



Charter of the Remuneration Committee

Note: The original version of this regulation is published in Chinese. In case of discrepancy between the Chinese and English versions the Chinese version shall prevail.

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Article 1 Basis for Adoption

To ensure the soundness of the Corporation's governance system and strengthen the professional supervisory capabilities of the Board of Directors ("Board") toward the remuneration of directors and managers, this Charter (hereinafter referred to as "Charter") of the Remuneration Committee (hereinafter referred to as "Committee") is adopted pursuant to Article 27 of the Corporation's Articles of Incorporation and Article 5-4-04 of the Corporation's Guidelines for Corporate Governance.

Article 2 Scope of Application

Matters concerning Committee composition, member numbers, term of office, powers, rules of procedure for meetings, and resources to be provided by the Corporation when the Committee implements its duties shall be handled in accordance with this Charter, except where otherwise provided by laws and regulations or the Corporation's Articles of Incorporation and Guidelines for Corporate Governance.

Article 3 Main Committee Tasks

Committee members shall exercise the due care of a good administrator and faithfully perform the duties prescribed below; they shall be accountable to the Board and shall submit their proposals to be resolved by the Board.

1. Formulate and regularly review the performance assessment criteria, performance goals, and the policies, systems, standards, and structure for the compensation of directors and managerial officers of the Corporation.
2. Regularly assess the degree to which performance goals for directors and managerial officers of the Corporation have been achieved, set the types and amounts of their individual compensation based on the results of the reviews conducted in accordance with the performance assessment criteria.

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

1. It shall ensure that the compensation arrangements of the Corporation comply with applicable laws and regulations and are sufficient to recruit outstanding talent.
2. It shall ensure that the performance evaluation and remuneration of directors and managerial officers are geared toward productivity and incentivization and take into reference the typical pay levels adopted by peer companies, and give consideration to the 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

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the correlation between the individual's performance and the Corporation'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 the Corporation.

3. It may not give an incentive for directors or managerial officers to engage in remuneration-pursuing activities exceeding risks that the Corporation can tolerate.
4. For directors and 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 the Corporation'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. It is not advisable for said compensation to be higher than that in the preceding year in the event of a material decline in profits or of long-term losses. If it is still higher than that in the preceding year, the reasonableness shall be explained in the annual report and reported at a shareholders' meeting.
6. No member of the Committee may participate in discussion and voting when the Committee is deciding on that member's individual remuneration.

The term "remuneration" as used in this Charter 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 managerial officers as set out in the Regulations Governing Information to be Published in Annual Reports of Public Companies.

When discussing recommendations made by the Committee, the Board shall take into consideration matters such as remuneration amounts, payment methods, and future Corporation risks.

Article 4 Committee Structure

The Committee shall be composed of 3 to 5 members. Recommendations on member composition shall be submitted to the Board by the Corporate Governance & Nominating Committee, and a majority of the Committee members shall be independent directors.

The operations of the Committee and appointment and changes in Committee members

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shall be publicly announced and filed on the websites for information disclosure designated by the authorities within the time limits set by related laws and regulations.

The qualifications of Committee members shall adhere to 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.

Article 5 Term of Office for Committee Members

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

When a member of the Committee is dismissed for any reason, resulting in there being fewer than the number of members stipulated in the preceding article, a board meeting to make a new appointment shall be held within 3 months from the date of occurrence. In the event, however, 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 prior to appointment of independent director at a by-election in accordance to the regulations, who will be replaced by the independent director elected in the by-election.

Article 6 Convener

The Committee shall establish one convener, an independent director selected by all Committee members, for the purposes of overseeing meeting matters.

Committee meetings shall be called by the convener, who shall serve as the meeting chair. When the Committee convener is dismissed for any reason, the Committee shall immediately select another convener according to the procedures stipulated in the preceding article, and shall submit the results to the Board.

The convener of this Committee shall represent the Committee to the public.

When the convener is on leave or for any reason unable to exercise the powers of chairperson, the convener shall appoint another independent director within the Committee to act as a convener. If there are no other independent directors within the Committee, the convener shall appoint another Committee member to act as a convener. If the convener does not make such an appointment, the other Committee members shall select a member from among themselves to serve as acting convener.

Article 7 Meeting Procedures

The designated unit responsible for handling Committee meeting affairs shall be the Secretariat Division of the Board of Directors (hereinafter abbreviated as the Secretariat Division).

The Committee shall convene at least twice a year. Matters relating to meeting

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convening, attendance, resolutions, and records shall adhere to the Corporation's Rules of Procedure for Board of Directors Meetings, except where otherwise provided by Board or Committee resolutions or this Charter.

If any Committee member, as a meeting of the Committee will discuss his or her remuneration, said Committee member shall state the important aspects at the respective meeting. If there is likely to prejudice the interests of the Corporation, said member shall not participate in discussion and voting on that agenda item and shall recuse himself or herself from the discussion and the voting on the item, and shall not exercise the voting right as proxy on behalf of another Committee member.

The Secretariat Division shall stay abreast of any matters presenting conflicts of interest for Committee members, and shall remind them of such.

Except as otherwise provided by laws and regulations or the Corporation's Articles of Incorporation and bylaws, a resolution of a Committee meeting requires the approval 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 a vote shall be made known immediately and recorded in writing.

The term "entire membership", as used herein, shall be counted as the number of Committee members actually in office at the given time.

When the Committee convener or Committee members are unable to exercise their duties due to absence, recusal, or other reasons, resulting in failure to convene a meeting or inability to reach a resolution under the stipulations of the preceding paragraph, the Corporation Chairperson shall adopt the following response measures based on suggestions provided by the Committee convener or Committee members:

1. Submit the matter under review to the Board.
2. Invite Committee members to provide individually or jointly prepared written recommendations for submission to the Board.

The Committee may request directors, management-level personnel of relevant departments, internal auditors, certified public accountants, legal consultants or other personnel to attend the meeting as non-voting participants and provide related information as required, provided that they shall leave the meeting when deliberation or voting takes place.

Article 8 Meeting Minutes

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

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1. The session, time and place of the meeting.
2. The name of the meeting chair.
3. Attendance by Committee members, including the names and the number of members present, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: For each proposal, the method of resolution and the result; a summary of the comments made by the Committee members, experts and other persons; the name of Committee members whose own remuneration comes under discussion and explanation of the discussion about the Committee member's remuneration, the reason why said member should or should not recuse himself or herself, and recusal status; and any objections or reservations expressed.
8. Extraordinary motions: The name of the mover; the method of resolution and the result; a summary of the comments made by the Committee members, experts, and other persons; the name of Committee members whose own remuneration comes under discussion and explanation of the discussion about the Committee member's remuneration, the reason why said member should or should not recuse himself or herself, and recusal status; and any objections or reservations expressed.
9. Other matters required to be recorded.

If Committee members express objections or reservations on the record or by written statement regarding Committee resolutions, said opinions shall be recorded in the meeting minutes of the Committee, and shall be publicly announced and filed on the websites for information disclosure designated by the authorities within the time limits set by related laws and regulations.

If the Board fails to adopt, or amends, the recommendations of this Committee, this resolution shall be approved by a majority of board members in attendance at a meeting attended by more than two-thirds of all directors, and the resolution shall consider and specify whether the approved remuneration proposal surpasses the recommendations made by this Committee.

When the remuneration approved by the Board surpasses the recommendations made by this Committee, the discrepancies between the proposals and reasons for them shall be stated in the minutes for said board meeting, and shall be publicly announced and filed on the websites for information disclosure designated by the authorities within the time limits set by related laws and regulations.

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The Committee attendance book constitutes part of the minutes for each meeting. Where a Committee meeting is held by videoconference, the video and audio documentation of the meeting form a part of the meeting minutes and shall be well preserved during the existence of the Corporation.

The minutes of a Committee meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each Committee member within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of the Corporation.

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

Article 9 Annual Work Plans and Implementation Items of this Committee

The Committee convener shall confer with the Corporation Chairperson and the convener of the Corporate Governance & Nominating Committee prior to the start of the year, and results of said conference shall be submitted to the Secretariat Division for scheduling of annual working plans for this Committee.

The annual work plans referred to in the preceding paragraph shall be submitted to the Board for approval, upon which the Secretariat Division shall notify all Committee members and other required non-voting participants to schedule all necessary attendances in advance.

The execution of tasks relating to resolutions adopted by the Committee may be delegated to the convener or other Committee members for follow-up, with a written report to be presented to this Committee during the implementation period. When necessary, the matter shall be presented for ratification or reported at the next meeting of this Committee.

All matters not covered by this Charter shall be handled in accordance with relevant laws-and regulations or other Corporation bylaws.

Article 10 Resources Provided by the Corporation for Implementation of this Committee Duties

The Committee may retain the services of an attorney, certified public accountant, or other professionals to provide advice with respect to matters conducive to implementation of Committee tasks. The costs of these services shall be borne by the Corporation.

Article 11 Management Reports for Newly Appointed Members and Training Duty of Members

Management shall provide detailed presentations or written materials explaining the duties of this Committee to newly appointed Committee members. Said materials shall include explanation of Committee structure, personnel, regulations relating to operational procedures, and current operational status.

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Committee members shall participate in annual training plans designated by the Committee convener. Types of training may include but are not limited to internal or external presentations, seminars, or lectures, which shall encompass the duties of the Remuneration Committee.

Article 12 **Duty of Management to Provide Information**

Management shall proactively provide necessary and sufficient information to the Committee under any of the following circumstances:

1. Provision of annual work plans as stipulated by Article 9 of this Charter.
2. Where necessary for meeting proposals put forth by management.
3. Where necessary due to sudden major events relating to Committee duties.
4. Where necessary due to updates made to information previously provided to the Committee.

The Committee may, via the Secretariat Division, require management to provide necessary and sufficient information conducive to the implementation of Committee tasks, and may confer with related personnel to better understand the operations of the Corporation.

Except where disclosure is required by laws and regulations or Corporation bylaws, Committee members, non-voting participants, and other personnel participating in review tasks shall bear a duty of confidentiality toward the information obtained as a result of participation in meeting proceedings or deliberations.

Article 13 **Duty of Due Diligence and Care by Management and the Trust in Good Faith by the Committees**

When management prepares any proposal that is to be submitted to the Committee, it shall, based on objective and professional due diligence and care and subjective good faith conviction, and after thorough and prudent evaluation, submit concrete and specific recommendations, and specify the method and basis of the evaluation, the reasons for the recommendations, and other matters meriting attention. If the content of a proposal involves any economic interests connected with major shareholders, directors, managerial officers, or departmental employees, or the family members of any of the above, or any other stakeholders, the specifics thereof shall be stated along with the proposal.

"Objective and professional due diligence and care" in the preceding paragraph includes, without limitation, exerting the utmost professional ability to prudently evaluate and confirm that the content of the proposal and recommendations are legal, appropriate, necessary, feasible, and consistent with the rights and interests of the Corporation and its shareholders. If there is any involvement of any economic interest

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connected with any stakeholder under the preceding paragraph, management shall furthermore evaluate and confirm that there is no conflict of interest with, or other circumstance prejudicial to, the rights and interests of the Corporation and shareholders.

"Subjective good faith conviction" in Paragraph 1 means the conviction, based solely on concern for the rights and interests of the Corporation and its shareholders, that the content of the proposal and recommendations are consistent with the duty of due diligence and care under the preceding paragraph, and the willingness to take responsibility for the content of the proposal and the results of its execution, and not to look to the deliberations and resolutions by the Committee as a release from responsibility. This shall not apply, however, where the Committee's deliberation or resolution differs from the content proposed or recommended by management and management does not express support and affirmation on the spot.

When reviewing management proposals in accordance with the procedures of this Charter, the Committee shall adopt an attitude of trust in good faith toward the professional insights of management and the authenticity and comprehensiveness of their evaluations, judgment, and information provided. The scope of the Committee's review responsibilities shall be limited to the proposals and recommendations submitted by management and materials provided for perusal.

Article 14 Adoption and Amendment of this Charter

This Charter, and any amendments hereto, shall be drafted by the Committee; shall take effect following approval by the Corporate Governance & Nominating Committee and the Board; and shall be publicly announced and filed on the websites for information disclosure designated by the authorities within the time limits set by related laws and regulations.