



## CP ALL Public Company Limited

### *Remuneration and Nomination Committee Charter*

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#### 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 and determine the criteria for the remuneration and types of remuneration for Directors and key executives for proposing to the Board of Directors; Consideration is given to both cash and non-cash payment benchmarking to leading companies in the same industry; the individual's performance, experience, duties, role and responsibilities; business expansion; the Company's financial status and operating results; and the company's long term strategy and goals, in order to motivate and retain quality directors and key executives. The Board will consider and approve the remuneration for key executives; while the Shareholders Meeting will approve the remuneration for Members of the Board of Directors every year.

2.2 Review and assess that the remuneration paid to key executives correspond to the actual achieved performance results by using assessment goals and criteria that is linked to short – and long – term strategies and plans





2.3 Consider and determine the criteria and procedures for selecting and nominating persons who possess the appropriate and required qualifications to be appointed as a Director, corresponding with the company's business strategy by using Board Skill Matrix for consideration; as well as select the final nominees in accordance with the established procedures such as consider the names and background of the nominees from the existing Committee, open opportunities for shareholders to nominate persons for director positions, consider using external consultants, or consider individuals from the pool of IOD Chartered Directors, with consideration to appropriate and diversified qualifications in terms of qualifications, profession, skills, age, experience, gender, race, ethnicity, religion, country of origin or cultural background, expertise and special abilities that is necessary to have in the Company's Board of Directors and partakes in creating benefits for the Company; and propose to the Board of Directors.

2.4 Establish programs to develop the work of directors and key executives and the Succession Plan; and review the aforesaid programs and plan every year

2.5 Oversee the orientation of new directors to ensure understanding of their role, duties, and responsibilities; and present information relating to the Company's policies, nature of business, and business environment that must be taken into consideration.

2.6 Establish plans on training and development of the knowledge and expertise of the current directors which is appropriate to the changing external situation and sustainable development of the Company, in terms of both business operations and corporate governance. Review the Director skill matrix to evaluate which skills, knowledge, and essential expertise are required to fulfill the present director's responsibilities in order to select appropriate training courses for the director's continuous development

2.7 Recommend the procedures for assessing the performance of the Board of Directors and other sub-Committees with the review of procedures on an annual basis and with the consideration of the use of external consultants; as well as monitor and





summarize the results of the assessment to the Board of Directors for acknowledgment in order to improve work performance and enhance knowledge and capabilities of the Company's directors.

2.8 Undertake any other activities as considered appropriate and assigned by the Board of Directors.

To fulfill its duties under the scope of authority, the Remuneration and Nomination Committee is authorized to call for and order the management or employees concerned to give opinions, attend meetings or submit necessary documents. In addition, in performing its duty under the scope of authority as specified in the Charter, the Remuneration and Nomination Committee may seek external consultation from independent consultants or experts in various fields, as 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 of the Remuneration. The Members of the Remuneration and Nomination Committee who are independent directors shall nominate and appoint person to be 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 or assigned person from the highest ranking executive of the Company's Human Resources Department and approved from the Remuneration and Nomination Committee 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. Have appropriate knowledge, capability, and understanding of the nature of business and the role, duties, and responsibilities of the Board of Directors and sub-Committees,





as well as possess 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 appropriate ways to develop the potential and skills of each director and executive in order to enhance work performance.

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.

The terms of all members of the Remuneration and Nomination Committee should not end at the same time.

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.

However, in case the term of office of more than half or all of the Remuneration and Nomination Committee members expires, the Board of Directors should appoint other independent or non-executive directors to act in their place.

## 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. Each Member of the Remuneration and Nomination Committee shall attend at least 75% of all meetings held during the year.

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 receive remuneration allocated by the Board of Directors and propose to the shareholders' meeting for approval. The payment structure and components must be appropriate for each director's duties and responsibilities, can be comparable to other firms in the same industry, and enticing enough to recruit and retain skilled directors.





## 9. Self-evaluation of work performance

The Remuneration and Nomination Committee is responsible for conducting self-assessment and reporting the results to the Board of Directors once a year.

## 10. Review of the Charter

The Remuneration and Nomination Committee will annually review and reassess the adequacy of this Charter, and recommend any proposed changes to the Board of Directors for approval.

## 11. Reporting

The Remuneration and Nomination Committee will report the results of the various activities undertaken to the Board of Directors at least one time a year and prepare the Remuneration and Nomination Committee Report that is signed by the Chairman of the Committee for disclosure in the Company's annual report. In addition, the Chairman of the Remuneration and Nomination Committee should attend the Annual General Meeting of Shareholders to report on the committee's activities and to address questions from the audience.

This Charter was approved by the Board of Directors on 24 March 2021.

