corporate Governance and Sustainability Committee is absent or unable to fulfill their duties, the Corporate Governance and Sustainability Committee members present at the meeting shall elect one member to act as the temporary Chairman.
- 5.6 Resolution of the Corporate Governance and Sustainability Committee shall be made by majority vote. Each Corporate Governance and Sustainability Committee member has one vote, except for any member who has a vested interest in a particular matter, will not be allowed to vote on that matter. In case of a tie, the Chairman of the meeting has the authority to cast an additional vote to break the tie, and this additional vote is considered a deciding vote.
- 5.7 The Corporate Governance and Sustainability Committee may appoint a person to serve as the secretary of the committee to assist in coordinating meetings, preparing meeting agendas, distributing meeting documents, and recording meeting minutes. Alternatively, the committee may designate a Company Secretary or the Human Resources Manager to act as the secretary of the Corporate Governance and Sustainability Committee.

6. Remuneration for the Corporate Governance and Sustainability Committee

The Remuneration and Nomination Committee is responsible for considering and determining the remuneration of the Corporate Governance and Sustainability Committee members as deemed appropriate, subject to approval by the Board of Directors and the shareholders' meeting. In the absence of a Remuneration and Nomination Committee, remuneration shall be considered by the Board of Directors.



This Charter of the Corporate Governance and Sustainability Committee has been approved by the Board of Directors in the Board of Directors' meeting of No. 6/2024 held on December 13th, 2024.

The Thai version of this document shall be regarded as the official version, with the English version provided solely as a translation from Thai. In the event of any conflict or discrepancy between the two languages, the Thai version shall prevail.

This Charter shall be effective from January 1st, 2025.

(Mr. Lim Kiah Meng)
Chairman