

**MINUTES OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**  
**FOR THE YEAR 2019 (THE 26<sup>th</sup> MEETING)**  
**THE SIAM CEMENT PUBLIC COMPANY LIMITED**

The meeting was held at Athenee Crystal Hall, 3<sup>rd</sup> Floor, The Athenee Hotel Bangkok, 61 Wireless Road, Pathumwan, Bangkok, on Wednesday, March 27, 2019 at 14:30 hours.

**Air Chief Marshal Satitpong Sukvimol**, Chairman of the Board, chaired the meeting.

The Chairman welcomed the shareholders to the Annual General Meeting of Shareholders for the year 2019 and assigned Mr. Worapol Jennapar, Secretary to the Board, to inform the Meeting of the total number of shareholders attending the meeting.

The Secretary to the Board then informed the Meeting that there were 1,079 shareholders present in person, representing 3,887,878 shares, and 2,012 shareholders by proxy, representing 738,237,962 shares. In total, 3,091 shareholders and proxies attended the meeting, holding a total of 742,125,840 shares, equivalent to 61.8438% of the total 1,200,000,000 issued shares which constituted a quorum pursuant to the Company's Articles of Association. The Chairman then declared the meeting open and proposed that the Meeting considered the following matters according to the agenda.

After the Chairman had declared the meeting open, there were 138 more shareholders present in person, representing 499,067 shares, and 69 more shareholders by proxy, representing 3,572,772 shares. In total, 3,298 shareholders and proxies attended the meeting, holding a total of 746, 197,679 shares, equivalent to 62.1831% of the total 1,200,000,000 issued shares.

As assigned by the Chairman, the Secretary to the Board then introduced to the Meeting the directors, Management members, a representative of the legal counsel, the Company Secretary, auditors from KPMG Phoomchai Audit Ltd. and representatives of the auditor being witnesses during the voting process. These persons were as follows:

**Directors attending the meeting:**

All 12 persons (equivalent to 100% of the total Board members) as follows:

- |    |                                       |   |
|----|---------------------------------------|---|
| 1. | Air Chief Marshal Satitpong Sukvimol  | Chairman                                  |
| 2. | Mr. Sumet Tantivejkul                 | Vice Chairman and Independent<br>Director |
| 3. | Mr. Kasem Watanachai                  | Director                                  |
| 4. | Police Colonel Thumnithi Wanichthanom | Director                                  |
| 5. | Mr. Pricha Attavipach                 | Independent Director                      |
| 6. | Mr. Chumpol NaLamlieng                | Independent Director                      |

- |                                |                      |
|--------------------------------|----------------------|
| 7. Mr. Tarrin Nimmanahaeminda  | Independent Director |
| 8. Mr. Pramon Sutivong         | Independent Director |
| 9. Mrs. Tarisa Watanagase      | Independent Director |
| 10. Mr. Kan Trakulhoon         | Director             |
| 11. Mr. Prasarn Trairatvorakul | Director             |
| 12. Mr. Roongrote Rangsiyopash | President & CEO      |

**The Secretary to the Board**

Mr. Worapol Jennapar

**Members of the Management attending the meeting:** 11 persons as follows:

- |                                   |  |
|-----------------------------------|--|
| 1. Mr. Cholanat Yanaranop         | Executive Vice President, SCG<br>and President, Chemicals Business |
| 2. Mr. Sakchai Patiparnpreechavud | Vice President-Chemicals Business                                  |
| 3. Mr. Mongkol Hengrojanasophon   | Vice President-Chemicals Business                                  |
| 4. Mr. Tanawong Areeratchakul     | President, Packaging Business                                      |
| 5. Mr. Wichan Jitpukdee           | Vice President, Packaging Business                                 |
| 6. Mr. Nithi Patarachoke          | President, Cement-Building Materials<br>Business                   |
| 7. Mr. Chana Poomee               | Vice President- Cement-Building<br>Materials Business              |
| 8. Mr. Paramate Nisagornsen       | Vice President- Cement-Building<br>Materials Business              |
| 9. Mr. Yuttana Jiamtragan         | Vice President-Corporate<br>Administration, SCG                    |
| 10. Mr. Thammasak Sethaudom       | Vice President-Finance and<br>Investment & CFO, SCG                |
| 11. Mr. Aree Chavalitcheewingul   | President, Cementsai Holding<br>Company Limited                    |

**Legal Counsel:** Mr. Kitti Tangjitrmaneesakda, SCG Legal Counsel Company Limited

**Company Secretary:** Mrs. Pornpen Namwong

**Auditors from KPMG Phoomchai Audit Ltd.:** 3 persons

1. Mr. Winid Silamongkol
2. Mr. Vairoj Jindamaneepitak
3. Miss Thanyalux Keadkeaw

**Representatives of the Auditor being Witnesses during the Voting Process:** 2 persons

1. Mr. Kullachai Leesirisan
2. Miss Sutunya Yimpaiboon

The Secretary to the Board also introduced Mr. Chak Ngamtippayapan, a shareholders' right protection volunteer, being a proxy of the Thai Investors Association attending the meeting and invited the shareholders to be witnesses during the voting process together with the representatives of the auditor. However, no shareholders volunteered to witness the counting of votes.

The legal counsel was then assigned by the Chairman to explain to the Meeting the voting procedures, vote counting, and announcing of voting results, which could be summarized as follows:

1. According to the Company's Articles of Association, each shareholder or a proxy authorized by any shareholder to vote on his/her behalf is entitled to vote equal to the number of shares held, whereby one share shall be equal to one vote.
2. Voting shall be made openly.
3. Shareholders attending the meeting in person or by proxy shall cast only one of their votes, whether to vote for approval, disapproval or abstention. The votes on each agenda item cannot be divided except for the proxies of foreign investors, who had appointed a custodian in Thailand to take custody and depository of their shares.
4. In casting votes on each agenda item, shareholders who voted to disapprove or abstained on such an agenda item would be requested to raise their hands and mark the voting card to notify the Company's officers so as to have their barcodes scanned and their voting cards collected. All shareholders who voted to approve should mark the voting card but were not required to raise their hands. All the approval voting cards were to be collected when the meeting adjourned.

As for the shareholders who authorized their proxies to the directors or independent directors, the Company shall cast votes of approval, disapproval or abstention on each agenda item according to their requisition.

5. In vote counting, a system of negative deduction shall be used whereby the disapproval vote, abstention votes, and void votes (if any), shall be deducted from the total number of votes attending the meeting for each agenda. The remaining votes shall then be counted as approval votes, while void votes shall be counted only for those that are disapproval votes or abstentions. In counting and summing up the votes for each agenda, the votes indicated in proxy forms shall also be counted.

A vote shall be considered void in the event that the shareholder or the authorized proxy fails to clearly specify their intention on the voting cards, such as when more than one box is marked on the voting cards, the votes are allocated (except for the votes of custodians) or a signature is not provided to verify a correction made on the cards.

6. The total number of shareholders or proxies and the casting of the votes on each agenda might vary from item to item since shareholders or proxies might leave the meeting or later enter the meeting.
7. In case the shareholders or proxies wished to leave before the end of the meeting, it was requested that they return all the voting cards at the exit so that the officer could update the attendance lists.
8. The voting results shall be announced at the meeting after the completion of the counting of votes for each agenda item. However, vote counting for some agenda items may take longer. In such cases, the Chairman may request the Meeting to proceed to the consideration of the next item on the agenda to avoid disrupting the meeting. The Meeting will be informed of the results as soon as the counting of votes is finished.
9. Shareholders or proxies wishing to make inquiries or give any comments shall raise his/her hand. After given permission, such person shall state his/her first name and last name, and the status as either a shareholder or a proxy.

As assigned by the Chairman, the President & CEO then added that the Company had provided foreign shareholders attending the meeting with interpreters. Those who wished to submit queries should write down their questions and hand them to the Company's staff. These queries would be gathered and addressed in Thai by directors and executives so as to allow other shareholders to understand as well.

Before commencing the meeting session with the scheduled agendas, the Chairman informed the Meeting that since becoming Chairman of the Board, this would be his first session while presiding as Chairman of the AGM. Furthermore, in light of the recent changes at The Crown Property Bureau, he reiterated to the Meeting that The Crown Property Bureau has granted to both the Board of Directors and the Management, the authority to independently operate SCG and its businesses to the full potential that it is capable of. At the same time, The Crown Property Bureau will remain supportive of SCG to conduct its businesses with full integrity. As such, he wishes that the Directors and the Management of SCG carry out and perform their duties with the full comfort knowing that there is full support, all in the efforts towards the growth and sustainability of SCG.

After the Meeting acknowledged and had no further inquiries regarding the voting procedures, vote counting, and announcement of the voting results as described above, the Chairman then proceeded to conduct the meeting in accordance with the agenda items listed below.

## **Agenda 1: To acknowledge the Company's Annual Report for the year 2018**

The Chairman assigned the President & CEO to report the Company's performance and major changes occurring during the year 2018 to the Meeting and gave the shareholders an opportunity to make inquiries.

The President & CEO informed the Meeting that the Company had provided the summary of SCG performance and major changes occurring during the year 2018. The details of which can be found in the 2018 Annual Report which, in this year, has been sent to the shareholders in the form of E-books accessible through a QR Code. Such a system was developed by the Stock Exchange of Thailand (SET) to facilitate SET Listed Companies in sending to shareholders documents regarding the General Meeting of Shareholders and Annual Reports, thus allows shareholders to access the information with ease.

The President & CEO reported SCG performance for the year 2018 to the Meeting, which could be summarized as follows:

Despite looking promising in the first half of the year 2018, the overall economy of Thailand eventually received negative impacts during the second half of the year as a result of various factors such as the slowdown of global economy, the volatility of oil price, the trade war between the United States and China, and the rising interest rates. Nevertheless, the demand for building materials seemed promising due to Thai government's continuous infrastructure investment projects.

Thus, the Company focused on two key strategies - Financial Stability and Long-Term Business Growth Management-in order to maintain the stability and promptly cope with future risks and uncertainty in both Thailand and other ASEAN countries.

SCG performance in 2018 reported sales revenue of 478,438 million Baht, an increase of 6% from the preceding year, and profit of 44,748 million Baht, a decrease of 19% from the preceding year, due to weaker petrochemicals industry cycle, increasing energy and raw material costs, and currency exchange rates as a result of Thai Baht's appreciation.

In 2018, the total sales revenue was derived 46% from Chemicals Business, 36% from Cement-Building Materials Business, and 18% from Packaging Business. The largest portion or 65% of the profit was attributable to Chemicals Business, while Packaging Business, the Cement-Building Materials Business, and others accounted for 14%, 13%, and 8% of the profit respectively.

SCG's business highlights in 2018 were summarized as follows:

**1. The expansion of investment in ASEAN countries for sustainable growth:**

major investment projects include the following:

- **Chemicals Business:** The project regarding the first integrated petrochemicals complex in Vietnam, or Long Son Petrochemicals Company Limited (LSP), is progressing according to plan and is expected to begin the commercial production in the first half of 2023.
- **Cement-Building Materials Business:**
  - (1) SCG has invested in PT Catur Sentosa Adiprana Tbk in Indonesia which operates a modern retail business selling home products and building materials in order to expand its continuously growing business base in Indonesia.
  - (2) SCG has expanded its logistic business to China by cooperating with Jusda Supply Chain Management International, a Foxconn (Hon Hai Precision Industry Company Limited)'s subsidiary, to develop the product transportation system used for importing and exporting products between China and ASEAN countries and provide total solutions services.
- **Packaging Business:** SCG has increased its investment in United Pulp and Paper Co., Inc. in Philippines, which operates packaging paper business, to meet the increasing demand in Philippines.

In 2018, SCG's sales revenue in ASEAN registered approximately 118,014 million Baht or 25% of the total sales revenue, an increase of 11% year-on-year, while its sales revenue in other regions outside ASEAN recorded 86,155 million Baht or 18% of the total sales revenue.

The total assets of SCG as of December 31, 2018 amounted to 589,787 million Baht, of which 28% representing the total assets in ASEAN.

**2. Invention of innovative products, services and total solutions services to better meet the demand of costumers in the digital age:**

- Inventing high-strength polyethylene (SCG™ PE) used for higher quality resins with reduced materials to meet the requirements of plastic manufacturers and convertors;
- Developing an additive “CIERRA”, a new functional material that boots the operational performance of several plastic types, through the R&D collaboration with the University of Oxford in the United Kingdom;

- Developing Active AIRflow™ System, a system that allows for a cooler home temperature while retaining enhanced air quality, and Roofing Solution which offers roof check-ups and solutions for customers;
- Developing Home Buddy mobile application and SCG Online Store which offers the customers available advices towards home renovations and simplified SCG products purchases;
- Developing durable and smooth-surfaced micro flute paper for industries that need various types of packaging;
- Producing recycled paper bags that are of high quality and durability, are easily dissolvable, and support high weight capacity.

3. **Striving to expand its business with sustainability under the Circular Economy concept:** SCG has earnestly brought the Circular Economy concept into its business operation to ensure the effective utilization of circulated resources by starting with instilling good conscience on SCG's employees. Its employees are encouraged to improve their behaviors such as causing less wastes and segregating them before disposal for reuse. SCG has also expanded its cooperation with other business sectors to launch Circular Economy projects such as creating a recycled plastic road model from plastic wastes, producing recycled paper bags from Modern Trade's packaging boxes, as well as supporting other organizations in hosting eco-friendly events and meetings, or Green Meetings.

SCG also adheres to operating its business on the basis of Corporate Governance in order to be a sustainable business leader in line with SCG's vision and focuses on stringently complying with anti-corruption policy. In 2018, SCG applied for the recertification of membership of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC), and has currently been recertified.

The President & CEO then gave the shareholders an opportunity to make inquiries, with the President & CEO answering questions and acknowledging observations as well as suggestions from the shareholders, which could be summarized as follows:

(1) What human resources management initiatives have SCG undertaken to keep up with new changes?

Answer: SCG has attached great significance to the development of its human resources, which it deems its most valuable asset. They are particularly important to continuous innovation development of SCG.

(2) What are some of SCG's latest innovations?

Answer: SCG has been developing digital and business innovations, even during economic slumps. Examples of SCG's innovations, as previously presented to the shareholders, include an energy-saving coating developed by the Chemicals Business and the Active AIRflow™ System by the Cement-Building Materials Business.

(3) Does SCG have policies or plans to join the Eastern Economic Corridor (EEC)?

Answer: SCG has taken parts in the development of EEC in 2-3 major areas, including infrastructure, procurement, and logistics. It is also considering investment plan in business related to new technologies.

(4) What is SCG's environmental management policy and how is this policy communicated to the general public?

Answer: As part of SCG's business involves manufacturing and is related to natural resources and the environment, SCG has placed a premium on safety and made it a top priority in all operations. SCG has also improved its environmental standards, such as at its petrochemical complex in Map Ta Phut, being recognized for their high ranking of safety and environmental management standards by both governmental and private organizations. Packaging Business is also an internationally recognized leader in wastewater and sewage management. There are also other initiatives, such as the Smart Driver Project developed by the Logistics Business to promote safety driving.

For issues where there appears to be a lack of public understanding, SCG has communicated with each specific group of complainants, presented them with facts, and welcomed suggestions that will improve its communication.

(5) Does SCG have any programs that promote public health and address related issues, such as the PM 2.5?

Answer: SCG has a considerable number of relevant projects. For instance, to help prevent and control PM 2.5, SCG has been testing electric cars. Once the test is completed, the project will be unveiled to the government and the general public.

- (6) Does the Chemicals Business account for the largest portion of SCG's income and profit? Are there plans to further increase the income and profit of this business?

Answer: The Chemicals Business contributes the largest portion of income and profit to SCG, accounting for 46% and 65% of SCG's total income and profit, respectively. However, increasing the income and profit of the Chemicals Business may prove challenging as it is by nature subject to fluctuations and its costs are tied to oil prices. This was evident in the fourth quarter of the previous year, during which the oil prices fluctuated wildly, ranging from over USD 80 to under USD 50 per barrel. The current prices have now bounced back to about USD 70 per barrel, which has directly affected the costs of the Chemicals Business. In this regard, the Management has been doing its utmost to adjust product prices in accordance with the market demand. At the same time, another business of SCG, Cement-Building Materials Business, has also shown signs of improvement thanks to rising market demand in the previous quarter, and SCG has been working to further enhance its sales. Likewise, the Packaging Business is also enjoying continuous growth.

- (7) What are the main income-generating products of Chemicals Business? What are the technological differences in comparison to competitors?

Answer: The main products fall into three categories, namely polyethylene, polypropylene, and PVC. As for technology, SCG has been in research and development collaborations with the world's leading universities for over 10 years, such as Oxford University in the United Kingdom and Chinese universities that are leaders in chemicals. SCG also has a research and development project in Norway involving over 50 researchers apart from research institutes in Switzerland and the United Kingdom in the previous year. In Thailand, SCG has been making consistent investment in research and development and fostering connections with Thai researchers and leading research institutes. SCG is confident that its technology is competitive on a global level. This includes building materials such as pipes; SCG is considered one of the two companies globally that can produce pipes that meet world-class standards.

Furthermore, the President & CEO took into consideration a recommendation from the shareholders that the measurement of carbon footprint released by SCG should be reported more accurately and clearly. Non-Thai shareholders were offered an opportunity to write down and submit their inquiries to the staff, which would then be answered during the meeting or addressed by the Management after the meeting.

**Resolution:** The Meeting acknowledged the Company's Annual Report for the year 2018.

**Agenda 2: To consider and approve the Financial Statements for the year ended December 31, 2018**

The Chairman assigned the President & CEO to report the financial statements for the year ended December 31, 2018 for the consideration of the Meeting, which could be summarized as follows:

In compliance with the Law, the Company shall prepare its financial statements at the end of the fiscal year of the Company and have them audited and certified by the Company's auditor before submission to the shareholders for approval. The Board then recommended the Meeting to approve the financial statements for the year ended December 31, 2018 as duly audited and certified by the auditors and approved by the Audit Committee. The details of the financial statements of the Company could be found in the 2018 Annual Report, which was distributed to the shareholders prior to the meeting together with the notice of the meeting, and could be summarized as follows:

**The statements of financial position and income statements**

**Unit: million Baht**

<b>Important Financial Information</b>	<b>SCC and its Subsidiaries</b>	<b>SCC</b>
Total Assets	589,787	289,922
Total Liabilities	271,918	194,240
Sales Revenue	478,438	-
Total Revenue	490,261	33,886
Profit for the year	44,748*	24,456
Earnings per Share (Baht/Share)	37.29*	20.38

\* Represents profit for the year attributable to owners of the parent.

The President & CEO then invited questions from shareholders and clarified the issues raised by the shareholders regarding the investment in LSP's integrated petrochemicals complex project in Vietnam as well as its forecast EBITDA and sales when the production starts which could be concluded as follows:

LSP is the first petrochemical project in Vietnam. The country currently imports about 2.5 million tons of chemicals per year. LSP has an initial production capacity of 1.5-1.6 million tons per year. In the next four years, the petrochemical demand in Vietnam is expected to increase to about 3 million tons per year, or about twice the production capacity of LSP. The comparative advantages of this project which would maximize the benefits and contribute to its success can be summarized as follows.

- 1) Market Aspect: LSP is Vietnam's first petrochemical complex and the only operator in the country. Its capacity still falls short of the domestic demand of the market. In addition, there appears to be no other competitor in the near future, possibly attributable to limitations on knowledge of relevant laws and regulations in Vietnam. Thanks to its familiarity and long experience with making investment and operating businesses in Vietnam, SCG enjoys advantages over others.
- 2) Cost Competitiveness Aspect: LSP has been designed to accommodate a flexible range of raw materials, including naphtha and gases. It has also entered into a long-term supply of raw material agreement with Qatar, allowing LSP to purchase either naphtha or gases.
- 3) Investment Aspect: The project required about 5.4 billion USD in investment, almost twice as less than similar projects in developed countries. This was due to SCG's experience as well as its engineering and project management in this business.
- 4) Technology and Innovation Aspect: Currently, high value added (HVA) products account for about 40% of the total sales of the Chemicals Business. Although HVA products can better meet the demand of the customers and entail about 5-10% higher margin than regular products, they can maintain their HVA status only for a period of time, continuous improvement and development is required to set them apart from general products.

The EBITDA margin and expected profits of LSP can be projected more accurately only after its commercial operation commences in the next four years and will also be subject to many other factors and variables, including the global economic climate and the cycle of the industry. However, the sales are expected to increase from the current figures by 2.5 billion USD.

Other detailed inquiries from the shareholders would then be clarified by the Managements in charge of said matters after the meeting.

Afterwards, the President & CEO proposed that the Meeting approve the financial statements for the year ended December 31, 2018. This agenda required a resolution of a simple majority of total number of votes of the shareholders present at the meeting and eligible to vote.

**Resolution:** The Meeting, by a simple majority of total number of votes of the shareholders present at the meeting and eligible to vote, approved the financial statements for the year ended December 31, 2018 as follows:

Approved	744,166,911	votes, equivalent to	99.8642 %
Disapproved	0	votes, equivalent to	0.0000 %
Abstained	1,011,800	votes, equivalent to	0.1357 %
Void	0	vote, equivalent to	0.0000 %

**Agenda 3: To consider and approve the Allocation of Profit for the year 2018**

The Chairman assigned the President & CEO to inform the Meeting of the details regarding the dividend distribution for the year 2018. The President & CEO delineated the Company's dividend payment policy, dividend distribution, dividend tax credits, dividend payment dates, as well as other relevant schedules, as follows:

The Company's policy was to distribute dividends at the rate of 40-50% of net profit as specified in its Consolidated Financial Statements. The Company may consider changing the dividend distribution in cases of necessity or extraordinary circumstances.

In 2018, the Company and its subsidiaries had a net profit attributable to owners of the parent of 44,748 million Baht on its Consolidated Financial Statements. Taking into account the Company's retained earnings for distribution of the dividends and to build confidence among investors, shareholders, and all stakeholders, the Board proposed the distribution of dividends to shareholders for the year 2018 at the rate of 18.00 Baht per share, totaling 21,600 million Baht, or 48% of the net profit listed on the Consolidated Financial Statements, which aligned with the Company's dividend policy.

The Company paid the interim dividend at the rate of 8.50 Baht per share on August 22, 2018. The final payment of the dividend shall be 9.50 Baht per share, amounting to 11,400 million Baht. The final payment of dividend of 9.50 Baht per share was derived from the profit which was subject to corporate income tax of 30%. Therefore, a natural person shareholder shall be entitled to a tax credit equaling the product of dividend times 30/70.

The above dividend distribution shall be payable to the shareholders entitled to receive the dividend in accordance with the Company's Articles of Association and who were listed on the record date on Thursday, April 4, 2019 (The XD, or the date on which a share purchaser will not be entitled to receive the dividend, will be on Wednesday, April 3, 2019). The dividend payment will be made on Friday, April 19, 2019. The receipt period of such dividend amount shall be within 10 years. The details are as shown on pages 2 and 3 of the notice of the meeting.

The President & CEO then invited questions and, as there were no further inquiries or comments, proposed that the Meeting approve the allocation of profits for the year 2018 to distribute to shareholders the dividends at 18.00 Baht per share and the final payment of dividends at 9.50 Baht, as proposed above. This agenda required a resolution of a simple majority of total number of votes of the shareholders present at the meeting and eligible to vote.

**Resolution:** The Meeting approved the allocation of profits for the year 2018 for the dividend distribution to the shareholders as proposed by the Board by a simple majority of total number of votes of the shareholders present at the meeting and eligible to vote as follows:

Approved	744,889,773	votes, equivalent to	99.9892 %
Disapproved	0	vote, equivalent to	0.0000 %
Abstained	79,900	votes, equivalent to	0.0107 %
Void	0	vote, equivalent to	0.0000 %

**Agenda 4: To consider and elect the Directors in Replacement of those to be retired by Rotation**

The Chairman assigned Mr. Sumet Tantivejkul, Chairman of the Governance and Nomination Committee, to inform the Meeting and be in charge of the election of directors in replacement of those retired by rotation.

The Chairman of the Governance and Nomination Committee informed the Meeting that, in compliance with the Public Limited Companies Act and Clause 36 of the Company's Articles of Association, one-third of the directors must retire from office by rotation in the Annual General Meeting of Shareholders. Four directors retired by rotation in this meeting were as follows:

- |  |                      |
|--|----------------------|
| 1) Police Colonel Thumnithi Wanichthanom | Director             |
| 2) Mr. Tarrin Nimmanahaeminda            | Independent Director |
| 3) Mr. Pramon Sutivong                   | Independent Director |
| 4) Mrs. Tarisa Watanagase                | Independent Director |

Mr. Tarrin Nimmanahaeminda and Mr. Pramon Sutivong expressed their intention not to be nominated for re-election as the Company's directors. The Meeting was then further informed that the Company had provided an opportunity to the shareholders to propose agendas for the meeting and nominate qualified candidate(s) for the directorship from August 16 to November 15, 2018. Nevertheless, no shareholder had proposed any agenda items or nominated any individuals for the election of directors.

The Governance and Nomination Committee, excluding directors retired by rotation in the 2019 Annual General Meeting of Shareholders, has considered six qualified candidates for directorship and the chartered directors from the Thai Institute of Directors Association (IOD)'s Director Pool. The Corporate Governance guidelines, the candidates' knowledge and particular professional skills, as well as the Board Skill Matrix were taken into consideration to ensure the alignment with the business strategies of SCG. The Governance and Nomination Committee then unanimously resolved to propose to the Board of Directors the four qualified candidates for the election in replacement of those retired by rotation in the 2019 Annual General Meeting of Shareholders as follows:

- 1) Police Colonel Thumnithi Wanichthanom
- 2) Mrs. Tarisa Watanagase
- 3) Mr. Pasu Decharin
- 4) Mrs. Parnsiree Amatayakul

They were considered qualified with expertise, knowledge, professional skills, attributes of leadership, far-sighted vision, good morals and ethical principles, as well as clear and unblemished career records. Their qualifications are proper and in accordance with relevant laws and the Company's Articles of Association. Police Colonel Thumnithi Wanichthanom is a retiring director who had performed his duty as well as expressed his opinions and recommendations during his directorship. Besides, Mrs. Tarisa Watanagase, who had served as the Company's independent director for six years, had been able to independently express her opinions, and had brought about her knowledge, experiences and expertise to make recommendations beneficial to the formulation of SCG's business operation strategies and policies in accordance with the sustainable development guideline. In addition, Mr. Pasu Decharin and Mrs. Parnsiree Amatayakul, the newly proposed persons in replacement of the directors retired by rotation, are qualified as independent directors according to the Company's definition of independent directors. Both have knowledge in accountancy and finance, expertise and experiences beneficial to the formulation of SCG's business operation strategies and policies. All four aforementioned persons do not occupy directorship or management positions in other organizations which might lead to a conflict of interest with the Company.

The Board of Directors, excluding the Directors retired by rotation in the 2019 Annual General Meeting of Shareholders, has extensively discussed and thoroughly considered all nominated candidates and the qualification of each candidate. Their qualifications are proper and in accordance with relevant laws and the Company's Articles of Association. They have extensive experiences beneficial to the business operation of SCG. The Board thus unanimously agreed with the Governance and Nomination Committee and recommended the 2019 Annual General Meeting to re-elect Police Colonel Thumnithi Wanichthanom and Mrs. Tarisa Watanagase as the directors of the Company for another term and to elect Mr. Pasu Decharin and Mrs. Parnsiree Amatayakul as directors to replace directors retired by rotation.

The nominated candidates' profiles and further relevant information are as shown in pages 11-17 of the notice of the meeting (English version).

The Chairman of the Governance and Nomination Committee then gave the shareholders an opportunity to make inquiries, with the Chairman of the Governance and Nomination Committee, the directors and the Management answering questions and acknowledging observations from the shareholders, which could be summarized as follows:

- (1) Which director did Police Colonel Thumnithi Wanichthanom replace, and why is his term of office shorter than usual?

Answer: Police Colonel Thumnithi Wanichthanom was nominated by the Crown Property Bureau, as a major shareholder, for directorship in place of Mr. Chirayu Isarangkun Na Ayuthaya, who was appointed a privy council member and scheduled to be retired at this Annual General Meeting of Shareholders.

- (2) Other than his role as the Dean of the Faculty of Commerce and Accountancy of a famous university, does Mr. Pasu Decharin, who has been nominated to replace a retiring director, have previous experience in large corporates? Will his directorship in a total of four listed companies (including The Siam Commercial Bank Plc. (SCB) and The Siam Cement Plc., should his appointment be approved at this Annual General Meeting of Shareholders) constitute a violation of the notification of the Bank of Thailand?

Answer: Mr. Pasu Decharin currently holds directorship in the Boards of Directors and the Audit Committees of the following listed companies: Krungthai Car Rent & Lease Plc., Thai Oil Plc., and SCB. It is thus reasonable to believe that he has the knowledge as well as accountancy and financial expertise to contribute to the Board of Directors.

As for his directorship at SCB, an examination has shown that Mr. Pasu Decharin has all the qualifications to serve as a director in accordance with the Corporate Governance Code of the Stock Exchange of Thailand and the Securities Exchange Commission. In addition, his directorship does not violate the notification of the Bank of Thailand that prescribes that a director of a financial institute may serve as a chair or a director in the Board of Directors in no more than three other business groups in which there will possibly be more than one company in each business group.

- (3) Will the two candidates qualified for independent directorships be appointed as directors of the Audit Committee as well? Who will be appointed Chairman of the Audit Committee in place of Mr. Tarrin Nimmanahaeminda?

Answer: The Board of the Directors will consider the appointment of directors to fill vacancies in sub-committees as well as the appointment of the Chairman of the Audit Committee in accordance with the Company's succession plans.

- (4) Why did Mrs. Tarisa Watanagase simultaneously serve as the Governor and the Chairman of the Board of Directors of the Bank of Thailand from 2006 to 2009?

Answer: That period was prior to the enactment of the revised law of the Bank of Thailand. At that time, it was prescribed that the Governor and the Chairman of the Board of Directors of the Bank of Thailand should be the same individual. However, this law was subsequently revised, so that the two positions would not be held by a single individual.

As there were no further inquiries, the Chairman of the Governance and Nomination Committee then asked the legal counsel to describe the voting procedures for the election of individual directors.

The legal counsel notified the Meeting that Clause 30 of the Company's Articles of Association stipulates the director voting procedures as follows:

- (1) A shareholder shall have one vote for each share he holds or represents.
- (2) The shareholders shall vote for each individual candidate nominated for directors, but not exceeding the number of directors required for that election. The vote shall not be distributed.

- (3) The candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the director positions are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the remaining appointment shall be made by the Chairman of the Meeting who shall have a casting vote.

The legal counsel then explained the details of the voting procedures as follows:

- (1) For the fourth agenda, the director election would be conducted individually. The Chairman of the Governance and Nomination Committee would request the Meeting to consider the candidates nominated to be elected as directors on an individual basis, as notified in the fourth agenda of the Notice of the meeting, which also shown the list of nominated candidates for the director election as follows:

4.1 The election of the first director: Police Colonel Thumnithi Wanichthanom

4.2 The election of the second director: Mrs. Tarisa Watanagase

4.3 The election of the third director: Mr. Pasu Decharin

4.4 The election of the fourth director: Mrs. Parnsiree Amatayakul

- (2) In the individual director election, only those who disapprove of the candidate or abstain from voting must raise their hands and mark in the voting card. The rest shall be regarded as approving the candidate without raising their hands.
- (3) After the Chairman of the Governance and Nomination Committee has proposed all four candidates, the Company's officers would collect the voting cards marked "disapprove" or "abstain" to be counted. The shareholders who approved the proposal were requested to submit their approval voting cards along with their voting cards for other agenda items in their possession at the end of the meeting.

As there were no further inquiries, the Chairman proposed that the shareholders vote on the candidates on an individual basis whereby this year there were four candidates nominated for election to be the directors of the Company equivalent to the number of directors required to be elected at this meeting.

**Resolution:** The Meeting elected Police Colonel Thumnithi Wanichthanom, Mrs. Tarisa Watanagase, Mr. Pasu Decharin, and Mrs. Parnsiree Amatayakul as directors of the Company with the following votes:

(1) Police Colonel Thumnithi Wanichthanom

Approved	719,569,422	votes, equivalent to	96.6500 %
Disapproved	23,723,058	votes, equivalent to	3.1863 %
Abstained	1,217,950	votes, equivalent to	0.1635 %
Void	0	vote, equivalent to	0.0000 %

(2) Mrs. Tarisa Watanagase

Approved	739,698,089	votes, equivalent to	99.3536 %
Disapproved	4,729,041	votes, equivalent to	0.6351 %
Abstained	83,300	votes, equivalent to	0.0111 %
Void	0	vote, equivalent to	0.0000 %

(3) Mr. Pasu Decharin

Approved	744,134,137	votes, equivalent to	99.9494 %
Disapproved	98,143	votes, equivalent to	0.0131 %
Abstained	278,150	votes, equivalent to	0.0373 %
Void	0	vote, equivalent to	0.0000 %

(4) Mrs. Parnsiree Amatayakul

Approved	743,100,380	votes, equivalent to	99.8106 %
Disapproved	190,000	votes, equivalent to	0.0255 %
Abstained	1,220,050	votes, equivalent to	0.1638 %
Void	0	votes, equivalent to	0.0000 %

**Agenda 5: To consider and appoint the Auditors and fix the Audit Fees for the year 2019**

The Chairman assigned Mr. Tarrin Nimmanahaeminda, Chairman of the Audit Committee, to be in charge of this agenda.

The Chairman of the Audit Committee informed the Meeting that the Board agreed with the recommendation of the Audit Committee to select KPMG Phoomchai Audit Ltd. to be the audit firm of the Company and recommended the 2019 Annual General Meeting of Shareholders to consider and approve the appointment of the auditors and audit fees. Details are in the notice of the meeting (English version) on pages 5-7 as follows:

(1) The approval of the appointment of the following auditors from KPMG Phoomchai Audit Ltd. for The Siam Cement Public Company Limited for the year 2019:

- Mr. Vairoj Jindamaneepitak (Certified Public Accountant No. 3565) or
- Miss Pornthip Rimdusit (Certified Public Accountant No. 5565) or
- Miss Thanyalux Keadkeaw (Certified Public Accountant No. 8179)

The auditors have qualifications that comply with the notifications of the Securities and Exchange Commission.

The proposed audit firm and auditors have no relationship or conflict of interest with the Company/subsidiaries/managerial staff/major shareholders, or persons related to the said parties. Profiles of the proposed auditors and their independence information are provided in Attachment 3 on pages 20 of the notice of the meeting (English version).

(2) To approve the annual audit fees and quarterly review fees for the Company's 2019 financial statements and its consolidated financial statements totaling 5.98 million Baht (a decrease of 0.01 million Baht from the year 2018) as follows:

Unit: million Baht

Audit fees	Year 2019	Year 2018
1. Annual audit fee for the Company's financial statements	0.28	0.27
2. Annual audit fee for the consolidated financial statements, and quarterly review fee for the financial statements of the Company and the consolidated financial statements	5.70	5.72
Total audit fees	5.98	5.99

The above audit fees for the year 2018 excluded non-audit fee paid for the assurance fee of the sustainability report totaling 1.80 million Baht.

(3) To acknowledge the annual audit fees for 2019 financial statements of the Company's subsidiaries, and quarterly review fees of listed subsidiaries audited by KPMG Phoomchai Audit Ltd. in Thailand and other countries, the fees of which are borne by each subsidiary as follows:

Audit fee	Year 2019	Year 2018
1. Annual audit fees of the Company's subsidiaries in Thailand and quarterly review fees of listed subsidiaries		
- Number of subsidiaries	128 companies	131 companies
- Amount of fee	25.22 million Baht	25.34 million Baht
2. Annual audit fees of the subsidiaries outside Thailand		
- Number of subsidiaries	79 companies	78 companies
- Amount of fee	27.79 million Baht	26.64 million Baht
Total audit fees of the subsidiaries	53.01 million Baht	51.98 million Baht

(The audit fees of subsidiaries for the year 2019 are subject to change pursuant to the actual number of subsidiaries and/or actual workload during the year.)

Afterwards, the shareholders submitted their inquiries before the resolution on the appointment of the auditors and approval of the audit fees for the year 2019 were voted on. The Management then responded as summarized below:

- (1) How does SCG select an audit firm? Why has KPMG been selected for many consecutive years? Is the capacity of the audit firms for SCG's overseas subsidiaries on the same level as that of KPMG? How are the audit fees for the SCG's overseas subsidiaries be determined?

Answer: SCG selects an audit firm every five years. In 2017, leading audit firms were invited to present and discuss their audit process, principle, and fees. For 2018-2022, KPMG has also been selected as the audit firm for SCG's overseas subsidiaries. This is to ensure that the same accounting standards are applied to both domestic and overseas companies. The audit fees for the year 2019 of all SCG's subsidiaries, both in Thailand and overseas, total 53.01 million Baht, compared to 51.98 million Baht of 2018. Details are included in the notice of the meeting.

- (2) Will SCG's audit fees be affected by changes in accounting standards?

Answer: SCG has signed a five-year agreement with the audit firm, with the audit principles and audit fees specified. However, the audit fees of each year may vary in accordance with the number of companies and actual operations.

As there were no further inquiries, the Chairman of the Audit Committee proposed that the Meeting approve the appointment of the auditors and the audit fees for the year 2019. This agenda required a resolution of a simple majority of total number of votes of the shareholders present at the meeting and eligible to vote.

**Resolution:** The Meeting, by a simple majority of total number of votes of the shareholders present at the meeting and eligible to vote, approved the appointment of Mr. Vairoj Jindamaneepitak or Miss Pornthip Rimdusit or Miss Thanyalux Keadkeaw of KPMG Phoomchai Audit Ltd. as the auditors of the Company for the year 2019 and the annual audit fees and quarterly review fees for the Company's 2019 financial statements and its consolidated financial statements totaling 5.98 million Baht. The voting details were as follows:

Approved	742,858,190	votes, equivalent to	99.8770 %
Disapproved	637,700	votes, equivalent to	0.0857 %
Abstained	276,400	votes, equivalent to	0.0371 %
Void	0	vote, equivalent to	0.0000 %

In addition, the Meeting acknowledged the annual audit fees for 2019 financial statements of the Company's subsidiaries, and quarterly review fees of listed subsidiaries for 128 subsidiaries in Thailand of 25.22 million Baht, and the audit fee for 79 overseas subsidiaries of 27.79 million Baht, totaling the audit fees of the Company's subsidiaries of 53.01 million Baht.

**Agenda 6: To consider and approve the Remuneration of the Company's Directors and Sub-Committee Members for the year 2019**

The Chairman assigned the Secretary to the Board to inform the Meeting of the details regarding the approval of remuneration of the directors and Sub-committee members as follows:

In accordance with Clause 42 of the Company's Articles of Association, the directors' remuneration and bonus shall be approved by the shareholders' meeting. The 11<sup>th</sup> Annual General Meeting of Shareholders held on March 24, 2004 approved monthly remuneration of the entire Board of Directors of 1.8 million Baht and a bonus for the entire Board of an amount not exceeding 0.5 percent of the dividends distributed to the shareholders. The distribution of both among the directors would be as they themselves determined.

In addition, the 18<sup>th</sup> Annual General Meeting of Shareholders held on March 30, 2011 approved the remuneration of the Sub-committee members as detailed on page 8 of the notice of the meeting (English version), as follows:

Sub-Committees	Positions	Retainer Fee (Baht/person/year)	Attendance fee (Baht/person/meeting)
Audit Committee	Chairman	180,000	45,000
	Member	120,000	30,000
Governance and Nomination Committee	Chairman	150,000	37,500
	Member	100,000	25,000

The remuneration of the Directors and sub-committee members were effective from the date of approval until the Meeting of shareholders resolves otherwise.

However, in compliance with good corporate governance principles, the Board agrees that the remuneration of the directors and Sub-committee members shall be subject to the approval of the General Meeting of Shareholders on a yearly basis even though there is no adjustment on the remuneration rate and criteria approved by the previous Meeting of Shareholders.

For 2019, the Board of Directors, with recommendation of the Remuneration Committee, has deemed it appropriate to propose the retention of the remuneration of the directors and Sub-committee members, after all due circumspection of various reference data such as the roles and responsibilities of the Board of Directors and the Sub-committees, business performance, and a rate comparison with other leading listed companies in the same industry.

In 2018, remunerations and bonuses not exceeding the aforementioned criteria were paid to the Board of Directors and Sub-committee members. Details regarding the scope of responsibility of the Board of directors and Sub-committees are shown on pages 94-97 and pages 102-105 of the 2018 Annual Report (English version) respectively.

As there were no inquiries, the President & CEO proposed that the Meeting approve the remuneration of the Board of Directors and Sub-committees. This agenda required an affirmative vote of no less than two-thirds of the total number of votes of the shareholders present at the meeting.

**Resolution:** The Meeting, by an affirmative vote of no less than two-thirds of the total number of votes of the shareholders present at the meeting, approved the remuneration of the Board of Directors and Sub-committees for the year 2019 as follows:

Approved	734,838,299	votes, equivalent to	98.8076 %
Disapproved	7,624,191	votes, equivalent to	1.0251 %
Abstained	1,213,500	votes, equivalent to	0.1631 %
Not entitled to vote	30,000	votes, equivalent to	0.0040 %
Void	0	votes, equivalent to	0.0000 %

The Chairman then gave the shareholders an opportunity to make inquiries and suggestions, with the President & CEO answering questions and acknowledging suggestions from the shareholders, which could be summarized as follows:

- (1) SCG has invested in over 300 subsidiaries. Why does SCG not disclose the profit and losses of each subsidiary? Should the SCG stop investing in subsidiaries that have reported losses for an extended period?

Answer: SCG reports its operating results by business group for the convenience of investors. However, SCG must exercise prudence and be cautious about its competitors in its information disclosure. In addition, SCG regularly reviews the investment status of each of its subsidiaries. In case a subsidiary reports constant losses or fails to generate profit, SCG may consider selling or closing that business on a case by case basis.

- (2) Is there a possibility that the price of the Company share will rise above 500 Baht as projected by analysts?

Answer: The price of the Company share depends on the overall sentiment of the market at a given period. What the Company can do is to further strengthen its business and improve the competence of its employees to enhance the Company's competitiveness.

- (3) Does SCG have plans to switch its feedstock from oil to liquefied petroleum gas (LPG), which can be imported freely?

Answer: It may prove difficult to follow this suggestion as the structure of the plants has not been designed to accommodate variety of feedstocks. However, SCG has made consistent efforts to apply advanced technology to maximize benefits and reduce costs. SCG would take this suggestion on the use of alternative feedstocks under advisement.

- (4) What are SCG's guidelines regarding the management of its overseas investment, which accounts for a sizable portion of its income, and the reduction of foreign exchange risks and energy costs?

Answer: For overseas investments, SCG considers their long-term performance based on competitiveness of each project. SCG also constantly monitors the exchange rate trend of the Thai Baht and the US Dollar and makes consistent efforts to reduce costs and maximize values of the investment.

- (5) How will the mining permit allowing SCG to operate its business in Muak Lek District, Saraburi, improve its financial statements?

Answer: The mining permit allows the Cement Business to use the land in the 25-year concession granted to it by the Ministry of Industry and the 10-year concession granted to it by the Ministry of Natural Resources and Environment. This will ensure uninterrupted operations and will not affect the costs of the Cement Business.

- (6) In 2018, did SCG make employee benefit provisions in preparation of the new Labor Protection Act, which might require employers to grant higher severance pay to employees with over 20 consecutive years of service, whereby they would be entitled to at least 400 days' pay, as opposed to the current maximum of 300 days' pay?

Answer: SCG did not make such provisions as the Act had yet to come into effect. SCG has estimated that once the Act becomes effective, the increase in employee benefit provisions will result in an estimated two billion Baht decrease in net profit.

- (7) The Company should consider increasing the amount of its debentures to reduce financial costs resulting from loans from financial institutions, which entail higher interest rates. This will also satisfy the high demand for debentures that offer greater security and higher interest rates compared to deposit interest rates.

Answer: The President & CEO expressed his appreciation for the suggestion.

The Secretary to the Board then informed the Meeting that after the 2019 Annual General Meeting of Shareholders, the Minutes of the meeting both in Thai and English would be published on the Company's website as well as on SET's information disclosure system within 14 days and that any inquiries or comments could be submitted to the Company Secretary within one month from the date of the meeting. The shareholders were also asked to return the remaining voting cards at the exits for reference at the end of the meeting.

As there were no further inquiries or suggestions from the shareholders, the Chairman informed the Meeting that the questions of shareholders who still wished for further information would be gathered by the Company's officers and answered by the Management after the meeting. On behalf of the Board of Directors, the Management and SCG's employees, the Chairman then expressed his appreciation for the shareholders for attending the meeting and offering their opinions on various matters beneficial to SCG's business operation and declared the meeting adjourned.

The meeting was adjourned at 16:40 hrs.

*-Signed by-*

Air Chief Marshal Satitpong Sukvimol  
The Chairman of the Meeting