

CHARTER OF THE BOARD OF DIRECTORS
THE SIAM CEMENT PUBLIC COMPANY LIMITED

The Board of Directors is the driving force of the organization. Its roles and duties are to set strategies and policies pertaining to business operation of the company. The Board of Directors must perform its duties responsibly, carefully and loyally in order to maximize the Company's own benefit and act in fairness to all stakeholders, according to the principles of good corporate governance. In addition, the board plays an important role in overseeing and assessing the performance of SCG Management Committee and the President & CEO to ensure the accomplishment of SCG's action plan. The Board of Directors has thus resolved to adopt this Charter of the Board of Directors so that every director is aware of his/her duties and responsibilities and performs them correctly and completely.

1. Scope of Duties

The duties of the Board of Directors are as follows:

- 1.1 Acting in a best interest of shareholders (Fiduciary Duty) by observing the following four main practices:
 - 1.1.1 Performing its duties with responsibility and all due circumspection and caution (Duty of Care).
 - 1.1.2 Performing its duties with faithfulness and honesty (Duty of Loyalty).
 - 1.1.3 Performing its duties in compliance with laws, objectives, Company's Articles of Association, the resolution of the board of directors, and resolutions of shareholders' meetings (Duty of Obedience).
 - 1.1.4 Disclosing information to shareholders accurately, completely, and transparently with verification and timeliness. (Duty of Disclosure).
- 1.2 Directing SCG's visions, missions, and business strategies, with an annual revision and approval.
- 1.3 Reviewing the major operating plan, budgets, business goals, and business policies and enhancing the capabilities of SCG to reach a globally competitive level.
- 1.4 Overseeing and monitoring the implementation of the Company's strategies; overseeing and monitoring of each business unit's and SCG's overall performance by requiring their performance reports periodically; and setting policies to develop and improve the business operations with concern for safety, hygiene, social and environmental responsibility and development of SCG's employees.

- 1.5 Devoting their time and efforts to the Company without seeking benefits for themselves or others and not acting in conflict of interest or in competition with the Company or SCG.
- 1.6 Directing the Company's operation in compliance with the laws, objectives, Company's Articles of Association, resolutions of the Board of Directors and resolutions of shareholders' meetings in good faith and with care to preserve the highest interests of the Company and fairness to all involved parties.
- 1.7 Specifying risk management policies and overseeing to ensure effective risk management systems together with reviewing and assessing the systems periodically and in the wake of a change in risk levels.
- 1.8 Overseeing and developing SCG's corporate governance to keep it consistent with international standards to provide guidelines for business operations while monitoring to ensure compliance and being a role model in complying with the principles of good corporate governance and SCG Code of Conduct.
- 1.9 Encouraging staff at all levels to be conscious of ethics and morality and comply with SCG's principles of corporate governance, Code of Conduct and Anti-corruption policy while promoting awareness of the importance of internal control system and internal audits to reduce the risk of fraud and abuse of authority and prevent any illegal act.
- 1.10 Protecting the fair rights and interests of both major and minor shareholders along with supporting shareholders in exercising their rights to protect their own interests, and receive accurate, complete, transparent, veritable, and timely information.
- 1.11 Recognizing the roles, duties, and responsibilities of the Board of Directors, respecting the rights of shareholders, ensuring the equitable and transparent treatment of shareholders and other stakeholders, conducting the business transparently, disclosing information accurately and adequately, establishing a clear process and channels for receiving and handling complaints from informants or stakeholders, and ensuring an opportunity for every stakeholder to contact or lodge complaints about potential issues directly to the Board of Directors.
- 1.12 Reviewing top executive development plans and the succession plan for the President & CEO while overseeing to ensure the effective performance assessment of top executives on an annual basis and determining appropriate remuneration in line with the Company's operating results to provide both short-term and long-term incentives.
- 1.13 Assessing the performance of the Board of Directors annually by performing three types of assessments, namely that of the Board and its

Sub-committees as a whole, that of each individual director as a self-assessment, and that of the chairman together with monitoring the assessment results of the Board and its Sub-committees which will be jointly deliberated by the Board of Directors.

- 1.14 Overseeing and monitoring to ensure the selection and nomination process of a director is carried out transparently and the remunerations for directors and Sub-committee members are determined appropriately.
- 1.15 Attending all meetings of the Board of Directors and Shareholders' Meetings, except in unavoidable circumstances. The directors who are unable to attend a meeting must notify the Chairman or the Secretary to the Board in advance of the meeting.
- 1.16 Developing their knowledge and competency related to their duties consistently through courses or curricula related to directorial duties or seminars that enhance their knowledge.

Performing its duties, the Board of Directors may seek external consultation from independent consultants or experts in various fields, as deemed necessary and appropriate.

2. Scope of Authority of the Board of Directors Chairman

The Chairman of the Board of Directors has the following authority:

- 2.1 Sets Board meeting agenda in consultation with the President & CEO and oversees to ensure Board members receive accurate, complete, timely, and clear information prior to the meeting to assist in their decision making process.
- 2.2 Provides leadership and direction to the Board of Directors and chairs meetings of the Board.
 - 2.1.1 Conducts a Board meeting according to the agendas, the Company's Regulations, and applicable laws.
 - 2.1.2 Encourages and allocates sufficient time to each Board member to discuss and express their free and frank opinion with due circumspection and concern for all stakeholders.
 - 2.1.3 Sums up the Board meeting resolutions and the actions to take clearly.
 - 2.1.4 Sets up a Board meeting without the presence of the Executive Director.
- 2.3 Chairs meetings of shareholders according to the agendas, the Company's Articles of Association, and relevant laws by allocating time appropriately along with providing opportunities for shareholders to express their opinions equitably and ensuring that shareholders' inquiries are responded to appropriately and transparently.
- 2.4 Supports and be a role model in compliance with the principles of good corporate governance and SCG Code of Conduct.

- 2.5 Fosters a positive working relationship between the Board of Directors and the Management and supports the performance of the duties of the President & CEO and the Management in accordance with the Company's policy.
- 2.6 Oversees to ensure the transparent disclosure of information and management in the event of conflicts of interest.
- 2.7 Oversees to ensure the Board of Directors has appropriate structure and composition.
- 2.8 Oversees that the Board of Directors as a whole, Sub-committee members, and each individual director perform their duties effectively and efficiently.
- 2.9 Oversees to ensure the performance assessment of the Board of Directors as a whole and self-assessment of directors, Chairman, and Sub-committee members. The assessment results are reviewed to find ways to improve their performance and enhance the knowledge and capabilities of the directors and Sub-committee members.

3. Composition of the Board of Directors

The compositions of the Board of Directors are as follows:

- 3.1 The Board of Directors consists of not less than 9 but not more than 12 directors, each of whom shall be appointed and removed by shareholders' meeting. Not less than half of the directors shall be residents of the Kingdom.
- 3.2 The Board of Directors consists of independent directors which shall total up not less than half of the directors, representatives of major shareholders, and directors from SCG Management.
- 3.3 The Board of Directors shall elect one of their members to be the Chairman of the Board.

When a person is appointed as a director of the Company, the Company shall provide he/she with SCG's director orientation and present to every new director a Director's Manual of The Siam Cement Public Company Limited and various relevant information so that he/she acknowledges his/her roles and duties as a director of the Company.

4. Qualifications of Company Directors

- 4.1 Company directors must be qualified pursuant to the requirements set forth in the Public Limited Company Act and Company's Articles of Association, and possess no prohibited characteristics set forth in the Decree of the Securities Exchange Commission regarding stipulations pertaining to qualifications of executives of listed companies.

- 4.2 Company directors must have a capacity of leadership, wide-ranging vision, and knowledge of SCG's business.
- 4.3 Every company director must be able to perform his/her duty and express opinions independently, and be able to devote sufficient time to perform his/her duties.
- 4.4 Every company director must not hold directorship of more than five listed companies.

5. Terms of Office

At the annual general meeting of shareholders, one third of the directors, or if their number is not multiple of three, then the number nearest to one-third must retire from the office. The director who has held office longest shall retire. However, a retiring director is eligible for re-election.

Apart from the vacancy upon the expiration under the Company's Articles of Association, a director shall vacate office when:

- 1) he/she is no longer qualified for the office as specified in the Company's Articles of Association;
- 2) he/she gives notice of resignation to the Board of Directors, which shall be effective from the date that on which the Company receives the resignation letter;
- 3) he/she has been absent from three consecutive regular meetings of the Board of Directors without leave of absence, and the Board of Directors has passed a resolution by a vote of not less than half of all the directors that he/she retire from his/her office;
- 4) The shareholders pass a resolution removing him/her from office in accordance with the provisions of the Public Limited Company Act;
- 5) the court so orders;
- 6) he/she dies.

In case of vacancies of all members in the Board of Directors, the said Board of Directors may perform any act in the name of the Board of Directors only in matters necessary until a new Board of Directors takes over.

In case of a vacancy in the Board of Directors for any reason other than the expiration of the director's term of office, the Board of Directors shall elect a person who is fully qualified as the substitute director at the next meeting of the Board of Directors, unless the remaining term of office of the said director is less than 2 months. The substitute director shall hold office only for the remaining term of office of the director whom he/she replaces.

6. Meetings of the Board of Directors

The Company has stipulated that there shall be at least 8 meetings of the Board of Directors per year. For each meeting, the main items of the agenda are to be clearly determined

in advance. Special meetings may be called to consider important or urgent matters. The Chairman and the President& CEO will together determine the agenda and their matters to be considered at the meeting.

In calling a meeting of the Board of Directors, the Chairman or the Secretary to the Board of Directors, by order of the Chairman, shall serve a written notice calling for such meeting to the directors not less than 7 days prior to the date of the meeting. Where it is necessary or urgent, the meeting may be called by other methods and an earlier meeting date may be choosing.

7. Quorum

At a meeting of the Board of Directors at least half the number of directors must be present to constitute a quorum. In case the Chairman is absent or unable to perform his/her duty, the Board of Directors shall appoint a director to perform the duty on behalf of the Chairman.

Decision in the meeting shall be made by a simple majority vote. Each director is entitled to one vote. In the event of tie vote, the Chairman of the meeting shall have a casting vote.

Each director is entitled to one vote, but a director who has an interest in any matter shall not be entitled to vote on such matter.

In case of vacancies in the Board of Directors resulting in the number of directors being less than the number required for a quorum, the remaining directors may perform any act in the name of the Board of Directors only in matters relating to the calling of a shareholders' meeting to elect directors to replace all the vacancies, and that such shareholders' meeting shall be held within one month from the date the number of directors falls below the number required for a quorum.

8. The Board of Directors' Authorization

The Board of Directors is empowered to authorize various matters in accordance with the scope of authority stipulated by laws, the Company's regulations, Articles of Association, the Board of Directors charter, and the shareholders' meeting resolutions. Such matters include defining and reviewing corporate vision, operating strategies, operating plans, risk management policy, annual budget and business plans, and medium-range business plan. Added to this is the defining of the target operating results, following up and assessing the operating results to ensure they are consistent with the plan, and overseeing capital expenditure, significant connected transactions, merger and acquisition, corporate spin-off, and joint venture deals.

9. Remuneration

The directors shall be paid a remuneration, the amount of which shall be fixed by the shareholders' meeting.

This Charter shall be effective from 17 December 2014.

Announced on 17 December 2014

[signature]

(Mr. Chirayu Isarangkun Na Ayuthaya)
Chairman of the Board of Directors