

**CHARTER OF THE REMUNERATION COMMITTEE**  
**THE SIAM CEMENT PUBLIC COMPANY LIMITED**

The Remuneration Committee is a part of a good corporate governance system. The duties of the Remuneration Committee are to recommend remunerations of the Board of Directors and its sub-committees, propose them to the Board of Directors for approval at the general meeting of shareholders, and recommend the compensation of top executives of SCG for the Board of Directors' approval. The Board of Directors has thus resolved to adopt this Charter of the Remuneration Committee so that every member of the Remuneration Committee is aware of his/her duties and responsibilities and performs them correctly and completely.

**1. Scope of Duties**

The duties of the Remuneration Committee are as follows:

- 1.1 Propose guidelines and methods for remuneration to be paid to the Board of Directors and the sub-committees appointed by the Board of Directors, including bonus and attendance fee.
- 1.2 Recommend the policy on SCG management Incentives including salary and annual bonus, in line with the Company's operating results and the performance of each SCG top executive. Whenever it deems appropriate, the Committee shall consider hiring of consulting firms to advise on project implementation.
- 1.3 Assess the performance of the President & CEO on an annual basis in order to determine his/her remuneration before proposing the Board of Directors for approval.
- 1.4 Assess the performance of each SCG top executive on an annual basis, based on the recommendation of President & CEO, in order to determine his/her remuneration before proposing the Board of Directors for approval.
- 1.5 Consider the annual budget for the salary increase, changes of wage and compensation, and bonus of top executives before proposing to the Board of Directors.
- 1.6 Review, study, and track regularly the changes and trends in remuneration for the Board of Directors and SCG top executives in order to propose for the approval of the Board of Directors.
- 1.7 Consider the remuneration of the Board of Directors and SCG top executives, as compared to the remuneration offered by other listed companies operating in the same business, to ensure that SCG retains its leadership in that industry and to motivate them to foster the Company's continuing development.

- 1.8 Report regularly a progress and performance results to the Board of Directors after every meeting of the Remuneration Committee.
- 1.9 Assess the performance of the Remuneration Committee and report the assessment results to the Board of Directors for acknowledgement.
- 1.10 Review and recommend for the Board of Directors' approval if there may be any alteration to the Charter of the Remuneration Committee in keeping it applicable and up-to-date.
- 1.11 Perform other duties as assigned by the Board of Directors.

To fulfill its duties under its scope of authority, the Remuneration Committee is authorized to call for and order the management, heads of offices or employees concerned to give opinions, attend meetings or submit necessary documents. In addition, the committee may seek external consultation from independent consultants or experts in various fields, as deemed necessary and appropriate, at the Company's expense.

## **2. Composition of the Remuneration Committee**

The compositions of the Remuneration Committee are as follows:

- 2.1 The Remuneration Committee consists of not less than 3 members.
- 2.2 The members of the Remuneration Committee must be appointed by the Board of Directors.
- 2.3 The Remuneration Committee shall select one of their members to be the Chairman of the Remuneration Committee.

## **3. Qualifications of the Remuneration Committee**

- 3.1 Shall be the Company directors.
- 3.2 Shall have wide-ranging vision, and keep updated with changes of the Company's performances for further improvement of SCG's guideline on remuneration determination.
- 3.3 Shall be able to independently perform his/her duties, express opinions, report on the performance of the assigned duties, and devote sufficient time to perform his/her duties.

#### **4. Terms of Office**

The term of office of the members of the Remuneration Committee is 3- year each, ending at the annual general meeting of shareholders. A retiring member is eligible for re-appointment.

Apart from the vacancy upon the expiration as aforementioned, a member of the Remuneration Committee shall vacate office when:

- 1) he/she resigns;
- 2) he/she is no longer qualified for the office of the Remuneration Committee as specified in this Charter;
- 3) the Board of Directors passes a resolution removing him/her from office.

If a member of the Remuneration Committee wishes to resign, he/she shall give notice of resignation to the Chairman of the Company's Board of Directors. The resignation shall be effective from the date on which the Chairman of the Company's Board of Directors receives the resignation letter.

In case of vacancies of all members in the Remuneration Committee, the said Remuneration Committee may perform any act in the name of the Remuneration Committee until a new Remuneration Committee takes over the duties.

In case of a vacancy in the Remuneration Committee for reason other than expiration of the term of office, the Board of Directors shall elect a person who is fully qualified as a substitute member of the Remuneration Committee so that the number of members of the Remuneration Committee remains in full as the Board of Directors had stipulated. The substitute member shall hold office only for the remaining term of office of the member whom he/she replaces.

#### **5. Meetings**

Meetings of the Remuneration Committee are to be called whenever the Committee or the Chairman of the Committee sees fit. There shall be at least 5 meetings per year.

In calling a meeting of the Remuneration Committee, the Chairman or the Secretary to the Remuneration Committee, by order of the Chairman, shall serve a written notice calling for such meeting to members of the Remuneration Committee 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.

The Remuneration Committee should hold meetings to discuss matters within its scope of duties.

## **6. Quorum**

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

Decisions in the meeting shall be made by a simple majority vote. Each member of the Remuneration Committee is entitled to one vote. In the event of tie vote, the Chairman of the meeting shall have a casting vote. The member of the Remuneration Committee who has a conflict of interest in any matter, he/she shall not be entitled to vote on such matter.

Resolutions of the Remuneration Committee may be made without meeting, and shall be deemed valid as if they were made at the meeting, when all members of the Remuneration Committee have adopted it by their signatures.

## **7. Remuneration**

The Remuneration Committee shall be paid a remuneration, the amount of which shall be approved at the general meeting of shareholders.

This Charter shall be effective from 27 December 2019.

Announced on 27 November 2019

*[signature]*

(Air Chief Marshal Satitpong Sukvimol)  
Chairman of the Board of Directors