



Charter of the Nomination and Remuneration Committee

Version 1/2020

(Effective from 10 November 2020)

Siam Makro Public Company Limited



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1. Objectives

The Board of Directors (“the Board”) of Siam Makro Public Company Limited (“the Company”) appointed the Nomination and Remuneration Committee (“NRC”) in accordance with the corporate governance guidelines. The Board approved the Charter for of the Nomination and Remuneration Committee as a framework for performing duties, which include determining the criteria and procedures for recruiting qualified directors and Group Chief Executive Officer, the criteria and forms of director’s remuneration to be proposed to the Board and the shareholders meeting for approval respectively, as well as the criteria and forms of remuneration for the Group Chief Executive Officer.

2. Composition and Qualifications

- 2.1 The NRC consists of not less than 3 members who are non-executive directors. Majority of the members must be independent directors.
- 2.2 The Chairman of the NRC must be an independent director and must not hold the position of the Chairman of the Board.
- 2.3 Members of the NRC must be knowledgeable and well-experienced to fully understand their roles and responsibilities, and be able to dedicate sufficient time to perform their duties in order to achieve the objectives.

3. Appointment, Tenure and Termination

3.1 Appointment of the NRC

- 3.1.1 The Board of Directors appoints the Chairman and members of the NRC, selecting from the qualified Board members.
- 3.1.2 When the members of the NRC either complete or fail to complete their terms for any reasons, the Board of Directors shall appoint new members within 4 months from the date of vacancy to ensure the continuity of the Committee’s operation.

3.2 Tenure

- 3.2.1 The tenure of members of the NRC follows the tenure of their directorship. When completing their terms, they are eligible for re-election.

3.3 Termination

- 3.3.1 Members of the NRC shall be terminated upon the termination of their directorship, or disqualification as a member of the NRC, or the Board's resolution to terminate their position.

- 3.3.2 To resign from the NRC, a resignation letter shall be submitted to the Chairman of the Board.

4. Roles and Responsibilities

In addition to specific duties occasionally assigned by the Board of Directors, the NRC is responsible for the following:

4.1 Nomination

- 4.1.1 To consider the criteria for Directors' nomination and determine the qualifications of the Directors.
- 4.1.2 To consider the structure, size, and composition of the Board of Directors and sub-committees that suits the Company's strategies and situation, consisting of experts in diverse field of knowledge, expertise, skills and experience beneficial to the Company's business, who can devote the time, regardless of gender and age.
- 4.1.3 To consider the nomination and selection of qualified candidates to become Directors for consideration and approval of the Board of Directors and the Shareholders' Meeting.
- 4.1.4 To encourage the Company to provide opportunity for minority shareholders to nominate director candidates.

- 4.1.5 To consider the selection of the Company's Directors who are qualified to be a member in sub-committees for the Board's appointment as appropriate or when the position becomes available.
 - 4.1.6 To consider the selection criteria and qualifications for the Chief Executive Officer.
 - 4.1.7 To regularly review the succession plan of the Chief Executive Officer.
 - 4.1.8 To search and select qualified candidates who are suitable for the appointment of the Chief Executive Officer to the Board of Directors for consideration and appointment of the Chief Executive Officer when the position becomes available.
- 4.2 Remuneration
- 4.2.1 To review the criteria, structure, and composition of the remuneration of the Directors, sub-committees, and the Chief Executive Officer every year by considering the Company's operating results and responsibilities, and benchmarking with those of other companies within the same or similar industry and size of business.
 - 4.2.2 To consider the determination of the remuneration of the Directors and sub-committees for consideration and approval of the Board of Directors and the Shareholders' Meeting.
 - 4.2.3 To evaluate the performance and review the reasonable remuneration for the Chief Executive Officer by proposing to the Board of Directors for approval, unless the Board assigns any particular Director to be the evaluator.
- 4.3 To regularly review the Charter of the NRC to be in line with the international practice and guidelines or suggestions of relevant institutions or agencies.
- 4.4 The NRC appoints the secretary of the committee.
- 4.5 The NRC has the duty to report the Board of Directors for acknowledgement of the meeting outcome or any other matters that the Board should be informed in the following Board's Meeting.

4.6 The Chairman of the NRC has the duty to report to the shareholders for acknowledgement of their performance in the Annual Report/Form 56-1 (Form 56-1 One Report), providing the basic details as follows:

- 4.6.1 No. of meetings
- 4.6.2 No. of the meetings that each member of the NRC attends
- 4.6.3 Performance as required by the Charter.

5. Meeting

5.1 Numbers of Meeting

- 5.1.1 The NRC shall hold meetings at least twice a year.
- 5.1.2 The Chairman of the NRC may call for additional meetings if requested by a member of the committee or the Chairman of the Board, or when there is an extra agenda required to consider and discuss.

5.2 The Chairman of the NRC considers and approves the agenda of meetings, as well as other matters proposed by any directors and gives the opportunity to the Group Chief Executive Officer – Siam Makro to propose other matters in the agenda prior to each meeting.

5.3 Attendees

- 5.3.1 The quorum of the NRC meeting requires not less than half of the members. The Chairman of the committee is the Chairman of the meeting.
- 5.3.2 In the case where the Chairman of the committee cannot attend the meeting, the committee members shall select one of the attending members to be the Chairman of the meeting.
- 5.3.3 The secretary of the NRC or an authorized person must attend every meeting.

5.4 Exercising Votes

- 5.4.1 Resolutions of the committee meeting require a majority vote. Each member has one vote. In the event of a tie vote, the Chairman of the meeting shall have a casting vote.

5.4.2 Members of the NRC having any vested interest in any agenda being considered must excuse themselves and abstain from voting on that particular matter.

5.5 Minutes of Meetings

The secretary of the NRC or an authorized person shall take the minutes of meetings and maintain the records of the approved minutes of meetings for reference and audit purposes.

6. Performance Assessment

The Board of Directors shall conduct the performance assessment of the NRC on a yearly basis. The Company Secretary is responsible for preparing the assessment result and report to the Board for acknowledgement, as well as to disclose the assessment result in the Annual Report/Form 56-1 (Form 56-1 One Report).

7. Remuneration of the Committee

The NRC is eligible for remuneration suitable for their roles and responsibilities as approved by the Annual General Meeting of Shareholders.

Announced on 10 November 2020

(signed)

(Mr. Suphachai Chearavanont)

Chairman

Records of Revision

Revision No.	Date	Revised Section	Description of Revision
1	28/08/2019	page 3	Change of the person to be appointed as the secretary of the NRC
2	10/11/2020	All sections	All sections are revised to reflect the NRC's duties and align with the updated guidelines of practice as defined by external institutes and relevant agencies.