



Charter of the Sustainable Development Committee
Principal Capital Public Company Limited
Revised Version No. 1 dated 27 February 2026

1. Objectives

The Board of Directors is committed to developing the Company's business in a manner that enables sustainable growth alongside harmonious coexistence between the industry and surrounding communities, based on responsible stewardship of natural resources and the environment. Accordingly, the Board of Directors has resolved to appoint the Sustainable Development Committee to support the Board of Directors in matters relating to sustainable development.

2. Composition and Structure of the Sustainable Development Committee

- 2.1 The Board of Directors shall appoint the Sustainable Development Committee, which shall consist of at least three (3) directors, including at least one (1) independent director.
- 2.2 The Sustainable Development Committee shall select one of its members to serve as the Chairman of the Sustainable Development Committee. The Chairman of the Sustainability Development Committee shall be an Independent Director, in order to ensure the ability to express opinions and perform duties independently.
- 2.3 In the event that a vacancy arises in the Sustainable Development Committee resulting in the composition no longer meeting the required number or qualifications, the Board of Directors shall appoint a suitably qualified director to fill the vacancy within three (3) months from the date the position becomes vacant.
- 2.4 The Company may nominate a Company employee to serve as Secretary to the Committee, subject to the approval of the Sustainable Development Committee. The Secretary shall support the Committee's operations, including organizing meetings, coordinating matters, preparing meeting agendas, preparing and distributing meeting documents to the Committee members, recording and maintaining minutes of meetings, as well as performing other duties related to the Sustainable Development Committee.
- 2.5 The Sustainable Development Committee may consider appointing working groups or independent advisors possessing appropriate knowledge, capability, and expertise to provide consultation, recommendations, and support in the performance of the Committee's duties.

3. Qualifications of the Sustainable Development Committee

- 3.1 Members shall possess knowledge, expertise, and experience beneficial to the Company's business operations in the areas of environmental, social, and governance matters, and shall demonstrate integrity, honesty, and ethical conduct in performing their duties.
- 3.2 Members shall be capable of performing their duties and providing constructive opinions, as well as devoting sufficient time, knowledge, capability, and experience to effectively support the sustainable development of the organization in accordance with the stated objectives.

3.3 Members of the Sustainable Development Committee who are independent directors must maintain independence in accordance with the Company's principles of good corporate governance.

4. Term of Appointment of the Sustainable Development Committee

4.1 Members of the Sustainable Development Committee shall hold office for a term of three (3) years. Members who retire by rotation may be reappointed by the Board of Directors as deemed appropriate.

4.2 In the event that a position becomes vacant for reasons other than the expiration of the term as specified in Clause 4.1, including termination of directorship in the Company, resignation, or removal from office, the Board of Directors shall appoint a qualified individual to serve as a member of the Sustainability Development Committee within three (3) months in order to maintain the required number of members and ensure continuity of the Committee's operations. The appointed member shall serve only for the remaining term of the member whom he or she replaces.

4.3 The Sustainability Development Committee members shall vacate their positions when

- Death
- Resignation
- Lack of qualifications required for membership of the Sustainable Development Committee
- Resolution of the Board of Directors' meeting to terminate such member

4.4 A member wishing to resign shall submit a written resignation to the Chairman of the Board of Directors in advance. The resignation shall become effective from the date the resignation letter is received by the Chairman of the Board of Directors.

4.5 In the event that a vacancy arises before the expiration of the term due to any reason, including termination of directorship in the Company, resignation, removal, or death, the Board of Directors shall appoint a qualified individual to replace such member. The appointed member shall hold office for the remaining term of the member whom he or she replaces.

4.6 In the event that the entire Sustainable Development Committee vacates office, the outgoing committee shall continue to perform its duties in a caretaker capacity until a new committee is appointed and assumes office.

5. Roles, Duties, and Responsibilities of the Sustainability Development Committee

5.1 Consider and review the Company's policies, strategies, operational frameworks, and targets relating to sustainable development to ensure compliance with applicable laws, regulations, and best practices, as well as nationally and internationally recognized sustainability standards, covering balanced aspects of environmental, social, and corporate governance matters.

5.2 Provide recommendations to the Board of Directors and management, and promote the establishment of principles, policies, strategies, and operational frameworks aligned with the Company's sustainability objectives.

- 5.3 Encourage the Board of Directors, executives, and employees to continuously and effectively conduct their operations in accordance with the Company's sustainability principles so that such principles become embedded within the corporate culture.
- 5.4 Supervise and monitor the implementation of sustainability initiatives to ensure that operations are carried out effectively in accordance with the established policies, strategies, and objectives.
- 5.5 Consider and approve approaches to the disclosure of sustainability-related information in accordance with national and international disclosure standards or practices, ensuring balance, effectiveness, and maximum benefit to the Company and its stakeholders.
- 5.6 Consider and approve sustainability reports and other related reports before submitting them to the Board of Directors for approval prior to public disclosure.
- 5.7 Evaluate the performance of the Sustainable Development Committee and report the evaluation results to the Board of Directors.
- 5.8 Promote awareness among both internal and external stakeholders and encourage cooperation with relevant stakeholders in order to drive effective and broad-based sustainable development.
- 5.9 Encourage and promote the Company's participation in sustainability assessments or rankings conducted by recognized national and international organizations in order to continuously improve and elevate the Company's operational standards.
- 5.10 Monitor trends and developments in sustainability that may affect the Company's operations and provide recommendations to the Board of Directors or relevant management, including overseeing the analysis and assessment of the Company's material sustainability issues.
- 5.11 Review and provide recommendations for the revision of the Charter of the Sustainable Development Committee to ensure its appropriateness and alignment with current circumstances, and submit such revisions to the Board of Directors for approval.
- 5.12 Perform any other duties as assigned by the Board of Directors.

6. Meetings of the Sustainable Development Committee

- 6.1 Meetings shall be convened as deemed appropriate by the Sustainable Development Committee or its Chairperson. The Committee shall hold at least three (3) meetings per year, or additional meetings as necessary.
- 6.2 At least one-half of the total number of committee members must be present to constitute a quorum and commence the meeting. The management team may be invited to attend meetings on relevant matters.
- 6.3 If the Chairman of the Sustainable Development Committee is unable to perform his or her duties, the members present at the meeting shall elect one member to preside over the meeting.
- 6.4 Meetings may be conducted either in person or via electronic means. Members may attend meetings via electronic conferencing in accordance with the rules and procedures prescribed by the Company.

- 6.5 Each member shall have one vote. Resolutions shall be passed by a majority vote. In the event of an equality of votes, the Chairman of the meeting shall have a casting vote.
- 6.6 Any member who has a conflict of interest in a particular agenda item shall abstain from expressing opinions and voting on that agenda item and shall inform the Secretary to record such abstention in the minutes of the meeting.
- 6.7 The Chairman or the Secretary to the Committee, by order of the Chairman, shall notify members of the meeting at least seven (7) days in advance. In urgent cases, the meeting notice and agenda may be delivered by other appropriate means and the meeting may be scheduled earlier as necessary.
- 6.8 The Secretary to the Sustainable Development Committee shall be responsible for recording the meeting and preparing the minutes of the meeting. The draft minutes shall be prepared and circulated to the Committee members within one (1) month from the date of the meeting. The approval of the minutes shall be included as an agenda item in the subsequent meeting.

7. Reporting of the Sustainability Development Committee

- 7.1 The Sustainable Development Committee shall report its performance to the Board of Directors at least three (3) times per year.
- 7.2 The Sustainable Development Committee shall prepare a report for disclosure in the Company's Annual Report, which shall be signed by the Chairman of the Sustainable Development Committee.

8. Performance Evaluation of the Sustainability Development Committee

- 8.1 The Sustainable Development Committee shall conduct a self-assessment of its performance and report any issues or challenges that may hinder the achievement of sustainability objectives or indicators to the Board of Directors at least once (1) per year.

9. Remuneration

- 9.1 Members of the Sustainable Development Committee shall receive remuneration appropriate to their duties and responsibilities as determined by the Board of Directors and approved by the Annual General Meeting of Shareholders. The structure and components of such remuneration shall be appropriate to the responsibilities assigned to each member and shall be at a level that is sufficient to attract and retain qualified directors, or comparable to those within the same industry level.