

(-Unofficial English Translation-)

## **Sustainability Committee's Charter**



**BTS Group Holdings Public Company Limited**

*May 28, 2012*

*Reviewed and revised on November 16, 2020*

## **Background**

Good corporate governance principles play a major role and have been a key part of the business operation of the listed companies. The good corporate governance principles can be grouped into five main categories as follows:

- 1 Right of Shareholders
- 2 Equitable Treatment of Shareholders
- 3 Role of Stakeholders
- 4 Disclosure and Transparency
- 5 Board Responsibilities

BTS Group Holdings Public Company Limited (the "Company"), a SET50 index listed company, has good awareness of the importance of good corporate governance and considers it as a key part of the business operation of the Company. For the continuance in the performance, policy development and guidelines of the good corporate governance of the Company, the Board of Directors' Meeting held on May 28, 2012 passed a resolution to appoint the "Corporate Governance Committee" to consider, determine, review and update the Corporate Governance Policy, Code of Business and Employees Conduct, the Corporate Social Responsibility (CSR) Policy and the Policy and Guideline on Anti-Corruption and Bribery in order to propose to the Board of Directors for consideration and approval, including to ensure the implementation of such policies, handbooks and the relevant guidelines.

The Corporate Governance Committee's Charter (the "Charter") was prepared by addressing the structure of the Corporate Governance Committee, Rules of Meeting of Corporate Governance Committee, including Duties and Responsibilities of the Corporate Governance Committee in order for the Corporate Governance Committee to perform their duties in accordance with the objective of the establishment of the Corporate Governance Committee.

The Board of Directors' Meeting held on March 28, 2014 reviewed and resolved to revise this Charter by consolidating and adding criteria and content to be more extensive in order to promote the good corporate governance of the Company. This Charter was effective on March 28, 2014 henceforth.

Subsequently, the Company recognized the importance to widen the scope of the Corporate Governance Committee to encapsulate sustainability principles and sustainability goals of the organization in addition to good corporate governance. As such, the Board of Director's Meeting held on November 16, 2020, resolved to amend the name of the Corporate Governance Committee to the Sustainability Committee, and revised the Charter accordingly.



## ***Introduction***

The Sustainability Committee is a subcommittee of the Board of Directors of the Company. The Company believes in the principles of sustainable development as the basis for successful long term business growth, summarized by the concept of meeting the needs of the present without compromising the ability of future generations to meet their needs.

The Company believes that sustainability should be an integral part of the corporate culture and behaviour and is conscious of the primary importance of economic, social and environmental factors to stakeholders. It is also cognisant of the increasing tendency for investors to assess companies against an Environmental, Social and Governance (ESG) framework.

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## ***Structure of the Sustainability Committee***

1. The Sustainability Committee shall consist of members who are either directors, senior management or external advisors with specialist knowledge and shall be at least 4 members but shall not exceed 7 members. The members shall be appointed by the Board of Directors;
2. One of the members of the Sustainability Committee shall act as the Chairman of the Sustainability Committee. The Chairman of the Sustainability Committee shall be appointed by the Board of Directors or the members of the Sustainability Committee;
3. The members of the Sustainability Committee shall hold the office for a term of three years. The retired members may be re-appointed by the Board of Directors;
4. The members of the Sustainability Committee shall cease from their office in case of:
  - 4.1. retirement by rotation;
  - 4.2. resignation;
  - 4.3. death;
  - 4.4. cease from office of director or employment of the Company;
5. In case of a vacancy in the Sustainability Committee, the Board of Directors may appoint the qualified director, senior management or external advisors with specialist knowledge as a replacement; and
6. The Sustainability Committee shall have a secretary to assist their performance of duties.

## ***Rules of Meeting of Sustainability Committee***

1. The Sustainability Committee shall hold at least two meetings in each fiscal year. The additional meetings may be called as necessary and appropriate;
2. The quorum for the meeting of the Sustainability Committee shall consist of no less than a half of the members;
3. If the Chairman of the Sustainability Committee is not present at the meeting or unable to perform his duties, the presenting members may choose one of the members as the chairman for such meeting;  
and
4. A resolution of the meeting shall be made in a majority voting basis. In the case of an equality of votes, the chairman of the meeting shall have a casting vote.

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## ***Duties and Responsibilities of the Sustainability Committee***

The Sustainability Committee shall have duties and responsibilities as follows:

1. To establish, review and update the Sustainability Vision, Mission and Strategy of the Company and to propose any such recommendations to the Board of Directors;
2. To develop and increase both internal and external stakeholder awareness of sustainable practices and to review the Company's Sustainability Report;
3. To ensure that there are relevant policies and practices in place that are in line with international standards (including but not limited to health and safety, environment, human rights, workplace rights and policies, compliance, community & social responsibility) that cover the Company and/or its subsidiaries where appropriate;
4. To support value creation for stakeholders by integrating ethical, social and environmental responsibility into its corporate activities;
5. To collaborate with the Risk Management Committee, either directly or via working groups, on assessment of risk management and mitigation in relation to the sustainability matters and development of materiality maps;
6. To consider, determine, review, and update the Corporate Governance Policy and Code of Business and Employees Conduct to be in line with the international standard practices and to propose to the Board of Directors for consideration and approval, and to monitor the implementation of such Corporate Governance Policy and Code of Business and Employees Conduct;
7. To consider, determine, review, and update the Corporate Social Responsibility (CSR) Policy and to propose to the Board of Directors for consideration and approval, and to monitor the implementation of such Corporate Social Responsibility (CSR) policy;
8. To consider, determine, review, and update the Policy and Guideline on Anti-Corruption and Bribery and to propose to the Board of Directors for consideration and approval, and to monitor the implementation of the Policy and Guideline on Anti-Corruption and Bribery;
9. To report their performance to the Board of Directors and/or at the shareholders' meeting;



10. To conduct an evaluation of the performance of the Sustainability Committee on an annual basis and report the evaluation result to the Board of Directors;
11. To appoint the working group to assist the Sustainability Committee in performing their duties as well as to appoint the independent expert consultants for providing advice and assistance for the performance of duties by the Sustainability Committee; and
12. To perform or undertake other tasks as the Board of Directors may assign and to perform any other acts as stipulated by laws or regulations of the authorities.

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