

## **Charter of the Nomination and Compensation Committee**

### **1. Purpose**

The Nomination and Compensation Committee (“NCC”) is established by and among the Board of Directors (“Board”) of Siam City Cement Public Company Limited (“Company”) in accordance with the virtue of Article 13 of the Organizational Regulations (“Regulations”) of the Company for matters concerning the policies and procedures related to the recruitment, nomination and compensation for members of the Board and the executive management of the Company in particular, and the overall compensation policies and programs as relevant and applicable for the Company, its subsidiaries, directly and indirectly held, and its associated companies (“Group”), and to make recommendations to the Board with respect to such policies and program in order to promote the Group’s aspiration to become the Employer of Choice in all its businesses.

### **2. Committee Members**

#### **a. Composition and Qualification**

The NCC shall be comprised of at least 3 (three) directors of whom at least 1 (one) shall be in “Independent Director” as determined by the Board.

The members of the NCC must possess relevant knowledge and work experience as well as a thorough understanding of the Group’s businesses and operations.

#### **b. Selection and Appointment Process**

Candidates for the NCC membership shall be recommended by members of the Board and submitted to the Chairman of the Board for further consideration and appointment by the Board. The Board shall nominate and appoint the Chairman of the NCC.

#### **c. Secretary**

The Board shall appoint a person who is not the NCC member to be the Secretary of the NCC.

### **3. Terms**

#### **a. Office Term**

Members shall have term of office concurrent with their directorship term of office. In case of vacancy in the committee due to any reason other than completion of term, the Board of Directors shall appoint a fully qualified person to fill up the vacancy. Such person shall hold office concurrent with his/her directorship term. Upon completion of a term, the member may be re-appointed to the Committee.

#### **b. Re-election**

Upon the completion of an Office Term, any retiring NCC member shall be eligible for re-appointment disregarding the number of preceding re-appointments.

**c. Resignation during Office Term**

If any member of the NCC vacates the office prior to the expiry of his/her Office Term, that individual must provide at least one-month advance notice of his/her intention to resign. This notice must be made in writing, must state the reasons for resignation, and must be served to the Chairman of the Board.

**4. Responsibilities and Duties**

The NCC has the following responsibilities and duties:

**a. Nomination, Composition & Structure**

- i) To annually review the composition of the Board including the structures of all subsidiaries' and/or associate's Boards and Board Committees applicable throughout the Group and submit for the Board's consideration.
- ii) To consider, appraise/evaluate and recommend selection for the Board membership, candidates for nomination and/or re-appointment as forwarded by shareholder(s), Board member(s) and/or executives for the Board's review and recommendation before passing on to the final shareholders' selection at the AGM or at least 30 (thirty) days prior to the upcoming Board's meeting in case of the interim vacancy for the replacement by the Board's decision.
- iii) To identify, assess and recommend potential candidates for key positions in the Group such as
  - Group Chief Executive Officer
  - Group Executive Committee Members
  - Chief Executive Officers of each Group Company
  - Directors of Subsidiary Companies
  - Company Representatives on the Board of Associated Companies
- iv) To review the Group Chief Executive Officer's ("Group CEO") proposals of potential candidates for the Group Executive Committee of the Company ("Group EXCO") and the Chief Executive Officer of each Group Company, and to independently assess these candidates with regard to their respective expertise, skills, experience, performance as well as personal and professional qualifications. Suitable candidates shall be recommended by the Committee to the Board for approval.
- v) To carry out such other duties as may be delegated to it by the Board.

**b. Management Development and Succession Planning**

- i) To ensure that transparent and comprehensive Performance Appraisal Frameworks and Processes are in place for all Top Management Level ("TML") job holders and candidates for such positions.
- ii) To oversee the talent pipeline, the development process and the individual developmental plans for all TML job holders and candidates for such positions.

- iii) To ensure that pools of young talents are in place for each function with structured career paths in to respective succession pools originating from group-wide workforce planning.
- iv) To half-yearly review with the Group CEO the succession plans for all TML positions as well as the functional talent pools.
- v) To annually review the succession plans for the Board and its committee members.
- vi) To annually review the succession plans for Board members of Subsidiaries Companies and the Company's representatives on Boards of associated companies.
- vii) To carry out such other duties as may be delegated to it by the Board.

**c. Remuneration**

- i) To provide that the compensation policies and programs throughout the Group are designed to enable the Group and its individual companies to recruit, retain and align all employees to its overall aspiration and commitments of the Group, and at the same time creating a pay-for-performance linkage.
- ii) To approve and propose to the Board the compensation of each member of the Board, its Committees and Chairman thereof.
- iii) To approve the performance and compensation of the Group CEO, the Group EXCO members and CEOs of each Group Company, as well as bonus and merit increase for SCCC and subsidiaries in Thailand.
- v) To review the annual compensation and salary increase budget as well as annual bonus scheme for subsidiaries outside Thailand as submitted by the Secretary of the NCC.
- vi) To carry out such other duties as may be delegated to it by the Board

**5. Access to Information and External Advice**

**a. Access to Information**

The NCC shall have appropriate access to the information of the Group with support from the Management in order to ensure the NCC obtains information and inputs sufficient and relevant for the NCC to fulfill its responsibilities and duties.

**b. Appointment of External Expert(s)**

The NCC may require the Company to engage any external expert(s) in order to support its activities, reviews in order to discharge its responsibilities and duties.

## **6. Meetings**

- a. The NCC shall hold a meeting at least once every 3 (three) months. Any member of the NCC may call a special meeting as circumstances require. The method for calling and the procedures for conducting meetings shall be agreed upon by the members of the NCC.
- b. A quorum for a meeting of the NCC members shall be a majority of its members.
- c. The Group Chief Executive Officer of the Company ("Group CEO") shall be a permanent invitee to the NCC Meeting but he/she shall be required to leave the meeting when discussing matters relating to his/her interest or in case the NCC wishes to conduct a private meeting.
- d. The Secretary of the NCC shall keep minutes of the NCC meetings as directed by the NCC.

## **7. Reporting to the Board and Disclosures**

The Secretary of the NCC will prepare a quarterly report on the status of the Nomination, Management Development and Succession Planning and Remuneration Practices across the Group.

The NCC will report to the Board on matters covered at the NCC meeting and make recommendation to the Board concerning such matters.

## **8. Final Provisions**

This Charter shall be reviewed on annual basis, updated as appropriate, and submitted for the approval of the Board.

This Charter of the Nomination and Compensation Committee was approved by the Board of Directors Meeting No. 175 on 11 December 2020.

By: \_\_\_\_\_

Mr. Paul Heinz Hugentobler  
Chairman of the Board of Directors