

Yuanta Securities Co., Ltd.

Remuneration Committee Charter

Approved at the 4th meeting of the 7th Board of Directors on September 30, 2010
Amended at the 17th meeting of the 7th Board of Directors on August 25, 2011
Amended at the 26th meeting of the 7th Board of Directors on March 22, 2012
Amended at the 28th meeting of the 7th Board of Directors on April 26, 2012
Amended at the 34th meeting of the 7th Board of Directors on September 27, 2012
Amended at the 31st meeting of the 8th Board of Directors on July 30, 2015
Amended at the 10th meeting of the 9th Board of Directors on February 23, 2017
Amended at the 11th meeting of the 10th Board of Directors on February 27, 2020

Article 1 Purpose and Basis for Adoption

In order to develop and strengthen the corporate governance, the Remuneration Committee (hereinafter “the Committee”) is established in accordance with the Company’s Articles of Incorporation and the Charter of the Committee is adopted accordingly.

Article 2 Scope of Application

The composition, number of members, term of office, powers and duties, rules of procedure, and resources to be provided by the Company when exercising the powers and duties of the Committee shall be handled in accordance with the provisions of this Charter. If not provided for in this Charter, it shall be handled in accordance with relevant laws and regulations, regulations of competent authorities, and other rules of the Company.

Article 3 Committee Composition, Number of Members, and Term of Office

The members of the Committee shall be all the independent directors of the Company and shall consist of not less than three members, one of whom shall be elected from among themselves as the convener. The convener represents the Committee externally.

The Committee members are nominated by the Chairman and appointed only upon the approval of the Board of Directors.

The term of office to be served by the Committee members is the same as that of an independent director. When the number of independent directors of the Committee falls below that prescribed in Paragraph 1 due to an independent director’s discharge for any reason, the Company shall report its parent company to appoint a replacement member to fill the vacancy pursuant to laws and also ask for completion of the appointment process at the immediately next Board of Directors meeting. In the case of any change in the members, the term of office shall expire at the end of the original term.

Article 4 Duties and Powers

The Committee shall exercise the care of a good administrator to faithfully perform

the following powers and duties and present its recommendations to the Board of Directors for discussion:

- I. Establishing and periodically reviewing the performance evaluation standards, and the policies, systems, standards, and structure for the remuneration of the directors and managers of the Company.
- II. Periodically evaluating and setting the remuneration for the directors and managers of the Company.

The Committee shall perform the powers and duties under the preceding paragraph in accordance with the following principles:

- I. Performance evaluations and remuneration levels of directors and managers shall take into account the general pay levels in the industry as well as the reasonableness of the correlation between the individual's performance and the Company's operational performance and future risk exposure.
- II. There shall be no incentive for the directors or managers to pursue remuneration by engaging in activities that exceed the tolerable risk level of the Company.
- III. For directors and senior managers, the percentage of employee remuneration to be distributed based on their short-term performance and the time for payment of any variable remuneration shall be decided with regard to the characteristics of the industry and the nature of the Company's business.

"Remuneration" as used in the preceding two paragraphs includes cash compensation, stock options, profit sharing and stock ownership, retirement benefits or severance pay, allowances or stipends of any kind, and other substantive incentive measures. Its scope shall be consistent with the remuneration for directors and managers as set out in the Regulations Governing Information to be Published in Annual Reports of Financial Holding Companies.

Article 5 Procedures for Convening a Meeting

Meetings of the Committee shall be held at least twice a year, and may be held at any time as necessary.

In convening a meeting of the Committee, a notice setting forth the subjects to be discussed at the meeting shall be given to each member at least seven (7) days in advance. In emergency circumstances, however, the meeting may be convened on shorter notice.

The convener shall be the chairperson of the meeting of the Committee. If the convener takes leave or is unable to convene a meeting for any reason, the convener shall appoint another member on the Committee to act in his or her place. If the convener does not make such an appointment, a member of the Committee shall be elected by and from among the other members on the Committee to serve as convener.

The Committee may request Directors of the Board, managers of relevant departments, internal auditing officers, accountants, attorneys, or other personnel of the Company to attend the meeting as non-voting participants and to provide pertinent and necessary information. However, they shall leave the meeting during discussion and voting.

The Human Resources Department shall provide such assistance as may be necessary for the operation of the Committee and the information relevant to the meeting agenda.

Article 6 Preparation of Meeting Agenda

The agenda of the Committee shall be prepared by the Human Resources Department at the instruction of the convener. Other members may submit motions to the Committee for discussion. Meeting agenda shall be forwarded to the Committee members in advance.

Article 7 Rules of Procedure

When a meeting of the Committee is held, an attendance book shall be made available for sign-in by the Committee members in attendance.

The Committee members shall attend meeting in person. If a member is unable to attend the meeting in person, the member may appoint another member to attend as his or her proxy. Attending a meeting via telecommunications will be deemed attendance in person.

A member of the Committee that appoints another member as proxy to attend a meeting shall in each instance issue a written proxy stating the scope of authorization with respect to the items on the meeting agenda.

Resolutions at meetings of the Committee shall be adopted with the consent of one half or more of the entire members of the Committee. When a matter is tabled for voting at a Committee meeting, if upon inquiry by the meeting chairperson no member voices an objection, the matter will be deemed approved, which shall have the same effect as approval by vote. The result of the vote shall be made known immediately to the Committee and recorded in writing.

The proxy under Paragraph 2 may accept a proxy from one person only.

The term “members” as used herein shall mean the actual number of persons currently holding the positions.

Article 8 Recusal

If a member of the Committee has an interest in the matter under discussion at the Committee meeting, the member shall undertake to disclose the material content of the interest in the meeting. He or she shall not participate in discussions and voting if there is a risk that it is detrimental to the Company’s interests and shall recuse himself or herself from discussions and voting and shall not exercise his or her voting rights on behalf of any other members of the Committee.

If, as a result of the preceding paragraph, the Committee is unable to resolve the matter, it shall be reported to the Board of Directors, who shall then make the resolution.

Article 9 Matters to be Recorded in Meeting Minutes

Discussions at a meeting of the Committee shall be included in the meeting minutes, which shall faithfully record the following:

- I. The session, time, and place of the meeting.
- II. The name of the meeting chair.
- III. Attendance of the Committee members at the meeting, specifying the names and the number of members present, excused, and absent.
- IV. The names and titles of those attending the meeting as non-voting participants.
- V. The name of the minute taker.
- VI. The matters reported at the meeting.
- VII. Agenda items: For each proposal, the method of resolution and the result, the names of the Committee members involved in their own remuneration matters and the contents of their remuneration and recusal situations, and any objections or reservations expressed by a Committee member.
- VIII. Extemporaneous motions: The name of the mover; the method of resolution and the result for each motion; a summary of the comments of the members of the Committee, experts and other persons present at the meeting; the names of the Committee members involved in their own remuneration matters and the contents of their remuneration and recusal situations; and any objections or reservations expressed by a Committee member.
- IX. Other matters required to be recorded.

If any member objects to or reserves his or her opinion on any of the resolutions of the Committee, and such objection or reservation is recorded in writing or a written statement is made, the fact shall be specified in the meeting minutes and be announced and declared on the information disclosure website designated by the competent authority within two (2) days from the date of occurrence of the fact.

The attendance book constitutes part of the minutes for each meeting of the Committee.

The minutes of each meeting of the Committee shall bear the signature or seal of both the meeting chairperson and the minute taker. A copy of the meeting minutes shall be distributed to each member of the Committee within twenty (20) days after the meeting, and shall be presented to the Board of Directors and retained as important corporate records for five (5) years.

The meeting minutes of Paragraph 1 may be produced and distributed in electronic form.

If the meeting is held via telecommunications, the audio and video materials also constitute part of the meeting minutes.

Article 10 Resources to be Provided by the Company

The Committee may, at the expense of the Company, resolve to retain the service of an attorney, accountant, or other professional to conduct a necessary audit or to provide advice on matters relating to the exercise of the Committee's powers and duties.

Article 11 Implementation of Resolutions

The Committee shall review, on a timely basis, matters relating to this Charter for amendment by the Board of Directors.

Matters resolved by the Committee and related implementation work may be delegated to the convener or other Committee members for follow-up, with a written report to be presented to the Committee during the implementation period. When necessary, the matters shall be presented for ratification or a report made at the next meeting of the Committee.

Article 12 Enforcement

This Charter shall take effect after having been submitted to and adopted by the Board of Directors. Subsequent amendments thereto shall be effected in the same manner.

[Disclaimer: This document is a translation from the original Chinese version. In the case of any discrepancy, the original document shall supersede this version.]