



STO Board Committee Charter

*Governance and Sustainability
Committee Charter*

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The Committee ensures that corporate governance and sustainability principles are effectively integrated into the Company's operations, supporting oversight responsibilities at all levels.

The Governance and Sustainability Committee of STO oversees corporate governance and ESG matters, including developing governance policies and reviewing philanthropic and sustainability practices. The Committee meets regularly, reports to the Board, and provides input on governance structures to ensure effective oversight. It has the authority to access resources and expertise as needed to fulfill its responsibilities.



Purpose

The Board of Directors appointed this Committee;

- a. To recommend to the Board on corporate governance principles applicable to the Company, including those related to environmental, social responsibility, and sustainability matters,
- b. Oversee and approve the process and guidelines for the annual evaluation of the performance and effectiveness of the Board, and its committees, and
- c. Exercise and perform the authority, duties and responsibilities of the Committee set forth in this Charter.

Scope

This Charter applies to the Governance and Sustainability Committee of STO, and the Committee's responsibilities as detailed in this Charter extend to the whole of the STO Group, where applicable.

Last revised date

September 2024

Charter Overview

This Charter specifies the roles and responsibilities of the Governance and Sustainability Committee in performing their duty to the Board, Company and its stakeholders.



1. Authority

The Governance and Sustainability Committee is formed by the Board of Directors of STO. While the Committee does not hold executive authority, it is responsible for fulfilling its duties as per its Charter and providing recommendations and guidance to the Board on governance and sustainability matters.

2. Membership

The Committee shall consist of at least three (3) members, appointed by the Board from one Annual General Meeting to the next. Members may be removed at the Board's discretion.

3. Chairperson

The Board shall appoint one member of the Committee to serve as its chairperson.

4. Quorum

The quorum required for the Committee to transact business shall be two-thirds of its members. A properly convened meeting with a quorum present shall be empowered to exercise all the authorities, powers, and discretions granted to the Committee.

5. Secretary

The Company Secretary, or a designated representative, shall serve as Secretary to the Committee. The Secretary, in collaboration with the Chairperson, will prepare an agenda to be circulated to each member before each meeting. The Secretary will also be responsible for preparing the minutes of Committee meetings.

6. Meetings

The Committee shall meet at least twice a year, with additional meetings as necessary.

7. Notice of Meetings

Committee meetings shall be scheduled by the Secretary at the request of the Chairperson, or any Committee member. Unless otherwise agreed, notice of each meeting, including the venue, time, date, and agenda, will be sent to all Committee members at least two working days before the meeting. However, special meetings may be held without notice to address urgent matters. Supporting documents will be distributed to Committee members and other attendees, as appropriate.



8. Minutes of Meetings

The Secretary shall record the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. Draft minutes shall be circulated to all Committee members within 48 hours of the meeting.

9. Resources and Access to Expertise

The Committee has the authority to access resources, consult with management, and seek expertise, as necessary. It also has the authority to approve related fees and terms of retention.

10. Annual General Meeting

The Committee Chairperson shall attend the Annual General Meeting to respond to shareholder questions regarding the Committee's activities.

11. Duties:

The Committee shall;

- i. Corporate Governance Policies and Governance Documents*
 - a. Monitor and review emerging corporate governance trends and best practices, and,

as appropriate, address other corporate governance matters by making recommendations to the Board or taking relevant actions.

- b. Develop and recommend policies and procedures (in accordance with the Policy Development Policy) to ensure the Company has appropriate governance structures in place, recommending revisions as needed to support effective oversight at all levels.
- c. Conduct an annual review of corporate governance practices and issues, making recommendations for improvements, as necessary.
- d. Establish a process for evaluating the effectiveness of the Company, Board, individual directors, and committees, ensuring these assessments are conducted annually.
- e. Assist the Board in its responsibilities related to the development of corporate governance guidelines and principles applicable to the Company.



- ii. *Philanthropic Programs and ESG*
 - a. Review the strategy, policies, and practices regarding the Company's philanthropic programs and foundations substantially supported by the Company.
 - b. Consider, as appropriate, matters related to environmental, social responsibility, and governance (ESG), and make recommendations to the Board or take actions accordingly.
 - c. Review the Company's ESG policies as needed.
 - d. Ensure ESG targets are set and that Board-approved targets are monitored regularly.

12. Reporting Responsibilities

The Chairperson of the Committee shall formally report to the Board, summarizing the Committee's work and results, including meetings held, formal recommendations, and significant issues that should be brought to the Board's attention. The Committee shall make recommendations on any matters within its remit where action or improvement is deemed necessary.

The Committee shall produce a report on its activities, to be included in the Company's annual report, along with a report on the Company's sustainability efforts.

13. Other Matters

The Committee shall:

- a. Consider relevant laws, regulations, the Code, and the requirements of Listing Authority Rules, Transparency Rules, and other applicable rules, as appropriate.
- b. Undertake any other duties or responsibilities as delegated by the Board.



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