

Nomination & Remuneration Committee Charter

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1. Objectives

The Stock Exchange of Thailand (SET)'s Board of Governors (BoG) has appointed the Nomination and Remuneration Committee (NRC or the "Committee") with the objectives to consider and review the process to ensure that SET's committee members, subsidiaries' committee and sub-committee members including experts of SET and subsidiaries possess appropriate knowledge, competency, and experience. In addition, the Committee also has the duty to consider the remuneration of the SET BoG, committee members, experts, and Board of Directors (BoD) appointed by the SET BoG, as well as SET President and senior management.

2. Definition

- "Charter" means the Nomination & Remuneration Committee Charter.
- "SET" means The Stock Exchange of Thailand.
- "Subsidiary" means a company in which SET is directly or indirectly holding 50 percent of shares with voting rights of such company.
- "SET group" means The Stock Exchange of Thailand and its subsidiaries.
- "Committee" means the Nomination & Remuneration Committee.
- "Expert" means a person who provides advice to the SET BoG, or to the committees and the SET subsidiaries, consisting of specialists, permanent experts and non-permanent experts.
- "Specialist" means a person who helps drive the work according to the strategic plan or sets new guidelines for SET, and the overall capital market, attending regular meetings such as once a month or off-campus activities 1-3 times / month.
- "Permanent expert" means a person who applies expertise to the real situation and contribute to the effectiveness of the operation, attending regular meetings (at least 1-3 days / week).
- "Non-permanent expert" means a person who applies expertise to drive regular work / project to be more efficient and effective.
- "Senior management" means the executives holding the position of senior executive vice president and an executive with a position equivalent to Head of Division.
- "Remuneration" means salary, bonus and welfare.

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3. Composition and Term of Office

- 3.1 The Committee's chairperson and members shall be appointed by the SET BoG.
- 3.2 The Committee shall consist of at least three but not more than five members. At least half of the members must be governors appointed by the SEC. The chairperson of the Nomination and Remuneration Committee must be a governor who has been appointed by the SEC.
- 3.3 The term of office of the Committee members is in accordance with the tenure of SET governors.
- 3.4 Upon expiration of term or if there exists circumstances whereby a member of the Committee is unable to complete his or her term of appointment for any reason, the BoG shall deem it necessary to consider appointing a new Committee member to replace promptly or within three months at the latest counting from the date the number of members is incomplete to constitute an entire composition, to ensure continuation of the Committee's performance.
- 3.5 The Committee shall consider the appointment of the Secretary of the Committee.
- 3.6 Every time a new Committee member is appointed, the Secretary of the Committee shall provide the documents and information useful for the work of the new Committee member, as well as organizing an orientation session to present the nature and guidelines of the operation regarding the role and duty of the Committee.

4. Meeting

- 4.1 The Committee shall convene a meeting at least once a quarter or at least four meetings a year. The chairperson may call additional meetings as appropriate or upon requests submitted by at least half of the members of the Committee.
- 4.2 The Committee's meetings are scheduled for the entire year in advance so that the Committee members are able to allocate time to attend all the meetings.
- 4.3 A quorum shall consist of at least half of the total members of the Committee.
- 4.4 In an event the chairperson of the Committee cannot attend the meeting, the Committee members who are attending that meeting shall elect one of the Committee members to chair the meeting.
- 4.5 The Committee may invite related parties responsible for or involving with the meeting agenda to attend the meeting or present such matter.

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- 4.6 The Committee is entitled to invite an outsider who has expertise as a consultant to attend the meeting at SET's expense.
- 4.7 The Secretary of the Committee has the duties to arrange the meetings, prepare the agenda, deliver supporting documents required for the meetings, and record the minutes of the meetings. The meeting invitation letter and supporting documents required for the meeting shall be delivered seven days in advance prior to the meeting. In necessary and urgent cases, the Secretary of the Committee may send the meeting invitation by other means and may have to deliver the supporting documents to the Committee members less than seven days prior to the meeting.
- 4.8 In the case of voting for a resolution, the majority vote shall be required. In the case of an equal number of votes, the chairperson of the Committee shall have a casting vote.
- 4.9 Any Committee member who has a conflict of interest in a matter for consideration has to inform the Committee of such conflict of interest and is not allowed to attend the meeting.

5. Duties and Responsibilities

The Committee has the duty and responsibility as assigned by the BoG, as follows:

5.1 Nomination

- (1) Consider and screen the list of candidates for members of SET committees before presenting it to the BoG for approval and appointment. In addition, the Committee has to consider and screen the list of directors and sub-committee members of the SET subsidiaries before presenting it to the subsidiaries' Board of Directors (BoD) for approval and appointment.
- (2) Consider and screen the list of experts for SET and subsidiaries before presenting it to the BoG or the BoD (as the case may be) for approval and appointment.
- (3) Recruit executives for the positions of senior executive vice president (SEVP) and positions equivalent to Head of Division for SET, including the top executives for SET subsidiaries, and then propose to the SET BoG or the subsidiaries' BoD (as the case may be) for approval and appointment.
- (4) Consider the succession plan for the top executives of SET before presenting it to the SET BoG for consideration. The plan will be reviewed annually.
- (5) Carry out other duties as assigned by the SET BoG.

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5.2 Remuneration

- (1) Consider and screen the policies, criteria and guidelines for the remuneration of the SET BoG, committee members, experts and the subsidiaries' Board of Director (BoD) appointed by the SET BoG before seeking approval from the SET BoG or the subsidiaries' BoD (as the case may be).
- (2) Consider and screen the policies, criteria and the SET's remuneration structure for employees.
- (3) Consider and screen the budgets for annual salary increase and other annual rewards for the SET employees, before proposing for approval from the SET BoG.
- (4) Consider and screen the criteria concerning remuneration, salary rate adjustment, including annual remuneration rate adjustment for the top executives who have been recruited by the Committee before proposing for approval from the SET BoG.
- (5) Carry out other duties as assigned by the SET BoG.

6. Self-Assessment

The Committee shall conduct self-assessment of its performance and report to the SET BoG once a year.

7. Revision of the Charter

The Committee shall review and evaluate the adequacy and appropriateness of the Charter on an annual basis before presenting it to the SET BoG for approval.

8. Reporting

- 8.1 The Committee shall report its operation to the Board meeting regularly.
- 8.2 The report on the performance of the Committee, signed by the Committee chairperson, shall be prepared and disclosed in the annual report of SET, in accordance with the principles of good corporate governance.

SET Board of Governors

Approved on February 19, 2020