

O-Bank Co., Ltd

Remuneration Committee Charter

Amended at the Board of Directors meeting of March 22, 2021

Article1 Purpose

To ensure a sound system for compensation, the remuneration Committee (hereinafter referred to as the “Committee”) established by the resolution of the board of directors, and in accordance with the “Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or Traded Over the Counter” to formulate the Committee charter.

Article2 Scope of application

The composition, headcount, term of office, powers, and rules of procedure of the Committee as well as the resources to be provided to it by the Company upon exercising its powers shall be subject to the provisions of this Charter.

Article3 Committee composition

Committee members are independent directors and shall be appointed by Boards resolution. The Committee shall have no fewer than three members. One of the independent directors shall be elected by all members the Committee as the convener and meeting chair.

The term of office of Committee members shall be the same as their current terms as Board directors, and shall be consecutive re-election.

When a member of the Committee is dismissed for any reason, resulting in there being less than three members, a board meeting to make a new appointment shall be held within 3 months from the date of occurrence. In the event that an independent director is dismissed and there is no other independent director, the Corporation may appoint someone who is not qualified to act as independent director to be a member of the Committee until the appointment of an independent director at a by-election as required, and the independent director elected in the by-election will be appointed after the by-election.

Upon the appointment or change of a Committee member, the Company shall file an announcement thereof on the information-reporting website designated by the competent authority within 2 days of the date of occurrence.

Article4 Scope of duties

The Committee members shall exercise the due care of good administrators and faithfully performing the following duties, and shall submit relevant proposals to the Board of Directors for discussion:

1. Formulate and regularly review the policies, systems, standards, and structure of the performance assessment and remuneration of directors and managers.

2. Regularly assess and formulate the remuneration of directors and managers.
3. Formulate the standards of the performance assessment and remuneration of the salespersons. For purpose of the Principles, salespersons are individuals whose emoluments or performance evaluations are based on their sales of various financial products and/or services.

When performing the official powers of the preceding paragraph, the Committee shall follow the principles listed below:

1. with respect to the performance assessment and remuneration of directors and managerial personnel of the company, it shall refer to the typical pay levels adopted by peer companies, and take into consideration the reasonableness of the correlation between remuneration and individual performance, the company's business performance, and future risk exposure.
2. It shall not produce an incentive for the directors, managerial officers or sales to engage in activity to pursue remuneration exceeding the risks that the company may tolerate.
3. It shall take into consideration the characteristics of the industry and the nature of the company's business when determining the ratio of bonus payout based on the short-term performance of its directors and senior management and the time for payment of the variable part of remuneration.

“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 that of remuneration for directors and managerial officers as set out in the Regulations Governing Information to be Published in Annual Reports of Public Companies.

Article 5 Convening and holding of meetings

The Committee shall convene at least twice a year and could be held as needed.

In calling a meeting of the Committee, a notice setting forth therein the date, place and subject(s) to be discussed at the meeting shall be given to each member at least 7 days in advance. In emergency circumstances, however, the meeting may be convened at any time.

When the convener goes on leave or otherwise for any reason whatsoever is unable to convene a meeting, the meeting shall be convened by another member elected by and from among the other members of the Committee.

Committee may invite Chairman, Directors, General Manager or other personnel to attend meetings as nonvoting participants and provide relevant necessary information, provided that they shall leave the meeting when deliberation and voting take place.

Article 6 Attendance and Resolution

The meeting agenda shall be drawn up by the convener. Other members also may submit motions for deliberation by the Committee. Human resource department as executive secretary shall be provide the meeting agenda to the Committee members in advance.

When the Committee is held, the company shall provide an attendance book for signature by the members attending the meeting and thereafter made available for reference. Committee members shall attend the Committee in person; a member who cannot attend in person may appoint another member to attend as their proxy. Attendance via tele- or video-conference is deemed as attendance in person.

Committee member appointing another member to attend the Committee meeting in his or her place shall in each instance issue a written proxy stating the scope of authorization with respect to the reasons for the meeting.

A resolution of the Committee shall require the approval of one-half or more of all of the members. During voting, if the Committee chair solicits and receives no dissents, the motion is deemed passed, with equivalent force as a resolution by vote. The results of voting shall be made known immediately, and recorded in writing.

A proxy under paragraph 2 may accept a proxy from one person only.

Article 7 Meeting minutes

Minutes shall be prepared of the discussions at the Committee, and the minutes shall record the matters listed below in a detailed and accurate manner:

1. Session, time, and place of the meeting.
2. Name of the meeting chair.
3. Member attendance, specifying the names and number of members in attendance, excused, and absent.
4. Names and titles of those present at the meeting as nonvoting participants.
5. Name of minutes taker.
6. Matters reported on.
7. Agenda items: the resolution method and outcome of each motion; the name of any member whose own remuneration comes under discussion, the content of the discussion about the member's remuneration, and the specifics regarding recusal of the member; and any objections or reservations expressed by any member.
8. Extraordinary motions: the name of the proposer, the resolution method and outcome of the motion; summary of the comments made by any member, expert, or other persons; the name of any member whose own remuneration comes under discussion, the content of the discussion about the member's remuneration, and the specifics regarding recusal of the member; and any objections or reservations expressed by any member.
9. Other matters required to be recorded.

Regarding resolutions that are passed by the Committee, if a member has an objection or reservation included on the record or in writing, in addition to being stated in the minutes, it shall be published on the information-reporting website designated by the competent authority within two days as of the date of occurrence.

The Committee attendance book constitutes an integral part of the minutes of each meeting of the Committee; If a Committee meeting is convened by video conference, the video conference audiovisual data constitute an integral part of the meeting minutes.

The meeting minutes shall bear the signature or seal of the chair and the minute taker. The minutes shall be distributed to each Committee member within 2- days after the meeting, and shall be submitted to the board of directors and treated as important records of the company, and shall be preserved for 5 years. The meeting minutes may be produced and distributed in electronic form.

If before the end of the preservation period under the preceding paragraph, any litigation arises with respect to any matter in connection with the Committee, the minutes shall be preserved until the litigation is concluded.

Article8 Attendance Fee

The Committee members are unpaid positions, but with attendance fee NTD6,000 for attending meeting.

Article9 Discussion recusal

When a meeting of the Committee will discuss the remuneration of any member of the Committee, it will be clearly stated at the meeting. If there is likely to be any prejudice to the interests of the company, that member may not participate in the discussion or voting and shall enter recusal during the discussion and voting. The member also may not act as another remuneration Committee member's proxy to exercise voting rights on that matter.

Article10 Obligation

Every Committee member have obligation to maintain confidentiality and sign-in the confidentiality undertaking about knowing, obtaining or holding compensation information due to the duties.

Article11 Others

The Committee may by resolution, at the cost of the company, engage an attorney, certified public accountant, or other professional to conduct a necessary audit or provide advice with respect to any matter related to the exercise of the Committee's powers.

The execution of tasks relating to matters resolved by the Committee may be delegated to the convenor or other member or members of the Committee for follow-up and handling, and they shall make written reports to the Committee during the period in which they are handling such tasks. When necessary, they shall submit them for ratification, or report them, to the Committee at the subsequent meeting.

Article12 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.

Edit records:

Passed at the Board of Directors meeting of August 26, 2009



Amended at the Board of Directors meeting of December 28, 2011
Amended at the Board of Directors meeting of December 26, 2012
Amended at the Board of Directors meeting of June 22, 2016
Amended at the Board of Directors meeting of December 28, 2016
Amended at the Board of Directors meeting of February 26, 2020