

*Translation*

CSO-S61-118

April 11, 2018

To Shareholders

**Subject: The Minutes of 2018 Annual General Meeting of Shareholders**  
**(The 25<sup>th</sup> Meeting)**

Please see the attached minutes of 2018 Annual General Meeting of Shareholders (The 25<sup>th</sup> Meeting) of The Siam Cement Public Company Limited (SCC) held on Wednesday, March 28, 2018.

Should any shareholder wish to raise any question or give any comment, please contact SCC's company secretary within Wednesday, April 25, 2018 via e-mail: [corporate@scg.com](mailto:corporate@scg.com), telephone: 0-2586-3078, 0-2586-6456, or fax: 0-2586-3007.

Please be informed accordingly.

Yours faithfully

The Siam Cement Public Company Limited

-signed by-

(Mrs. Pornpen Namwong)  
Company Secretary

**MINUTES OF 2018 ANNUAL GENERAL MEETING**  
**OF SHAREHOLDERS (THE 25<sup>th</sup> MEETING)**  
**THE SIAM CEMENT PUBLIC COMPANY LIMITED**

The meeting was held at Athénée Crystal Hall, 3<sup>rd</sup> Floor, The Athenee Hotel Bangkok, A Royal Meridien Hotel, 61 Wireless Road, Pathumwan, Bangkok 10330, on Wednesday, March 28, 2018 at 14:30 hours.

**Mr. Chirayu Isarangkun Na Ayuthaya** was the Chairman of the meeting.

The Chairman welcomed the shareholders to the Annual General Meeting of Shareholders of the year 2018 and informed the meeting that there were 1,037 shareholders present in person, representing 4,639,449 shares, and 2,167 shareholders by proxy, representing 734,746,682 shares. In total, 3,204 shareholders and proxies attended the meeting, holding a total of 739,386,131 shares, equivalent to 61.6155% of the total 1,200,000,000 issued shares which constituted a quorum pursuant to the Company's Articles of Association. The Chairman then declared the meeting open and proposed that the meeting considered the following matters according to the agenda.

The Chairman assigned the Secretary to the Board to explain the details and meeting procedures to the meeting. The Secretary to the Board then introduced to the meeting the Directors, members of SCG Management Committee, auditors from KPMG Phoomchai Audit Ltd. and representatives from the auditor being witnesses during the voting process. These persons were as follows:

**Directors Attending the Meeting:** 11 persons

- |                                       |                       |
|---------------------------------------|-----------------------|
| 1. Mr. Chirayu Isarangkun Na Ayuthaya | Chairman of the Board |
| 2. Mr. Sumet Tantivejkul              | Independent Director  |
| 3. Mr. Pricha Attavipach              | Independent Director  |
| 4. Mr. Panas Simasathien              | Director              |
| 5. Mr. Chumpol NaLamlieng             | Independent Director  |
| 6. Mr. Tarrin Nimmanahaeminda         | Independent Director  |
| 7. Mr. Pramon Sutivong                | Independent Director  |
| 8. Mrs. Tarisa Watanagase             | Independent Director  |
| 9. Mr. Kan Trakulhoon                 | Director              |
| 10. Mr. Prasarn Trairatvorakul        | Director              |
| 11. Mr. Roongrote Rangsiyopash        | President & CEO       |

**The Secretary to the Board**

Mr. Worapol Jennapar

**Members of SCG Management Committee Attending the Meeting:** 11 persons

- |                                   |   |
|-----------------------------------|---|
| 1. Mr. Cholanat Yanaranop         | Executive Vice President – SCG and President – SCG Chemicals                                |
| 2. Mr. Somchai Wangwattanapanich  | Senior Vice President – SCG Chemicals   |
| 3. Mr. Mongkol Hengrojanasophon   | Vice President-Olefins Business and Operations – SCG Chemicals                              |
| 4. Mr. Sakchai Patiparnpreechavud | Vice President-Polyolefins and Vinyl Business – SCG Chemicals                               |
| 5. Mr. Aree Chavalitcheewingul    | President – SCG Cement-Building Materials   |
| 6. Mr. Nithi Patarachoke          | Vice President – Building Products and Distribution Business, SCG Cement-Building Materials |
| 7. Mr. Chana Poomee               | Vice President – Cement and Construction Solution Business, SCG Cement–Building Materials   |
| 8. Mr. Paramate Nisagornsen       | Vice President-Regional Business – SCG Cement-Building Materials                            |
| 9. Mr. Tanawong Areeratchakul     | President – SCG Packaging   |
| 10. Mr. Chaovalit Ekabut          | Vice President – Finance and Investment & CFO, SCG  |
| 11. Mr. Yuttana Jiamtragan        | Vice President – Corporate Administration, SCG  |

A legal representative from SCG Legal Counsel Company Limited, Mr. Kitti Tangjitmaneesakda, was also present.

**Auditors from KPMG Phoomchai Audit Ltd.:** 3 persons

1. Mr. Winid Silamongkol
2. Mr. Viroj Jindamaneepitak
3. Miss Thanyalux Keadkeaw

**Representatives from the Auditor being Witnesses during the Voting Process:** 2 persons

1. Mr. Kullachai Leesirisan
2. Miss Sutunya Yimpaiboon

The Secretary to the Board also introduced Miss Angkana Chuduang, shareholders' right protection volunteers, being a proxy of the Thai Investors Association attending this meeting and invited the shareholders to be witnesses during the voting process in association with the representatives from the auditor. However, no shareholder volunteered to witness the counting of votes. The Secretary to the Board then explained to the meeting the procedures of voting, counting of votes, and announcing of voting results, which could be summarized as follows:

1. According to the Company's Articles of Association, each shareholder or a proxy authorized by any shareholder to vote on his/her behalf is entitled to vote equal to the number of shares held, whereby one share shall be equal to one vote.
2. Voting shall be made openly.
3. Shareholders attending the meeting in person or by proxy shall cast only one of their votes, whether to vote for approval, disapproval or abstention. The votes on each agenda item cannot be divided except for the proxies of foreign investors, who had appointed a custodian in Thailand to take custody and depository of their shares.
4. In casting votes on each agenda item, the Chairman would request shareholders who voted to disapprove or abstained on such an agenda item to raise their hands and mark the voting card to notify the Company's officers so as to have their barcodes scanned and their voting cards collected. All shareholders who voted to approve should mark the voting card but were not required to raise their hands. All the approval voting cards were to be collected when the meeting adjourned.

As for the shareholders who authorized their proxies to the Directors or Independent Directors, the Company shall cast votes of approval, disapproval or abstention on each agenda item according to their requisition.

5. In vote counting, a system of negative deduction shall be used whereby the disapproval vote, abstention votes, and void votes (if any), shall be deducted from the total number of votes attending the meeting for each agenda. The remaining votes shall then be counted as approval votes, while void votes shall be counted only for those that are disapproval votes or abstentions. In counting and summing up the votes for each agenda, the votes indicated in proxy forms shall also be counted.

A vote shall be considered void in the event that the shareholder or the authorized proxy fails to clearly specify their intention on the voting cards, such as when more than one box is marked on the voting cards, the votes are allocated (except for the votes of custodians), a signature is not provided to verify a correction made on the cards.

6. The total number of shareholder or proxies and the casting of the votes on each agenda might vary from item to item since shareholders or proxies might leave the meeting or later enter the meeting.
7. In case the shareholders or proxies wished to leave before the end of the meeting, it was requested that they return all of the voting cards at the exit so that the officer could update our attendance lists.
8. The results of the vote count shall be announced at the meeting after the completion of the counting of votes for each agenda item. However, vote counting for some agenda items may take longer. In such cases, the Chairman may request the meeting to proceed to the consideration of the next item on the agenda to avoid disrupting the meeting. The meeting will be informed of the result as soon as the vote counting has been finished.
9. Shareholders or proxies wishing to make inquiries or give any comments shall raise his/her hand. After the Chairman has given permission, such person would state his or her first name and last name, and the status either as a shareholder or proxy.

The Chairman then added that the Company had provided foreign shareholders attending the meeting with interpreters. Those who wished to submit queries should write down their questions and hand them to the Company's staff. These queries would be addressed in Thai so as to allow the other shareholders to understand as well. With no comments to the contrary, the meeting acknowledged and approved the voting procedures, vote counting and announcement of voting results as described above.

The Chairman then informed the meeting that similar to the previous meeting, in this Annual General Meeting of Shareholders, the consideration and adoption of minutes of meeting was removed from the agenda. The minutes of 2017 Annual General Meeting of Shareholders was published in both Thai and English on the Company's website and disclosed via the information disclosure system of the Stock Exchange of Thailand within 14 days from the date of the meeting. In addition, the shareholders were given the opportunity to make inquiries and express opinions about the minutes. However, no questions or opinions were submitted. Afterwards, the Chairman proceeded to conduct the meeting in accordance with the agenda items listed below.

#### **Agenda 1 To acknowledge the Company's Annual Report for the year 2017**

The Chairman requested the President & CEO to report SCG performance and major changes occurring during the year 2017 to the meeting, after which any questions from the shareholders were welcomed.

The President & CEO reported SCG performance for the year 2017 to the meeting, which could be summarized as follows:

The overall economy of 2017 saw an improvement compared to 2016 as a result of governmental investment and stimulus policies, while the export sector also continued to rebound. However, SCG was still affected by rising raw material and energy costs as well as the fierce competition in the region.

Thus, SCG put a focus on embracing an agile and adaptive business approach and restructured its management with the Integrated Business Excellence (IBE) System to improve the flexibility and productivity, reduce costs, and enhance revenues.

For 2017, SCG reported revenue from sales of 450,921 Million Baht, increasing by 6% from the preceding year due largely to the increased sales price of chemicals products. Nevertheless, the Company's operating profit for the year totaled 55,041 Million Baht, decreasing by 2% year-on-year as a result of fierce competition in the cement and building products business, strong Thai currency compounded with the high energy cost.

In 2017, the total revenue from sales was derived 46% from the chemicals business, 36% from the cement-building materials business, and 18% from the packaging business. The largest portion or 76% of the profit was attributable to the chemicals business, while the cement-building materials business, the packaging business, and others accounted for 13%, 8%, and 3% of the profit, respectively.

SCG's Business highlights in 2017 were summarized as follows:

**1. Enhancing Innovation to Seek Customer-Centric Solutions with Digital Technology** by adopting an open innovation, investing in start-up business and applying Digital technology for improving the business's efficiency, such as:

- Establishing the Open Innovation Center to advance cooperation with every sector. Through this center, the research and development of innovations collaboratively developed with the University of Oxford in England has been further expanded, and a pilot petrochemical plant has been launched in cooperation with a Chinese university.
- Establishing AddVentures, a Corporate Venture Capital (CVC), to invest in startups relating to SCG's businesses. Examples include investment in startups that focus on digital and logistics businesses to allow customers to have an easier and more efficient access to SCG Logistics' delivery trucks, offering a more convenient and faster service with more than 7,000 trucks throughout the ASEAN region
- Developing automation & robotics to be used in the production and maintenance which succeeded in providing further services to serve customer needs internationally such as the Netherlands.

- Developing product storage and recall systems as well as integrating IoT into the automatic inventory management system for speed, convenience, and operation safety.
- Launching SCG Express which offers express delivery is the first and only service provider to offer temperature-controlled parcel delivery. SCG Express plans to expand its service to cover areas nationwide by mid-2018.

## **2. Investment expansion in ASEAN nations for sustainable development:**

Significant progress in major investment project includes the following:

- SCG Chemicals: Vietnam's first integrated petrochemicals complex: Long Son Petrochemicals Company Limited (LSP). The construction of LSP complex is scheduled to take 5 years.
- SCG Cement-Building Materials: Acquired Vietnam Construction Materials JSC (VCM) located in central Vietnam with the production capacity of 3.1 million tons per year. Meanwhile, cement plants in Myanmar and Lao PDR started the production in January and March 2017, respectively. SCG now operates in six major ASEAN nations, including Thailand, with the total production capacity of 33.5 million tons per year.
- SCG Packaging: Has completed the acquisition of stake in PT Indocorr Packaging Cikarang, Indonesia with a total output capacity of 32,000 tons per year. SCG Packaging has also set its sights on investing in all kinds of packaging solutions in response to growing market demand and consumer lifestyles.

SCG's revenue from sales in ASEAN registered 106,597 Million Baht, representing 24% of total revenue from sales, an increase of 9% y-o-y.

The total assets of SCG as of December 31, 2017 amounted to 573,412 Million Baht, while 139,815 Million Baht or 24% representing assets in ASEAN.

Furthermore, SCG attached great significance to developing its employees' skills and preparing them for changes and new roles in order to accommodate customer needs and overseas business expansion. In so doing, SCG adhered to the principles of good corporate governance to maintain its leadership in the business sustainably in accordance with SCG's visions, with an emphasis on strict compliance with its anti-corruption policy, which was further fortified in 2017 with additional internal control measures against bribery and the use of self-assessment results to enhance the efficiency of the Company's operations.

Afterwards, the Chairman welcomed the shareholders' inquiries, and the Chairman, the President & CEO and the Management jointly answered the

shareholders' inquiries and acknowledged suggestions, which could be summarized as follows:

- (1) The graph on page 289 of the 2017 Annual Report shows the five-year share prices (2013-2017) compared to the SET Index. Why does the line of the company's share prices in mid-2017 begin to deviate from that of the SET Index, which shows an upward trend, despite their previously similar rises and falls?

Answer: The Management and the Board of Directors of SCG have closely and continuously kept track of the Company's share prices in comparison with the SET Index. The deviation may have been a result of investors switching their investment segments when the market rallied, a factor beyond the control of the Company. However, what SCG can control is its fundamental business factors, which the Company can strengthen to ensure its competitiveness. Admittedly, in the previous year, the Company's chemicals business, its main business, was regarded by investors as fairly volatile and involving relatively high risks compared to the general degree of risk in the market, which caused the prices of the Company's shares to dip lower than those in the market. In addition, most of the Company's investments were dedicated to its chemicals and related businesses, which might have prompted investors to project that there would be greater fluctuation. In addition to efficiency enhancement, the Company has also invested in research and development to create more high value added (HVA) products to help offset the fluctuation.

- (2) If a trade war were to break out between the United States and China, how would SCG be affected? How would an increase in import taxes between the United States and China affect SCG?

Answer: Impact on SCG would be limited as the products that would be affected are not relevant to SCG.

- (3) What are some of SCG's products and services that may be disrupted by digital technology? What are the innovations that SCG has employed to create HVA products and increase its sales? What changes have SCG's investments in venture capital startups across the world brought to the Company? To what extent is SCG utilizing blockchain technology in its businesses beyond logistics? Why did SCG's research and development expenses in 2017 decrease in comparison to those of 2016? Under the current circumstances, is the Company focusing on purchasing finished research or developing new research by itself?

Answer: The impact of digital technology on SCG's B2B businesses such as its chemicals or packaging businesses would be limited compared to its B2C counterpart, such as its building materials business, in which the entire chain, from production and sales to logistics and delivery, would be affected. This presents an excellent opportunity for the Company to incorporate new technology in order to improve its existing operation. SCG has also studied supply chain improvement, formulated plans, and begun making concrete investments.

The decrease in SCG's research and development expenses for 2017 in comparison to 2016 could be attributed to the investment in the Company's model petrochemical plant, which required a larger investment compared to the regular level of 2017. In addition, changes have been made to research and development investments or spending, with a shift away from self-conducted research towards collaborations with other institutes. Examples include a collaborative chemical product development with Oxford University in England, the construction of a model plant jointly carried out with a Chinese university, and the establishment of a research and development company in Europe, which will begin to yield visible results in the next 1-2 years, as will its investments in digital technology. SCG has also aimed to increase its research and development investment, which boosts profits and sales. Investment in open innovation and co-creation will also enable the Company to develop businesses with high value added (HVA) products, in accordance with the principle that greater and more efficient research and development investments will naturally strengthen the Company's immunity.

- (4) What are SCG's policies regarding replacing human employees with automation and workforce reduction?

Answer: SCG has continuously developed robots to enhance its production efficiency and collaborated with various technology owners. At the same time, the Company has also provided training to its employees to enhance their skills in order to accommodate future business growth. The Company has not planned to change the size of its workforce or create social burdens; any impact that would arise would result from the natural course of the business.

- (5) What are SCG's plans regarding its participation in the Eastern Economic Corridor Development (EEC)? What businesses will the Company be bringing to EEC? Will it be cooperating with other companies in large-scale projects?

Answer: The majority of the Company's investment will be dedicated either to the same businesses as its existing ones, which belong to the light industry, in

line with the government's policy, or to technology. However, double-track railways or elevated roads are beyond SCG's expertise and therefore not what the Company will likely be making an investment in.

- (6) Thailand and many ASEAN countries that are vital markets of SCG are transitioning into aging societies. Has SCG prepared any projects or planned new products for the growing aging population. In addition to building materials, pharmaceutical innovations and medical products should present a good opportunity for SCG.

Answer: To meet the demand of elderly customers, SCG has developed new products in its businesses other than the cement-building materials business. For example, SCG Packaging has developed containers that are easy to use and require little effort to open, while SCG Chemicals has invested in medical products and equipment. However, the business that most directly accommodates senior customers is still Cement-Building Materials.

- (7) What kind of school is Skills Development School? Is it a general or specialized school?

Answer: Skills Development School is SCG's school dedicated to driving safety, especially for trucks. Each year, the school trains over 10,000 drivers, particularly transportation contractors and drivers who work for SCG. The school is now also open to the general public in an effort to improve road safety.

- (8) Has the current strengthening of the baht affected SCG?

Answer: The strengthening of the Baht in 2017 exerted considerable impact, and so has it in 2018. For one-Baht appreciation against the U.S. dollar, the impact on SCG would amount to approximately 2,200 million Baht. In 2017, the Baht strengthened by around 2.5 baht per U.S. dollar, costing SCG approximately 5,000-6,000 million Baht in total. The Company will further enhance its operation to maintain its competitiveness despite any further strengthening of the Baht.

- (9) In SCG's current profit structure, over 70% percent of the profit is derived from its petrochemical or chemical products. As a result, any fluctuation can affect the Company's revenue and profit so profoundly that they can serve as indicators of the Company's share prices. Is the current weight given to the petrochemical business in the profit structure appropriate, how will it affect the Company's future revenue, and does the Company have any plans to adjust its profit structure?

Answer: The Management has placed emphasis on the Company's competitive capacity and growth, with the conviction that if the two factors can be managed successfully, the share prices will improve accordingly. Therefore, the strategy for the petrochemical business is to ensure that it can compete in the global market. To this end, the Company has focused on expanding production bases, marketing, and developing products to achieve competitiveness on both regional and global levels. In the meantime, SCG Cement-Building Materials is experiencing fierce competition because the current production capacity is outstripping demand. However, it is a market with immense growth potential that requires some more time. Once the competition grows less severe, improvements in growth and business improvement will be visible. As for the packaging business, which is a regional business, investments have been made to further expand the market and the range of products and services. Future investment projects will also be of a similar nature.

(10) Despite the fact that the cement-building materials business is currently experiencing considerable problems, the Company has continued to expand the business and constructed plants at various locations. What is the Company's view towards the outlook of the cement industry?

Answer: In the past 2-3 years, the cement industry in Thailand and other countries in the region such as Indonesia has seen intense competition, which has affected selling prices and profit. However, the Company believes that there is more room for growth for this market. For Thailand, more time will be needed for governmental investment schemes to successfully spur private investments. In addition, as there is still for demand for investment, infrastructure development, and residence renovation in ASEAN countries, the Company believes that this business will enjoy positive prospects in the long term.

(11) Has the plot of land for the petrochemical project in Long Son, Vietnam, been acquired by purchase or by lease?

Answer: The land is leased from the Vietnamese government. The lease contract lasts for 49 years and can be extended when the expiry draws near.

**Resolution:** The meeting acknowledged the Company's Annual Report for the Year 2017.

**Agenda 2 To consider and approve the financial statements for the year ended December 31, 2017**

The Chairman informed the meeting that in compliance with the Law, the Company shall prepare its financial statements at the end of the fiscal year of the Company and have them

audited and certified by the Company's auditor before submission to the shareholders for approval. The Board then recommended the meeting to approve the financial statements for the year ended December 31, 2017 as duly audited and certified by the auditors and reviewed by the Audit Committee. The President & CEO reported the following details to the meeting:

The details of the financial statements of the Company appeared in the 2017 Annual Report, which was distributed to the shareholders prior to the meeting together with the Notice. It could be summarized as follows:

**The statements of financial position and income statements**

**Unit: Million Baht**

	<b>SCC and its subsidiaries</b>	<b>SCC</b>
Total Assets	573,412	286,651
Total Liabilities	271,587	192,505
Revenue from sales	450,921	-
Total revenue	464,237	30,735
Profit for the year	55,041*	24,436
Earnings per share (Baht/Share)	45.87*	20.36

\* Represents profit for the year attributable to owners of the parent.

The Chairman then invited questions, and the President & CEO and the Management answered the inquiries from shareholders and proxies, which could be summarized as follows:

- (1) In reference to page 146 of the 2017 Annual Report, why was the Company operating at such a heavy loss in Indonesia, and for how long will the trend continue?

Answer: The two businesses operating at a loss in Indonesia were cement and ceramic businesses. For the former, the overall production capacity of the entire industry was outstripping domestic demand, and as it was the company's first full-year operation, it was necessary to set low selling prices to allow the plant to maintain its operation. At present, the selling prices are now rising thanks to greater acceptance of the products. However, as the current production capacity still exceeds demand, couple with rumors of additional investment in Indonesia from Chinese manufacturers, it will likely take a while for the market to pick up.

The ceramic business was also set in similar circumstances, with the domestic demand standing at around only half of the domestic production capacity. At the same time, imported products from China, amounting to 20% of the total

market, also continued to plunge ceramic tile prices in Indonesia year after year. Another important factor was the market situation in Indonesia. Around 2-3 years ago, land prices began to soar, deterring private investments in construction, which led to a slump in the ceramic tile market and affected SCG's ceramic business. While the Company has been making efforts to reduce its costs and enhance its efficiency, it will likely take some time for the market to rally, with the ceramic business requiring more time to rebound than the cement business as the demand for ceramic tiles is still lower than that for cement products.

- (2) In reference to page 148 of the 2017 Annual Report, who were the independent appraisers?

Answer: The independent appraisers who offered opinions in the assessment of fair value were independent appraisers in the countries where the Company acquired businesses. For instance, in 2017, in the acquisition of a business in Vietnam, Vietnamese independent appraisers were called upon.

- (3) In reference to page 155 of the 2017 Annual Report, the share capital of the Company stood at 1,600 million shares, 1,200 million of which had been issued and paid. How will the Company proceed with the remaining 400 million shares?

Answer: The share capital of 1,600 million shares was authorized by shareholders a long time ago. As there are currently no circumstances that necessitate further payment, no change has been made.

- (4) In reference to page 157 of the 2017 Annual Report, what was responsible for the substantial changes in the components of other comprehensive income to be reclassified to profit or loss?

Answer: The massive changes in the components of other comprehensive income to be reclassified could be attributed to the selling of shares of PTT Global Chemicals PLC (PTTGC) in the previous year.

- (5) In reference to page 162 of the 2017 Annual Report, there were changes to many items in the consolidated statement of cash flows in comparison to that of 2016, resulting in a decrease in operating assets of over 11,000 million Baht, against an increase of over 2,000 million Baht in 2016. Will there be an improvement in the future?

Answer: The decreased operating assets in 2017 could be attributed mostly to trade and other current receivables and inventories, which increased naturally with expanding businesses.

- (6) In reference to page 215 of the 2017 Annual Report, to what extent did the number of debenture holders change, and will there be an opportunity for interested individuals to purchase new debentures?

Answer: The Company has continuously overseen its debenture management. The number of debenture holders increased from 12,400 in 2016 to 13,094 in 2017, with existing debenture holders given priority rights to secure debentures, except in the event where the number of debentures offered is increased or existing debenture holders forfeit their right to purchase debentures.

- (7) In reference to page 218 of the 2017 Annual Report, how conservative was the sensitivity analysis, and who were the analysts?

Answer: The sensitivity analysis details information related to records of employee benefits has been analyzed by external registered expert assessors. The analysis is reviewed every three years.

- (8) In reference to pages 233-234 of the 2017 Annual Report, given the ever-strengthening Baht, was the extent to which SCG engaged in swaps and forwards too limited?

Answer: In preventing exchange rate risks, the Company makes considerations and decisions in accordance with the circumstances of that period of time. Therefore, in hindsight, it may appear that the Company could have engaged in those instruments to a greater extent, and this could be attributed to the management in that period of time.

As there were no further questions or comments, the Chairman proposed that the meeting approve the financial statements for the year ended December 31, 2017. This agenda required a resolution of a simple majority of total number of votes of the shareholders present at the meeting and eligible to vote.

**Resolution:** The meeting, by a simple majority of total number of votes of the shareholders present at the meeting and eligible to vote, approved the financial statements for the year ended December 31, 2017 as follows:

Approved	738,847,555	votes, equivalent to	99.8647 %
Disapproved	88,100	votes, equivalent to	0.0119 %
Abstained	912,700	votes, equivalent to	0.1233 %
Void	0	vote, equivalent to	0.0000 %

**Agenda 3 To consider and approve the allocation of profit for the year 2017**

The Chairman informed the meeting that the Company’s policy was to distribute dividends at the rate of 40-50% of net profit as specified in its Consolidated Financial Statements. The Company may consider changing the dividend distribution in cases of necessity or extraordinary circumstances.

The Secretary to the Boards delineated dividend payment, dividend tax credits, dividend payment dates, as well as other related dates, as follows.

In 2017, the Company had a net profit attributable to owners of the parent of 55,041 Million Baht on its Consolidated Financial Statements. Taking into account the Company’s retained earnings for allocation of the dividends and to create confidence among investors, shareholders, and all stakeholders, the Board proposed the allocation of dividends to shareholders for the year 2017 at the rate of 19.00 Baht per share, totaling 22,800 million Baht, or 41% of the net profit listed on the Consolidated Financial Statements, which aligned with the Company’s dividend policy.

The Company paid the interim dividend at the rate of 8.50 Baht per share, amounting to 10,200 million Baht on August 24, 2017. The final payment of dividend shall be 10.50 Baht per share, amounting to 12,600 million Baht.

The Secretary to the Board then further informed the meeting that the final payment of dividend of 10.50 Baht per share was derived from the profit which was subject to corporate income tax of 20%. Therefore, the natural person shareholder shall be entitled to a tax credit equaling the product of dividend times 20/80. The above dividend distribution shall be payable to the shareholders entitled to receive the dividend in accordance with the Company’s Articles of Association and who were listed on the record date on Thursday, April 5, 2018 (The XD, or the date on which a share purchaser will not be entitled to receive the dividend, will be on Wednesday, April 4, 2018.). The dividend payment will be made on Friday, April 20, 2018. The receipt period of such dividend amount shall be within 10 years. Details are as shown on pages 2 and 3 of the Notice of the Meeting.

As there were no further questions or comments, the Chairman proposed that the meeting approve the distribution of dividends for the year 2017 at 19.00 Baht per share, as proposed by the Board of Directors. This agenda required a resolution of a simple majority of total number of votes of the shareholders present at the meeting and eligible to vote.

**Resolution:** The meeting approved the distribution of dividends for the year 2017 as proposed by the Board by a simple majority of total number of votes of the shareholders present at the meeting and eligible to vote as follows:

Approved	739,847,857	votes, equivalent to	99.9998 %
Disapproved	0	vote, equivalent to	0.0000 %
Abstained	1,100	votes, equivalent to	0.0001 %
Void	0	vote, equivalent to	0.0000 %

#### **Agenda 4 To consider and elect the directors in replacement of those to be retired by rotation**

The Chairman informed the meeting that in compliance with the Public Limited Companies Act and Clause 36 of the Company's Articles of Association, one-third of the directors must retire from office by rotation at the Annual General Meeting of Shareholders. Four Directors to be retired by rotation in this meeting were as follows:

- |                               |                       |
|-------------------------------|-----------------------|
| 1) Mr. Panas Simasathien      | Director              |
| 2) Mr. Arsa Sarasin           | Independent Director, |
| 3) Mr. Chumpol NaLamlieng     | Independent Director, |
| 4) Mr. Roongrote Rangsiyopash | President & CEO       |

The Chairman then assigned Mr. Sumet Tantivejkul, Chairman of the Governance and Nomination Committee, to provide the details to the shareholders.

The Chairman of the Governance and Nomination Committee then informed the meeting that Mr. Panas Simasathien and Mr. Arsa Sarasin have expressed their intentions not to be nominated for re-election as the Company's directors and further informed the meeting that SCC provided an opportunity to minority shareholders to propose agenda for the meeting and nominate qualified candidate(s) for the directorship during September 1 - November 30, 2017. However, no shareholder had proposed any agenda or nominated any individual for consideration.

The Governance and Nomination Committee, excluding directors to be retired by rotation in the 2018 Annual General Meeting of Shareholders, has considered six qualified candidates together with the chartered directors from IOD's Director Pool, by taking into consideration the qualification of candidates as stipulated by the good Corporate Governance Principle, and composition of knowledge and particular professional skills in Board Skill Matrix in accordance with SCG's relevant business strategies. Then the Governance and Nomination Committee unanimously resolved to propose to the Board the four qualified candidates for the election in replacement of those to be retired by rotation in the 2018 Annual General Meeting of Shareholders as follows

- 1) Mr. Chumpol NaLamlieng
- 2) Mr. Roongrote Rangsiyopash
- 3) Air Chief Marshal Satitpong Sukwimol (appointed as Lord Chamberlain of the Bureau of the Royal Household and Director-General of the Crown Property Bureau, effective as of March 11, 2018 onwards)
- 4) Mr. Kasem Wattanachai

They were considered qualified with expertise, knowledge, professional skills, extensive experiences, attributes of leadership, far-sighted vision, good morals and ethical principles, as well as clear and unblemished career records. Mr. Chumpol NaLamlieng and Mr.

Roongrote Rangsiyopash are the retiring Directors who had well performed their duties during their directorship duration. Besides, Mr. Chumpol NaLamlieng, who is qualified as an independent director for approximately 3.5 years with more than 9 years in his directorship, is capable of giving comments independently. He has brought about his extensive experience, knowledge and expertise to make recommendations beneficial in strategy formulation and business operation in accordance with sustainable development guideline. Air Chief Marshal Satitpong Sukwimol and Mr. Kasem Wattanachai are newly proposed persons in replacement of those to be retired by rotation. All four aforementioned persons have no directorship or management positions in other organizations which might be in conflict of interests with the Company.

The Board of Directors, excluding the Directors to be retired by rotation in the 2018 Annual General Meeting of Shareholders, has extensively discussed and thoroughly considered all nominated candidates and the qualification of each candidate. Their qualifications are proper and in accordance with relevant laws and the Company's Articles of Association. They have extensive experience which are beneficial in business operation of SCG. The Board thus unanimously agreed with The Governance and Nomination Committee and recommends the 2018 Annual General Meeting to re-elect Mr. Chumpol NaLamlieng and Mr. Roongrote Rangsiyopash as the Directors of the Company for one more period and to elect Air Chief Marshal Satitpong Sukwimol and Mr. Kasem Wattanachai as Directors to replace the retiring Directors.

The nominated candidates' profiles, qualifications, durations of directorship, Board and Sub-committees meeting attendance records in the previous year, records of shareholding, records of directorship or management positions in other listed companies and other companies/enterprises, and records of relations appeared on pages 13-20 in the Notice of the Meeting.

The Chairman then invited inquiries from the shareholders, with the Chairman of the Governance and Nomination, the President & CEO, and the Secretary to the Board of Directors answering questions and acknowledging observations from the shareholders, which could be summarized as follows:

- (1) Could the names of the six qualified candidates be disclosed? In reference to page 93 of the 2017 Annual Report regarding independent directors, it is prescribed that an independent director may not remain in office for over three consecutive terms. What dictates the termination of independent directorship? Is it the nine-year period in office? Why is there no agenda relating to director's term in sub-committees such as the Governance and Nomination Committee, etc ? Where did this regulation originate, or who prescribed it?

Answer: The answer would be divided into two parts. (1) The qualifications of independent directors are in accordance with the criteria set forth by the

Securities and Exchange Commission, such as not being employees of any company. (2) The three-term limit was prescribed by the Governance and Nomination Committee in accordance with the guidelines put forward by the Stock Exchange of Thailand and the Thai Institute of Directors (IOD) and was deemed appropriate and acceptable on an international level by the Board of Directors.

- (2) What were the sizes of the large-scale business assets that two nominated candidates, namely Air Chief Marshal Satitpong Sukwimol and Mr. Kasem Wattanachai, have managed? Were they nominated to fill the board seats of a major shareholder? There should be further explanation on the use of Board Skill Matrix in candidate selection.

Answer: The basis for candidate selection and nomination was in accordance with relevant regulations of the company. The use of the matrix was also as commonly practiced. As for the two candidates, Air Chief Marshal Satitpong Sukwimol and Mr. Kasem Wattanachai were representatives of a major shareholder.

All the qualification requirements also applied to the two other candidates, namely Mr. Chumpol NaLamlieng and Mr. Roongrote Rangsiyopash.

As there were no further inquiries, the Chairman of the Governance and Nomination Committee then asked the Secretary to the Board to describe the voting procedures for the election of individual Directors.

The Secretary to the Board notified the meeting that the Articles of Association of the Company, Clause 30 stipulates the voting procedures as follows:

- (1) A shareholder shall have one vote for each share he holds or represents.
- (2) The shareholders shall vote for each individual candidate nominated for Directors, but not exceeding the number of Directors required for that election. The vote shall not be distributed.
- (3) The candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as Directors in that order until all of the Director positions are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of Directors to be exceeded, the remaining appointment shall be made by the chairman of the meeting who shall have a casting vote.

The Secretary to the Board also explained the details of the voting procedures as follows:

- (1) For the fourth agenda, the director election would be conducted individually. The Chairman would request the meeting to consider the candidate nominated to be elected as the Director on an individual basis, as notified in the fourth agenda item of the Notice of the Meeting as follows:

- 4.1 Mr. Chumpol NaLamlieng
- 4.2 Mr. Roongrote Rangsiyopash
- 4.3 Air Chief Marshal Satitpong Sukwimol
- 4.4 Mr. Kasem Wattanachai

- (2) In the individual director election, only those who disapprove of the candidate or abstain from voting must raise their hands and mark in the voting card. The rest shall be regarded as approving the candidate without raising their hands.
- (3) After the Chairman has proposed all four candidates, the Company's officers would collect the voting cards marked 'disapprove' or 'abstain' to be counted. The shareholders who approve the proposal were requested to submit their approval voting cards along with their voting cards for other agenda items in their possession at the end of the meeting.

As there were no further questions or comments, the Chairman proposed that the shareholders vote on the candidates on an individual basis whereby this year there were four candidates nominated for election to be the Directors of the Company equivalent to the number of directors required to be elected at this meeting.

**Resolution:** The meeting elected namely Mr. Chumpol NaLamlieng, Mr. Roongrote Rangsiyopash, Air Chief Marshal Satitpong Sukwimol, and Mr. Kasem Wattanachai as Directors of the Company with the following votes:

(1) Mr. Chumpol NaLamlieng

Approved	725,601,363	votes, equivalent to	98.1085 %
Disapproved	13,987,812	votes, equivalent to	1.8912 %
Abstained	1,400	votes, equivalent to	0.0001 %
Void	0	vote, equivalent to	0.0000 %

(2) Mr. Roongrote Rangsiyopash

Approved	729,793,813	votes, equivalent to	98.6753 %
Disapproved	9,673,822	votes, equivalent to	1.3079 %
Abstained	122,940	votes, equivalent to	0.0166 %
Void	0	vote, equivalent to	0.0000 %

(3) Air Chief Marshal Satitpong Sukwimol

Approved	725,379,683	votes, equivalent to	98.0785 %
Disapproved	14,207,592	votes, equivalent to	1.9210 %
Abstained	3,300	votes, equivalent to	0.0004 %
Void	0	vote, equivalent to	0.0000 %

(4) Mr. Kasem Wattanachai

Approved	721,491,178	votes, equivalent to	97.5527 %
Disapproved	17,914,097	votes, equivalent to	2.4221 %
Abstained	185,300	votes, equivalent to	0.0250 %
Void	0	vote, equivalent to	0.0000 %

**Agenda 5 To consider and appoint the auditors and fix the audit fee for the year 2018**

The Chairman assigned Mr. Tarrin Nimmanahaeminda, Chairman of the Audit Committee, to explain the details of this agenda item to the meeting.

The Chairman of the Audit Committee informed the meeting that in 2017, the Company invited six leading audit firms to propose their audit services for the Company and its subsidiaries both domestically and internationally, three of which have shown their interests in submitting their proposals. The Auditor Selection Panel has set the criteria based on auditor selection process of leading international organizations and companies, and proposed its opinion to the Audit committee. The Audit Committee resolved to select KPMG Phoomchai Audit Ltd., to be the audit firm for the Company and its subsidiaries for the years 2018-2022 as KPMG Phoomchai Audit Ltd. offer has utmost benefits to the Company.

The Board agreed with the recommendation of the Audit Committee to select KPMG Phoomchai Audit Ltd. to be the audit firm and recommended the 2018 Annual General Meeting of Shareholders to consider and approve the appointment of the auditors and audit fees. Details are in the Notice of the Meeting on pages 5-7 as follows:

(1) The approval of the appointment of the following auditors from KPMG Phoomchai Audit Ltd. for The Siam Cement Public Company Limited for the year 2018:

- Mr. Winid Silamongkol (Certified Public Accountant No. 3378) or
- Mr. Viroj Jindamaneepitak (Certified Public Accountant No. 3565) or
- Miss. Pornthip Rimdusit (Certified Public Accountant No. 5565) or
- Miss. Thanyalux Keadkeaw (Certified Public Accountant No. 8179)

The auditors have qualifications that comply with the guidelines of the Securities and Exchange Commission.

The proposed auditing firm and auditors have no relationship or conflict of interest with the Company/subsidiaries/ managerial staff/ major shareholders, or persons related to the said parties. Profiles of the proposed auditors and their independence information are provided in the attachment 3 on pages 21-24 in the Notice of the Meeting.

(2) To approve the annual audit fees and quarterly review fees for SCC's 2018 financial statements and its consolidated financial statements totaling 6.05 million Baht (An increase of 0.02 million Baht from the year 2017) as follows:

Audit fees	Year 2018	Year 2017
1. Annual audit fee for SCC's financial statements	268,000 Baht	260,000 Baht
2. Annual audit fee for consolidated financial statements, and quarterly review fee for the financial statements of SCC and SCC's consolidated financial statements	5.78 million Baht	5.77 million Baht
<b>Total audit fees</b>	<b>6.05 million Baht</b>	<b>6.03 million Baht</b>

The above audit fee for the year 2017 excluded non-audit fee paid for the assurance fee of the sustainability report totaling 1.56 million Baht.

(3) To acknowledge the annual audit fee for 2018 financial statements of the Company's subsidiaries, and quarterly review fees of listed subsidiaries audited by KPMG Phoomchai Audit Ltd. in Thailand and other countries, the fees of which are borne by each subsidiary as follows:

Audit fee	Year 2018	Year 2017
1. Annual audit fees of the Company's subsidiaries in Thailand and quarterly review fees of listed subsidiaries		
– Number of subsidiaries	124 companies	127 companies
– Amount of fee	23.68 million Baht	23.29 million Baht
2. Annual audit fees of the subsidiaries outside Thailand		
– Number of subsidiaries	68 companies	68 companies
– Amount of fee	24.12 million Baht	26.61 million Baht
<b>Total audit fees of the subsidiaries</b>	<b>47.80 million Baht</b>	<b>49.90 million Baht</b>

(The audit fees of subsidiaries for the year 2018 are subject to change pursuant to the actual number of subsidiaries and/or actual workload.)

Afterwards, the shareholders submitted their inquiries and suggestions before the resolution on the appointment of the auditors and approval of the audit fee for the year 2018 were voted on. The Management then responded as summarized below:

- (1) What criteria were used in determining the assurance fee for sustainable development reports? How will the exact amount of this expense, which has not been defined, be set forth so as to enhance credibility?

Answer: The auditors appointed at the Annual General Meeting of Shareholders are primarily responsible for auditing and offering opinions on financial statements. Any other reports are considered outside of their regular scope of work, especially the assurance of the Company's annual sustainable development report, which is not considered regular reports. The Company has also held a bidding in which other auditing firms can participate as well. The proposed service fees are based on the expected number of hours required and amount of work involved.

- (2) Did the 2017 audit fee of 6.05 million Baht include the assurance fee of 1.56 million Baht for the sustainable development report?

Answer: The 6.05 million Baht was the audit fee proposed for approval for 2018. The additional 1.56 million Baht was the assurance fee for the sustainable development report of 2017, which was not an audit fee.

- (3) How will the International Financial Reporting Standard 9 (IFRS9), which will come into effect in the future, affect the Company?

Answer: IFRS9 is expected to pertain mostly to the utilization of financial instruments. By the Company's estimation, SCG should be minimally affected as it is not directly a financial business.

- (4) It was suggested by a shareholder that in the future, artificial intelligence (AI) might improve to the point where it could be employed for auditing, which would lower audit fees.

Answer: Acknowledged.

- (5) As stated by the Chairman stated that auditors may not serve over five consecutive years, but, according to a note under the auditor appointment agenda (Note 2.1 on page 6 in the Notice of the Meeting), Mr. Winid Silamongkol had been the Company's auditor from 2011 to 2017, exceeding the five-year limit. How was the service period counted?

Answer: Serving as the Company's auditor and signing the auditor's opinion for financial statements are two separate roles. Mr. Winid Silamongkol was appointed the Company's auditor twice, namely from 2004-2008 and from 2011-2017, but may not have been the auditor signing the reports in all those years. In accordance with SEC's regulations, only the years in which the appointed auditor is in office and appends their signature are counted. In this case, as Mr. Winid Silamongkol was appointed in 2011 but only appended his signature from 2014 onwards, his five-year period had not been reached.

As there were no further questions, the Chairman proposed that the meeting approve the appointment of the auditors and the audit fee for the year 2018. This agenda required a resolution of a simple majority of total number of votes of the shareholders present at the meeting and eligible to vote.<sup>n</sup>

**Resolution:** The meeting, by a simple majority of total number of votes of the shareholders present at the meeting and eligible to vote, approved the appointment of Mr. Winid Silamongkol or Mr. Viroj Jindamaneepitak or Miss. Pornthip Rimdusit or Miss. Thanyalux Keadkeaw of KPMG Phoomchai Audit Ltd. as the auditors of the Company for year 2018 and the annual audit fees and quarterly review fees for the Company's 2017 financial statements and its consolidated financial statements totaling 6.05 million Baht. The voting details were as follows:

Approved	737,129,184	votes, equivalent to	99.7416 %
Disapproved	789,961	votes, equivalent to	0.1068 %
Abstained	1,119,300	votes, equivalent to	0.1514 %
Void	0	vote, equivalent to	0.0000 %

In addition, the meeting acknowledged the annual audit fee for 2018 financial statements of the Company's subsidiaries, and quarterly review fees of listed subsidiaries for 124 subsidiaries in Thailand of 23.68 million Baht, and the audit fee for 68 overseas subsidiaries of 24.12 million Baht, totaling the audit fees of the Company's subsidiaries of 47.80 million Baht.

**Agenda 6 To consider and approve the remuneration of the Company's Directors and Sub-committee members for the year 2018**

The Chairman assigned the Secretary to the Board to inform the meeting of the details regarding the approval of remuneration of the Directors and Sub-committee members as follows:

In accordance with Clause 42 of the Company's Articles of Association, the Directors' remuneration and bonus shall be approved by the shareholders' meeting. The 11<sup>th</sup> Annual General Meeting of Shareholders held on March 24, 2004 approved monthly remuneration of the entire Board of Directors of 1.8 million Baht and a bonus for the entire Board of an amount not exceeding 0.5 percent of the dividends distributed to the shareholders. The distribution of both among the Directors would be as they themselves determined.

In addition, the 18th Annual General Meeting of Shareholders held on March 30, 2011 approved the remuneration of the Sub-committee members as detailed on pages 7-8 of the Notice of the Meeting, as follows:

	<b>Position</b>	<b>Retainer Fee (Baht/person/year)</b>	<b>Attendance fee (Baht/person/meeting)</b>
Audit Committee	Chairman	180,000	45,000
	Member	120,000	30,000
Governance and Nomination Committee Remuneration Committee	Chairman	150,000	37,500
	Member	100,000	25,000

The remuneration of the Directors and sub-committee members were effective from the date of approval until the meeting of shareholders resolves otherwise.

However, in compliance with good corporate governance principles, the Board agrees that the remuneration of the Directors and Sub-committee members shall be subject to the approval of the General Meeting of Shareholders on a yearly basis even though there is no adjustment on the remuneration rate.

For 2018, the Board of Directors, with recommendation of the Remuneration Committee, has deemed it appropriate to propose the retention of the remuneration of the Directors and Sub-committee members, after all due circumspection of various reference data such as the roles and responsibilities of the Board of Directors and the Sub-committees, business performance, and a rate comparison with other leading listed companies in the same industry.

In 2017, remunerations and bonuses not exceeding the aforementioned criteria were paid to the Board of Directors. The remuneration details and the scope of authority of the Board of Directors and Sub-committees appeared respectively on pages 91-93 and 98-101 in the 2017 Annual Report.

As there were no inquiries, the Chairman proposed that the meeting approve the Board of Directors’ and Sub-committees’ remuneration. This agenda required an affirmative vote of no less than two-thirds of the total number of votes of the shareholders present at the meeting.

**Resolution:** The meeting, by an affirmative vote of no less than two-thirds of the total number of votes of the shareholders present at the meeting, approved this agenda as follows:

Approved	713,624,417	votes, equivalent to	96.5611 %
Disapproved	25,182,028	votes, equivalent to	3.4074 %
Abstained	102,100	votes, equivalent to	0.0138 %
Not entitled to vote	130,000	votes, equivalent to	0.0175 %
Void	0	vote, equivalent to	0 %

**Agenda 7 To consider and approve the amendments to the Company’s Articles of Association**

The Chairman assigned The Chairman of the Governance and Nomination Committee to explain the details and meeting procedures to the meeting.

The Chairman of the Governance and Nomination Committee proposed amendments to the Company’s Articles of Association, namely to Clause 19 and Clause 29, to the meeting for approval, as follows:

### **Amendment to Clause 19 of the Company's Articles of Association**

Due to the issuance of the Order of the Head of the National Council for Peace and Order No. 21/2560 on Amendments of Laws to Facilitate the Ease of Doing Business which has amended Section 100 of the Public Limited Companies Act B.E. 2535 (1992) regarding the right of shareholders to call an extraordinary general meeting, the existing provision Clause 19 of the Company's Articles of Association which is in line with the former regulation shall no longer be applied and enforceable as it is in conflict with the Order.

The proposed amendments to Clause 19 of the Company's Articles of Association can be summarized as follows.

- The number of shares that a shareholder must hold in order to be able to submit a request to the Board of Directors for an extraordinary general meeting is reduced to 10% of the total number of shares sold (previously 20%), in which case the Board of Directors shall convene such a meeting within 45 days (previously one month), and
- Should the Board of Directors fail to convene an extraordinary general meeting as requested, the shareholder who submitted the request may hold such a meeting on their own, in which case the Company shall be responsible for necessary expenses and facilitation as deemed appropriate.

The amended provision was as presented on page 9 of the Notice of the Meeting, as shown below:

“Clause 19: The Board of Directors may call an extraordinary general meeting of shareholders any time the Board considers it expedient to do so. One or more shareholders holding shares amounting to no less than ten (10) percent of the total number of shares sold may submit a written request to the Board of Directors to call an extraordinary general meeting at any time, but the subjects and reasons for calling such a meeting shall be clearly stated in the request. In this regard, the Board of Directors shall proceed to call a meeting of shareholders to be held within forty-five (45) days from the date of receipt of such a request from the shareholders.

In case the Board of Directors does not hold the meeting within the period as prescribed under paragraph two, the shareholders who subscribe their names or other shareholders holding the number of shares as required may call such a meeting within forty-five (45) days from the completion of the period. In this regard, the meeting shall be considered as the shareholders' meeting called by the Board of Directors. The Company shall be responsible for necessary expenses arising from such a meeting and reasonably provide facilitation.

In case the quorum of the shareholders' meeting called by the shareholders as prescribed under paragraph three is not formed according to Article 20, the shareholders as prescribed under paragraph three shall be collectively responsible to the Company for expenses arising from such a meeting.”

### **Amendment to Clause 29 of the Company's Articles of Association**

As the principles of good corporate governance on international levels give precedence to the Company's director nomination process, in particular, the qualifications and the diversity of directors, which shall enable companies to find the qualified directors who are ideal for the business of companies, it was deemed appropriate to propose an amendment to Clause 29 of the Company's Articles of Association, specifically the removal of the second item, which previously specified that Directors who are not shareholders must be Thai nationals.

The amended provision was as presented on page 10 of the Notice of the Meeting, as shown below:

Clause 29 : There shall be no fewer than nine, but no more than twelve Directors, each of whom shall be appointed and removed by general meetings of shareholders and no fewer than half of the Directors shall be residents of the Kingdom.

The Directors must be natural persons with the following qualifications:

- 1) having become sui juris;
- 2) not being a bankrupt, incompetent or quasi-incompetent person;
- 3) never having been sentenced to imprisonment by final judgment of the court for an offence relating to property which was committed in bad faith; and
- 4) never having been expelled or removed from government service or organizations or governmental agencies in punishment for dishonest performance of duties.

The Board of Directors proposed that the meeting approve the amendments to Clauses 19 and 29 of the Company's Articles of Association, revoke the previous clauses, enact the amended clauses, as appearing on pages 9-10 of the Notice of the Meeting, as well as register the amendments as proposed.

After that, the Chairman welcomed shareholders' inquiries and suggestions. The Chairman and the Management then answered the Shareholders' inquiries which could be summarized as follows:

- (1) The parliament is currently reviewing online voting legislature, which could be passed shortly. Has SCG considered the matter, and if there were to be online voting, what form would it take? Does the proposed amendment added to the last paragraph of Clause 19 mean that shareholders who call a meeting shall be subject to any expenses that arise if the quorum requirement is not met? Was the proposed amendment written by the Company, the Stock Exchange of Thailand, or the Securities and Exchange Commission?

Answer: The proposed amendment to Clause 19 was taken from an Order of the Head of the National Council for Peace and was not written by the Company. The Securities and Exchange Commission, the Stock Exchange of Thailand, and the Ministry of Commerce are discussing and formulating measures to enable practical enactment of the law.

- (2) The amendment to Clause 29 suggests that the government wishes to make it possible for foreign shareholders to be appointed directors, which would entail a shift in the board composition. How would foreign candidates be vetted to ensure their integrity, honesty, and absence of criminal records?

Answer: The amendment to Clause 29 was proposed to ensure correspondence with international corporate governance practices. Candidate nomination and selection will still be supervised by the Governance and Nomination Committee and approved by the shareholders. The purpose of the amendment was not to appoint a foreign Director, and utmost caution would be exercised in such an event. However, as the Company possesses multiple overseas businesses, a more international image could be beneficial.

Furthermore, according to additional information from shareholders, it is possible to vet individuals living overseas through cooperation between Thailand and the country in which they reside by submitting a request to the Thai Embassy in that a country, which will then contact agencies with criminal and other records of those individuals.

- (3) After the Order of the Head of the National Council for Peace was issued, how many public companies have proceeded to amend their articles of association? Are there any time limits?

Answer: Many companies have made amendments in accordance with the new law. Most public companies are expected begin the process within this year because Section 30 of the Public Limited Company Act stipulates that articles of association of a company shall not contradict the law.

As there were no further questions, the Chairman proposed that the Meeting approve the amendments to Clause 19 and Clause 29 of the Company's Articles of Association. This

agenda shall be approved by the Annual General Meeting of Shareholders by no less than three-fourths of total votes of shareholders attending the meeting and having the right to vote.

**Resolution:** The Meeting resolved to approve the amendments to Clause 19 and Clause 29 of the Company’s Articles of Association as proposed by the Board of Directors with no less than three-fourths of total votes of shareholders present at the meeting and eligible to vote as follows:

Approved	738,021,409	votes, equivalent to	99.9512 %
Disapproved	252,700	votes, equivalent to	0.0342 %
Abstained	106,900	votes, equivalent to	0.0144 %
Void	0	vote, equivalent to	0.0000 %

As all the agenda items were considered, the chairman invited the President & CEO to field questions and address comments submitted in writing by the shareholders. The President & CEO explained in summary that many of the inquiries were on topics which had already been discussed such as HVA products, research and development budgets, and the petrochemical project in Vietnam. The other submitted comments included suggestions and additional considerations for the Management regarding data, such as the data on the Directors in the Company’s subsidiaries and financial ratios that showed the operating performance, which would be taken under advisement, as well as compliments.

The Chairman then invited further inquiries and suggestions from shareholders, which were answered by the Chairman, the President & CEO and the Management and could be summarized as follows:

- (1) What are the future directions for SCG Express?

Answer: SCG Express is a B2C and C2C small parcel delivery business, as opposed to SCG Logistics, which engages mostly in B2B operations. Launched in January 2017, SCG Express handled approximately 800,000-900,000 packages in the first year, which amounted to 40-50 million baht in sales, with a continuous monthly growth. The sales are expected to keep rising in 2018 on the back of the growth of the small parcel delivery market and e-commerce. One of the strengths of SCG Express lies in its cool delivery service, which lends itself for food delivery. Currently, to expand its service points, which in the first year covered only Bangkok Metropolitan region, the East, the West, and some parts of the North, the Northeastern and the Southern part of Thailand, more service points are being established to cover the entire country by mid-2018.

- (2) Considering a constant rise of new competitors in the market, what are SCG’s strategies in controlling or reducing its costs and increasing its revenue, profit, and dividend yield?

Answer: In maintaining its operations and competitive capacity in a sustainable manner, the Company has invested in several large-scale projects such as the petrochemical project in Vietnam. Thanks to the absence of petrochemical manufacturers in Vietnam and the significance the Vietnamese government has attached to this industry, coupled with the Company's capability in the petrochemical industry and a period of market development, the investment project can compete in the market and lead to further expansions, such as the combination of innovations that SCG has developed in Thailand and those developed in cooperation with other countries. These investment projects will help strengthen SCG and bolster its long-term competitive capacity.

- (3) What is the current number of SCG's intellectual properties, and do they generate revenue? To develop innovations on the basis of SCG's fields of expertise, the Company may choose not to carry out research and development by itself but instead collaborate with educational institutes with experts who are already developing innovations in those areas.

Answer: As of now, SCG has filed approximately 1,500 patents (petty patents included) as well as other trade secrets or know-how related to its operations. The utilization and selling of these intellectual properties as well as relevant collaborations are overseen by a dedicated unit. As for research and development, instead of carrying out all the projects by itself, SCG has also collaborated with universities, clients, and suppliers – a strategy that the Company is employing to achieve efficiency and quick results.

- (4) As SCG's operations involve various currencies, exchange rate-related errors may result. What are the Company's preventive measures against such errors?

Answer: Many overseas businesses in which SCG has invested such as those in the Lao People's Democratic Republic and Myanmar are affected by exchange rates to a considerable extent as sometimes currency exchange is impossible in those countries. In addition, most instruments against exchange rate risks are only applicable to major currencies. While their currencies may have some limitations, these countries are seeing rapid development as well as the advent of international banks. In the near future, prevention of exchange rate risks should become easier, and it is the intention of SCG to always have in place instruments against exchange rate fluctuations.

- (5) Considering the increase in doubtful accounts and receivables overdue for over 6-12 months, what can the Company do to collect these receivables faster?

Answer: As the majority of SCG's sales involve cash and bank guarantees, the Company is quite confident that the level of its bad debts is still under control.

The Company will monitor the matter closely and improve the management by employing database management technology and developing a network of suppliers to keep track of the credit statuses of its clients.

- (6) What is circular economy, mentioned in the sustainable development report, and what are its advantages?

Answer: Circular economy was a much-discussed topic in the previous and is likely to remain influential in the coming years. SCG has planned to hold a symposium and invited experts to share knowledge on this concept, as it is relevant to every business of SCG. Inspiring interest in this notion and taking a proactive stance will put the operation in the preventive mode rather than a defensive mode.

- (7) How is SCG managing its data security?

Answer: IT security is among the risks on SCG's priority list. To this end, the Company has hired external consultants with expertise on the issue and put in place investment policies to maximize security.

- (8) Within three years, Thailand will become an aging society and see decreasing birth rates. As a large corporate, how will SCG handle this trend?

Answer: As SCG's businesses are industrial in nature, the working environment could present a challenge and call for extra caution if senior citizens were to be hired. At the same time, automation and robotics have also become available and present another factor for consideration. SCG will try its utmost to strike the right balance between the benefits of society at large and the Company.

- (9) While the Company's employee development is excellent, what are SCG's projects with regard to the health of its employees?

Answer: For the health and welfare of the employees, SCG has recently opened a health center at the headquarters in Bang Sue, which has been well received by both younger and older employees.

- (10) In reference to the sustainable development structure shown on page 21 of the 2017 Sustainable Development Report, with approximately 30 committees and working groups in total, it is questionable whether policies from the top can truly trickle down to the bottom. With the current discussion about flat and horizontal organizations, the Company should consider communication methods where no middlemen are involved. In addition, scholars and related parties should also be invited to join initiatives related to sustainable development.

Answer: At present, SCG seeks advice from and work in collaboration with external organizations – a working style that the Company wishes to maintain. As for the sustainable development structure shown in the report, the chart is intended to delineate the units involved. Meetings are held both across units, attended by team leaders or issue leaders, and within each unit, led by team leaders and issue leader. This working method is effective and ensures that tasks are maximally delegated to operators.

- (11) An observation was made regarding the signature appended to the Independent Limited Assurance Report (the 2017 Sustainable Development Report, page 155), which was in the name of KPMG Phoomchai Audit Co., Ltd., as opposed to the name of an individual representing the Company, as normally practiced.

Answer: It is possible for a document to be signed in the name of a company. In this case, the Company hired an auditing firm, not an individual.

The Secretary to the Board then informed the meeting that after this Annual General Meeting of Shareholders, the Minutes of the Meeting would be published on the Company's website both in Thai and English as well as on SET's information disclosure system within 14 days and that any inquiries and comments could be submitted to the Secretary to the Board within one month. The shareholders were also asked to return the remaining voting cards at the exits for reference at the end of the meeting.

As there were neither inquiries nor suggestions from the shareholders, the Chairman then expressed his appreciation for the shareholders for attending the meeting and offering their opinions on various matters and declared the meeting adjourned.

The meeting was adjourned at 17.45 hrs.

-Signed by-

(Mr. Chirayu Isarangkun Na Ayuthaya)

The Chairman of the meeting