



## **Charter of the Remuneration Committee**

### **SCG PACKAGING PUBLIC COMPANY LIMITED**

The Remuneration Committee is a part of a good corporate governance system. The Board of Directors, by the resolutions of the meetings of the Board of Directors no. 214 (10/2019), 224 (8/2020), 227 (3/2021), 239 (7/2022) and 247 (7/2023) on October 26, 2019, December 1, 2020, April 27, 2021, October 25, 2022, and October 24, 2023, respectively, has 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, aligning with the Corporate Governance Code, in order to build Stakeholders' confidence and trust in the Company.

#### **1. Scope of Duties**

The duties of the Remuneration Committee are as follows:

- 1.1 Propose remuneration guidelines and means both in cash and in kind, and other benefits of top executives of the Company in alignment with the responsibilities and qualifications of persons appointed and employed by the Company. Various requirements for the Initial Public Offering or allocation of warrants to purchase shares to the top executives and employees (if any) shall be taken into consideration before proposing to the Board of Directors and/or the Meeting of Shareholders for approval.
- 1.2 Recommend the policy on the Company's management Incentives including salary and annual bonus, in line with the Company's operating results and the performance of each 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 Chief Executive Officer on an annual basis in order to determine his/her remuneration before proposing the Board of Directors for approval, all the while considering relevant risks and responsibilities as well as focusing on and taking into consideration the long-term value adding to the shareholders.
- 1.4 Consider the annual budget for the salary increase, changes of wage and compensation, and bonus of top managers before proposing to the Board of Directors.
- 1.5 Prepare a succession plan for the Chief Executive Officer and the top executives, and propose it for the Board of Directors' consideration to ensure that the successor can perform their duties without disruption of work flows.
- 1.6 Review, study, and track regularly the changes and trends in remuneration for the top executives in order to propose for the approval of the Board of Directors.

- 1.7 Consider the remuneration of the top executives, as compared to the remuneration offered by other listed companies operating in the same business, to ensure that the Company retains its leadership in that industry and to motivate them to foster the Company's continuing development.
- 1.8 Review the performance appraisal of the Remuneration Committee on a regular annual basis as a whole and as self-assessment.
- 1.9 Report regularly a progress and performance results to the Board of Directors after every meeting of the Remuneration Committee.
- 1.10 Disclose the remuneration in various manners as well the report of the Remuneration Committee in the Company's annual reports.
- 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. A majority of the Remuneration Committee must be independent directors to align with the Corporate Governance Code for listed companies.
- 2.2 The members of the 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. The Chairman of the Remuneration Committee should be an independent director to ensure his transparency and independency in performing duties.
- 2.4 The Remuneration Committee shall appoint the Secretary to the Remuneration Committee to in charge of meeting appointments, preparing agendas for the meetings, sending meeting documents and writing minutes of the meeting.

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

- 3.1 Shall be the Company directors.
- 3.2 Chairman of the Remuneration Committee should be an independent director in order to act as the predominant driving force, ensuring that the Remuneration Committee perform their duties independently.
- 3.3 Shall meet all the qualifications and not have any prohibited characteristic according to the Public Limited Companies Act, B.E. 2535 – including all amendments – as well as the applicable announcement, the regulations and/or rules. Members of the Governance and Nomination Committee shall not have any improper characteristic deemed untrustworthy for being directors or executives according to the Securities and Exchange Commission and/or the Capital Market Supervisory Board.
- 3.4 Shall possess knowledge and good understandings of his/her own qualifications, duties and responsibilities as a member of the Remuneration Committee.
- 3.5 Shall have wide-ranging vision, and keep updated with changes of the Company and its subsidiaries' performances for further improvement of the Company's guideline on remuneration determination.
- 3.6 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 shall be equal to the individual term of office and ends at the annual general meeting of shareholders, in the year that their term is to expire. 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 ceases to be the director, or lacks the qualities of the directors or has prohibited characteristics according to the Company's Articles of Association or the Public Company Act and/or laws relating to Securities and Exchange;
- 2) he/she resigns;
- 3) he/she is no longer qualified for the office of the Remuneration Committee as specified in this Charter;
- 4) the Board of Directors passes a resolution removing him/her from office;
- 5) he/she dies.

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 deems necessary and fit. There shall be at least 4 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 3 days prior to the date of the meeting. Where it is necessary or urgent, the meeting may be called on an earlier meeting date may be chosen.

In a meeting of the Remuneration Committee, the Chairman of the Remuneration Committee or the Chairman of the Meeting may order the meeting to be carried out by way of electronics conference which allows all attendees to discuss, enquire and share opinions with one another despite being in different locations while complying with the stipulated regulations and means.

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 as the Chairman of the Meeting.

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 October 24, 2023.

**Announced on October 24, 2023.**

*- Signed by -*

**(Mr. Prasarn Trairatvorakul)**

**Chairman of the Board of Directors**