



## COASTER INTERNATIONAL CO., LTD

### 薪酬委員會 Remuneration Committee

- The Composition of Remuneration Committee
  - Pursuant to the Article 14-6 of Securities and Exchange Act, Article 3, 4, 5 of PROCEDURAL RULES FOR SALARIES AND REMUNERATION COMMITTEE, the composition of Remuneration Committee related matters are as below:

14-6. A company whose stock is listed on the stock exchange or traded over-the-counter shall establish a remuneration committee.

3. The Remuneration Committee shall consist of no fewer than three members and more than half of the members shall be independent director of the Board at least. The member of the Committee shall be nominated by the Board. The chairperson of the Committee shall be an independent director and be elected by the members of the Committee.

The members of the Committee shall be professionally qualified and independent in a manner compliant with the Applicable Listing Rules, including but not limitation to Article 5 and 6 of Taiwan' s "Regulations Governing Powers and Authorities of Salaries and Remuneration Committee."

The term of the Committee shall be the same as that of the Board, and all members shall be eligible for re-appointment. In case the number of the Committee members shall fall below three or as required by the Rules, the Board shall fill up such vacancy by convening the Board meeting for this purpose within three (3) months of the date on which the vacancy first exists. If an independent directors is dismissed and there are no other independent directors, before the by-election of independent directors in accordance with regulation, a person who is not qualified to be an independent director may be appointed first, and the person shall be appointed after the election.

4. The Remuneration Committee shall comply with the Applicable Listing Rules to perform its power and duties, and evaluate the Company' s salaries and remuneration policies and programs for its Directors, Supervisors(if any) and managers in a professional and fair manner, while exercising the duty of care of a good faith manager in supervising the Company' s salaries and remuneration system



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(including but not limited to salary, stock option and other measures substantially of an incentive nature), and submit its proposal to the Board for reference.

5. The Remuneration Committee shall exercise the duty of care of a good faith manager to faithfully perform the following power and duties, and submit proposals to the Board meeting for discussion : (1)Periodically review the Rules and suggest revisions and amendments ; (2)Establish and regularly review the annual and long-term performance objectives the Company' s Directors and managers and the policy, system, standards and structure of their salaries and remuneration, and disclose the contents of the performance assessment standards in the annual report ; (3)Evaluate on a regular basis how well the Company' s Directors and managers accomplish their performance objectives, and establish details and value of their individual salaries and remuneration, and disclose the contents of the performance assessment standards in the annual report..

When exercising the power and duties in the preceding paragraph, the Remuneration Committee shall following the guidelines below : (1)Ensure the Company' s arrangement for salaries and remuneration is consistent with the Applicable Listing Rules and competitive enough to appeal to good talents ; (2)When evaluating the performance and salaries/remuneration of the Directors and managers, the Remuneration Committee shall refer the generally accepted standards in the same industry and take into consideration the amount of time an individual is devoted to, duties they are entrusted with , how well they have accomplished their goal, performance on another position, the salaries/remuneration paid to an individual on equivalent position in recent years, as well as determining if there is a reasonable link between individual performance, the Company' s operation performance and future risks based on accomplishment of the Company' s short- and long-term business objectives and the Company' s financial position ; (3)No Directors or manager should be encouraged to have any behavior beyond the Company' s risk tolerance in order to seek higher salaries and remuneration ; (4)With regard to percentage of bonus payable to the Directors and senior managers based on their short-term performance, and time schedule for payment of partially changed salaries and remuneration, determinations shall be made after taking into consideration the characteristics of the industry and nature of the Company' s business ; (5)Reasonableness shall be taken into account when the contents and amounts of the compensation of the directors and managerial officers are set. It is not advisable for decisions on the compensation of the directors and managerial officers to run contrary to financial performance to a material extent ; (6) Reasonableness shall be taken into account when the contents and amounts of the compensation of the directors and managerial officers are set. It is



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not advisable for decisions on the compensation of the directors and managerial officers to run contrary to financial performance to a material extent. (6) No member of the Remuneration Committee should be allowed to participate in the discussion and voting on his or her own salaries and remuneration.

The salaries and remuneration in the preceding two paragraphs include cash consideration, share subscription, allocation of bonus share, retirement benefits or severance payment, various allowances, and other measures that provide substantial incentives. The scope of these salaries and remuneration shall be consistent with the provisions of remuneration for director and manager under the Criteria Governing Information to be Published in Annual Reports of Public Companies.

If according to the subsidiary's regulations of levels of authorization matters relating to the salaries and remuneration for the Directors and managers of the Company's subsidiary are subject to approval by the Board of the Company, the Remuneration Committee is required to comment on the proposal before it is submitted to the Board for discussion.