

## **Remuneration and Nomination Committee Charter**

### **CP ALL Public Company Limited**

#### **1. Objective**

The Remuneration and Nomination Committee is part of having a good corporate governance system. The Remuneration and Nomination Committee is responsible for considering and determining the remuneration for Directors and key executives, as well as considering, screening and selecting Director nominees to be proposed to the Board of Directors. Thus, the Board of Directors has resolved to adopt this Remuneration and Nomination Committee Charter.

#### **2. Scope of Duties**

The Remuneration and Nomination Committee has duties as follows:

- 2.1 Consider the criteria of payment and compensation forms for directors and high-level executives to propose opinions to the Board of Directors both monetary and non-monetary forms, compared with leading companies in the same industry past performance, experience, obligations, scope of roles and responsibilities, business expansion, financial status, company performance and in accordance with the strategy and long-term goals of the company in order to create incentives for management and to maintain the directors and senior management with quality; where by Board of Directors approves the remuneration of senior management. As for the remuneration of the directors, the Board of Directors will propose to the shareholders' meeting for approval every year.
- 2.2 Evaluate the remuneration of high-level executives to be in line with the performance by using goals and assessment criteria that are linked to both short-term and long-term strategic plans
- 2.3 Considering criteria and procedures for recruiting qualified persons to be directors in accordance with the business strategy of the company by creating a board skill matrix to assemble in recruiting including selecting persons according to the nomination process that has been defined for example, considering the names and profiles of those who were nominated as directors from the previous committee; whereas shareholders to nominate directors to take positions or consider the use of external consulting firms or consider a person from a career committee By considering qualifications that are suitable and varied in terms of qualifications, skills, age, experience, gender, race, nationality, religion, country of origin or cultural background, expertise and specific talents that are required in the Board of Directors. As well as being involved in creating benefits for the company and proposing comments to the Board of Directors
- 2.4 Provide a project for the development of directors and senior management and the succession plan of the senior management (Succession Plan) and review the project and the plan annually.
- 2.5 Supervise the orientation of new directors in order to understand the roles, duties and responsibilities. Along with providing information about the company's policies and business practices
- 2.6 Environment to consider
- 2.7 Providing training and knowledge development plans for current director's expertise is appropriate for changes in external circumstances and sustainable development of the company. Both in business and corporate governance
- 2.8 Suggest ways to evaluate the performance of the Board of Directors, various sub-committees by reviewing it annually which may consider using external advisory services

including monitoring and summarizing the evaluation results to the Board of Directors for improvement in the efficiency of operations and knowledge enhancement capabilities of the Board of Directors

- 2.9 Perform other duties as the Board of Directors deems appropriate and assigned in the performance of duties under the scope of duties for the Remuneration and Nomination Committee to have authority to order the management or related employees to give opinions, attend meetings or submit documents that are deemed necessary. In addition, in performing duties under the scope of this Charter The Remuneration and Nomination Committee may seek advice from independent external consultants or experts in other professions if deemed necessary and appropriate.

### **3. Composition of the Remuneration and Nomination Committee**

The Remuneration and Nomination Committee shall have the following composition:

- 3.1. The Board of Directors shall consider, select and appoint the Members and Chairman of the Remuneration and Nomination Committee.
- 3.2. The Remuneration and Nomination Committee shall comprise of at least three (3) Directors, with a least half being Independent Directors.
- 3.3. The highest ranking executive of the Company's Human Resources Department shall act as the Secretary of the Remuneration and Nomination Committee.

### **4. Qualifications of the Remuneration and Nomination Committee**

- 4.1. Being a Director of the Company.
- 4.2. Possess a good knowledge and understanding of corporate governance.
- 4.3. Possess far-sighted vision, follows the ongoing changing factors relating to determining remuneration and nominations at the international level on a continued basis, in order to make improvements to the Company's Remuneration and Nomination policy.
- 4.4. Understand the guidelines for the development of the potential and skills of each director and executive to be appropriate in order to create more efficient work.
- 4.5. Able to undertake the duties and responsibilities as well as to express opinions, together with reporting the results of the various activities undertaken as assigned in a fully independent manner. Also, able to devote adequate time to discharge the required responsibilities.
- 4.6. Can independently recruit and select suitably qualified persons to be nominated for consideration to be appointed as a Director of the Company to replace those Directors retiring upon the expiration of their respective terms of offices or for any other reasons; as well as prepare the required background information on proposed nominees adequate for consideration by the Board of Directors.

### **5. Term of Office**

Members of the Remuneration and Nomination Committee have a term of office concurrent with being a Director of the Company; whereby Members of the Remuneration and Nomination

Committee will cease to hold that position due to the expiration of the current term of office, but can then be reelected for another term as deemed necessary and appropriate.

In addition, apart from the expiration of the current term of office, a Member of the Remuneration and Nomination Committee will cease to hold the position, in the event of:

- 1) Resignation
- 2) Not possessing all the required qualifications in being a Member of the Remuneration and Nomination Committee as specified in the Remuneration and Nomination Committee Charter
- 3) Termination by the Board of Director's resolution

If a Member of the Remuneration and Nomination Committee wishes to resign, a letter of resignation should be submitted to the Chairman of the Board of Directors, whereby the resignation will become effective immediately on the date the letter is submitted to the Chairman of the Board.

In the event that a Remuneration and Nomination Committee position becomes vacant for any reason other than the expiration of the term of office, the Board of Directors shall appoint a person who possesses all the required qualifications to be a replacement Member of the Remuneration and Nomination Committee within 3 months from the day the position is vacant, so that the Remuneration and Nomination Committee has the full required number of Members. The replacement Member shall retain office for the remaining term of office of the Member being replaced.

## **6. Meetings**

The Remuneration and Nomination Committee Meetings can be called by the Remuneration and Nomination Committee or the Chairman of the Remuneration and Nomination Committee, as deemed necessary and appropriate. However, the Remuneration and Nomination Committee shall meet at least two (2) times per year.

In calling a Meeting of the Remuneration and Nomination Committee, the Chairman or the Secretary of the Remuneration and Nomination Committee, by the order of the Chairman of the Committee, shall serve a written notice calling for such meeting to Members of the Remuneration and Nomination Committee not less than seven (7) days prior to the date of the meeting. Where it is necessary or urgent, the meeting may be called by other methods or an earlier meeting date may be chosen.

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

## **7. Quorum**

For each Remuneration and Nomination Committee Meeting, at least half of the total number of Remuneration and Nomination Committee Members is required to make a quorum. In case the Chairman of the Remuneration and Nomination Committee is absent from the meeting or is

unable to perform his/her duty, the Remuneration and Nomination Committee Members present at the meeting shall elect one of the Members to be the Chairman of the meeting.

Decisions at the meeting shall be made by majority vote of Members present. Each Member shall have one vote. In the event of a tie vote, the Chairman of the meeting shall have a casting vote. The Remuneration and Nomination Committee Member who has a conflict of interest in any matter under consideration shall not vote on that matter.

Resolutions of the Remuneration and Nomination 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 and Nomination Committee have adopted it by their signatures.

## **8. Remuneration**

The Remuneration and Nomination Committee Members shall receive remuneration according to the amount approved by the shareholders' meeting.

The structure and composition of the remuneration shall be appropriate to the duties and responsibilities assigned by each director and at the level that can attract and retain qualified directors. Or comparable in the same industry

## **9. Self-evaluation of work performance**

The Remuneration and Nomination Committee is responsible for assessing their own performance and reporting the results to the Board of Directors once a year.

## **10. Review of the Charter**

The Remuneration and Nomination Committee will review and evaluate the adequacy and appropriateness of the charter on an annual basis, and if there is significant improvement, will be presented to the Board of Directors for approval.

## **11. Reporting**

The Remuneration and Nomination Committee will report the performance of the Remuneration and Nomination Committee to the Board of Directors at least once a year and prepare the Remuneration and Nomination Committee's report. To disclose in the Company's annual report and signed by the Chairman of the Remuneration and Nomination Committee

This Charter was approved by the Board of Directors on 10 November 2016.