

**POLYGREEN RESOURCES CO., LTD.**  
**Remuneration Committee Charter**

Article 1 (Purpose and basis for adoption)

To ensure a sound system for compensation of the directors, supervisors and managerial officers of this Company, this Remuneration Committee Charter (hereinafter, “this Charter”) is adopted pursuant to the Article 3 of the “Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter” (hereinafter, “the Regulations”).

Article 2 (Scope of application)

Except as otherwise provided by law or regulation or by the articles of incorporation, matters in connection with the official powers of the Remuneration Committee (hereinafter, “the Committee”) shall be handled in accordance with this Charter.

Article 3 (Disclosure for public reference)

This Company shall upload the content of this Charter to its website and the Market Observation Post System (MOPS) for public reference.

Article 4 (Functions of the Committee)

The functions of the Committee are to professionally and objectively evaluate the policies and systems for compensation of the directors, supervisors, and managerial officers of this Company, and submit recommendations to the board of directors for its reference in decision making.

Article 5 (Committee composition)

The Committee shall consist of three members appointed by resolution of the board of directors. A majority of the members shall be independent directors. The professional qualifications and degree of independence of the members of the Committee shall meet the requirements set out in Articles 5 and 6 of the Regulations.

Article 6 (Terms of Committee members and appointments to fill vacancies)

The term of the Committee members shall be the same as that of the board of directors by whom they were appointed.

When a member of the Committee is dismissed for any reason, resulting in there being less than 3 members, a board meeting to make a new appointment shall be held within 3 months from the date of occurrence. However, if an independent director member is dismissed and there is no other independent director to fill the vacancy, then before an independent director is elected at a by-election in accordance with regulations, the company may appoint a person without the qualification for an independent director to temporarily serve as a member of the remuneration committee to fill the vacancy, who shall, after the by-election, be replaced by the elected independent director.

When there is any appointment of, or change in, a member of the Committee, the company shall, within 2 days counting from the date of occurrence of the event, publicly announce and report it on the information reporting website designated by the competent authority.

## Article 7 (Scope of duties)

The Committee shall exercise the care of a good administrator to faithfully perform the following duties and present its recommendations to the board of directors for discussion. However, recommendations regarding compensation for supervisors may be submitted to the board of directors for discussion only when the board of directors is expressly authorized to resolve on that matter by the articles of incorporation or by a resolution of the shareholders meeting:

- I. Periodically reviewing this Charter and making recommendations for amendments.
- II. Establishing and periodically reviewing the performance assessment standards, annual and long-term performance goals for the directors, supervisors, and managerial officers of this Company and the policies, systems, standards, and structure for their compensation. In addition to disclosing the contents of the performance assessment standards in the annual report.
- III. Periodically assessing the degree to which performance goals for the directors, supervisors, and managerial officers of this Company have been achieved, and setting the types and amounts of their individual compensation with reference to the assessment results obtained from the performance assessment standards. In addition to disclosing the individual's performance assessment results for the directors, supervisors, and managerial officers, and its correlation and reasonableness between the types and amounts of their individual compensation and the performance assessment results in the annual report, and reporting in the shareholders meeting.

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

- I. Ensuring that the compensation arrangements of this Company comply with applicable laws and regulations and are sufficient to recruit outstanding talent.
- II. Performance assessments and compensation levels of directors, supervisors, and managerial officers shall take into account the general pay levels in the industry, individual performance assessment results, the time spent by the individual and their responsibilities, the extent of goal achievement, their performance in other positions, and the compensation paid to employees holding equivalent positions in recent years. Also to be evaluated are the reasonableness of the correlation between the individual's performance and this Company's operational performance and future risk exposure, with respect to the achievement of short-term and long-term business goals and the financial position of this Company.
- III. There shall be no incentive for the directors and managerial officers to pursue compensation by engaging in activities that exceed the tolerable risk level of this Company.
- IV. For directors and senior managerial officers, the percentage of remuneration to be distributed based on their short-term performance and the time for payment of any variable compensation shall be decided with regard to the characteristics of the industry and the nature of this Company's business.
- V. Prescribe the remuneration contents and amount of directors, supervisors, and managerial officers shall take into consideration the reasonableness, the remuneration decisions of directors, supervisors and managerial officers shall not significantly different from financial performance, if there is a major recession or long-term loss, then their remuneration shall not be higher than the previous fiscal year, if it is still higher

than the previous fiscal year, the company shall disclose a statement describing the reasonableness in its annual report, and report to the shareholders meeting.

VI. No member of the Committee may participate in discussion and voting when the Committee is deciding on that member's individual compensation.

"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 compensation for directors, supervisors, and managerial officers as set out in the Regulations Governing Information to be Published in Annual Reports of Public Companies.

When deliberating the recommendations of the Committee, the board of directors shall give comprehensive consideration to matters including amounts of remuneration, payment methods, and the company's future risk.

If the board of directors will decline to adopt, or will modify, a recommendation of the Committee, it shall require the consent of a majority of the directors in attendance at a meeting attended by two-thirds or more of the entire board, which in its resolution shall give the comprehensive consideration under the preceding paragraph and shall specifically explain whether the remuneration passed by it exceeds in any way the recommendation of the Committee.

If the remuneration passed by the board of directors exceeds the recommendation of the Committee, the circumstances and cause for the difference shall be specified in the board meeting minutes, and shall be publicly announced and reported on the information reporting website designated by the competent authority within 2 days counting from the date of passage by the board of directors.

If the decision-making and handling of any matter relating to the remuneration of directors and managerial officers of a subsidiary is delegated to the subsidiary but requires ratification by the board of directors of this Company, the Committee shall be asked to make recommendations before the matter is submitted to the board of directors for deliberation.

#### Article 8 (Convening and holding of meetings)

Meetings of the Committee shall be held at least 2 times a year. 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 7 days in advance. In emergency circumstances, however, the meeting may be convened on shorter notice.

The preceding notice may, as an alternative, be given by means of electronic transmission.

One of the independent directors shall be elected by all members the Committee as the convener and meeting chair. If the convener takes leave or is unable to convene a meeting for any reason, the convener shall appoint another independent director on the Committee to act in his or her place. If there is no other independent director on the Committee, the convener shall appoint another Committee member to act on his or her behalf. 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.

#### Article 9 (Drafting of meeting agendas)

The Committee's meeting agenda shall be drafted by the convener. Other members may submit motions to the Committee for discussion.

Meeting agendas shall be forwarded to the Committee members in advance.

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

in by the Committee members in attendance and thereafter made available for reference.

Remuneration 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.

The Committee members shall attend the 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.

The proxy under paragraph 3 may accept a proxy from one person only.

Article 10 (Resolution method)

Resolutions at meetings of the Committee shall be adopted with the consent of one half or more of the entire membership. When a matter comes to a vote at a Committee meeting, if upon inquiry by the meeting chair no member voices an objection, the matter will be deemed approved, with the same effect as approval by vote.

The result of the vote under the preceding paragraph shall be made known immediately and recorded in writing.

Article 10-1 (Prevention of conflict of interest)

The Committee shall explain the matter relating to the remuneration of its members for discussion at the respective meeting. When such a relationship is likely to prejudice the interests of the company, the member shall not attend the discussion and voting and shall recuse himself or herself therefrom. Also, they shall not exercise the voting right for and on behalf of another member of the Committee.

Article 11 (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; name of the member who has a personal interest in regard to any matter relating to the remuneration and contents of the remuneration of himself or herself as referred to preceding article, contents of the remuneration of the member, circumstances concerning the recusal; and any objections or reservations expressed by any member.
- VIII. Extraordinary motions: The name of the mover; the method of resolution and the result for each motion; a summary of the comments made by any member, expert, or other person; name of the member who has a personal interest in regard to any matter relating to the remuneration and contents of the remuneration of himself or herself as referred to

preceding article, contents of the remuneration of the member, circumstances concerning the recusal; and any objections or reservations expressed by any member.

IX. Other matters required to be recorded.

Any matter that requires a resolution by the Committee, if a committee member expresses an objection or reservation that has been included in records or stated in writing, except that any matter in relation to a resolution shall be specified in the board meeting minutes, and shall be publicly announced and reported on the information reporting website designated by the competent authority within 2 days counting from the date of passage by the board of directors.

The attendance book constitutes part of the minutes for each meeting of the Committee; if the meeting is held via telecommunications, the audio and video materials also constitute part of the meeting minutes.

The minutes of each meeting of the Committee shall bear the signature or seal of both the meeting chair and the minute taker. A copy of the minutes shall be distributed to each member on the Committee within 20 days after the meeting, and shall be presented to the board of directors and retained as important company records for 5 years. The meeting minutes may be produced and distributed in electronic form.

If, before the expiration of the retention period under the preceding paragraph, any litigation arises in connection with any matter relating to the Committee, the meeting minutes shall be preserved until the conclusion of the litigation.

Article 12 (Implementation of meeting resolutions)

The execution of tasks relating to resolutions adopted by the Committee in accordance with its duties under Article 7, or subsequent work resolved to be delegated to professionals pursuant to Article 13, paragraph 2, may be delegated to the convener or other Committee members for follow-up, with a written or verbal report to be presented to the Committee during the implementation period. When necessary, the matter shall be presented for ratification or a report made at the next meeting of the Committee.

Article 13 (Resources to be provided when the Committee exercises its powers)

When the Committee calls a meeting, it may request directors, managers of relevant departments, internal audit officers, certified public accountants, attorneys, or other personnel of this Company to attend the meeting as non-voting participants and to provide pertinent and necessary information, provided that they shall leave the meeting when deliberation and voting take place.

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

Article 14 (Enforcement)

This Charter, and any amendments hereto, shall enter into force after adoption by the Board of Directors. This Charter has been established on 12-Aug-2011; amended on 7-Aug-2018 for first time; amended on 7-Aug-2019 for second time; amended on 19-Mar-2020 for third time; amended on 6-Aug-2020 for fourth time.