

Remuneration Committee

The remuneration committee of the Company is composed of 3 independent directors. Its responsibilities are to assist the Board in assessing and approving the remuneration levels of directors, supervisors and managers, so that the remuneration is combined with individual and company operating performance to achieve the rationality of remuneration and attract/retain talents.

The Company's procedure of determining remuneration not only takes into account the Company's overall operational performance but also includes employee's personal performance and their contribution to the Company's performance in order to determine a reasonable compensation. Relevant wages and compensations are reviewed by the Remuneration Committee and resolved by the Board of Directors. The Company will also be keeping a close eye on the current developments in the global economy, international financial environment and state of the industry in order to predict its operational development, profit status, operational risks and changes in pertinent regulations in the near future. In addition, to review the compensation system timely, thereby striving for an ideal balance between the goal of Company's sustainable operation and relevant risk management.

■ Functions and Tasks of the Remuneration Committee

- Prescribe and periodically review the performance review and remuneration policy, system, standards, and structure for directors/independent directors, and managerial officers.
- Periodically evaluate and prescribe the remuneration of directors/independent directors, and managerial officers.

"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.

■ Attendance of Members at Remuneration Committee Meetings

- The Company elected three members of the Remuneration Committee.
- The term of the 4th committee is from July 4, 2018 to June 21, 2021.
- There were **four** Remuneration Committee meetings during **2019(A)** and the committee member qualifications and attendance records are as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) [B/A]	Remarks
Convener	Min-Chih Hsuan	4	0	100%	-
Committee Member	Duei Tsai	4	0	100%	-
Committee Member	Duh-Kung Tsai	3	1	75%	-

■ The discussion of the salary and Remuneration Committee and the outcome of the resolution, as well as the actions the Company has taken in response should any of the situations arise in the operation of the Remuneration Committee.

Board of Directors Meeting	Resolution Adopted by the Remuneration Committee
6 th Meeting (13 th Term) 2019.3.22	<p>1. To approve the distribution of compensation to employees and directors for 2018</p> <p>▲ Resolution Adopted by the Remuneration Committee (2019.3.22): Upon solicitation of comments by the Chairman, there was no objection addressed and the resolution was adopted unanimously by the Committee Members present.</p> <p>▲ Action taken by the Company in Response to the Opinion of the Remuneration Committee: Upon solicitation of comments by the Chairman, there was no objection addressed and the resolution was adopted unanimously by the Directors present.</p>
8 th Meeting (13 th Term) 2019.5.13	<p>1. To approve the 1st mid-year bonus of 2019</p> <p>2. Salary adjustment of 2019</p> <p>3. To approve the percentage of compensation to employees and directors for 2019</p> <p>▲ Resolution Adopted by the Remuneration Committee (2019.5.13): Upon solicitation of comments by the Chairman, there was no objection addressed and the resolution was adopted unanimously by the Committee Members present.</p> <p>▲ Action taken by the Company in Response to the Opinion of the Remuneration Committee:</p> <ul style="list-style-type: none"> • Motion 1 and 2: In accordance with the Company’s Regulations Governing the Proceedings of Board of Directors Meetings, to avoid conflict of interest, Directors Jui-Tsung Chen, Chung-Pin Wong, Ming-Chih Chang and Sheng-Hua Peng, who are also acting as managerial officers of Compal, avoided discussion and voting on this proposal. Upon solicitation of comments by the chairman, there was no objection addressed and the resolution was adopted unanimously by the remaining Directors present. • Motion 3: Upon solicitation of comments by the Chairman, there was no objection addressed and the resolution was adopted unanimously by the Directors present
9 th Meeting (13 th Term) 2019.8.13	<p>1. To approve the Directors' remuneration of 2018</p> <p>2. To approve the 2nd mid-year bonus of 2019</p> <p>▲ Resolution Adopted by the Remuneration Committee (2019.8.13): Upon solicitation of comments by the Chairman, there was no objection addressed and the resolution was adopted unanimously by the Committee Members present.</p> <p>▲ Action taken by the Company in Response to the Opinion of the Remuneration Committee:</p> <ul style="list-style-type: none"> • Motion 1: Chairman Sheng-Hsiung Hsu asked the Independent Director Min-Chih Hsuan to act as a deputy chairman to preside at this meeting for discussion and voting on this proposal. Since an interested party relationship exists, the Directors (i.e., Sheng-Hsiung Hsu, Jui-Tsung Chen, Wen Being Hsu, Shyh-Yong Shen [attended by proxy of Sheng-Hsiung Hsu] , Charng-Chyi Ko, Sheng-Chieh Hsu, Yen-Chia Chou, Chung-Pin Wong, Chiung-Chi Hsu, Ming-Chih Chang, Sheng-Hua Peng), are excused themselves from discussion and voting on this proposal to avoid conflict of interest. Upon solicitation of comments by the deputy chairman, there was no objection addressed and the resolution was adopted unanimously by the remaining Directors present. • Motion 2: In accordance with the Company’s Regulations Governing the Proceedings of Board of Directors Meetings, to avoid conflict of interest, Directors Jui-Tsung Chen, Chung-Pin Wong, Ming-Chih Chang and Sheng-Hua Peng, who are also acting as managerial officers of Compal, avoided discussion and voting on this proposal. Upon solicitation of comments by the chairman, there was no objection addressed and the resolution was adopted unanimously by the remaining Directors present.

Board of Directors Meeting	Resolution Adopted by the Remuneration Committee
10 th Meeting (13 th Term) 2019.11.11	1. To approve employee compensation in cash of 2018
	2. To approve the year-end bonus payment of 2019
	<p>▲ Resolution Adopted by the Remuneration Committee (2019.11.11): Upon solicitation of comments by the Chairman, there was no objection addressed and the resolution was adopted unanimously by the Committee Members present.</p>
	<p>▲ Action taken by the Company in Response to the Opinion of the Remuneration Committee:</p> <ul style="list-style-type: none"> • Motion 1 and 2: In accordance with the Company’s Regulations Governing the Proceedings of Board of Directors Meetings, to avoid conflict of interest, Directors Jui-Tsung Chen, Chung-Pin Wong, Ming-Chih Chang and Sheng-Hua Peng, who are also acting as managerial officers of Compal, avoided discussion and voting on this proposal. Upon solicitation of comments by the chairman, there was no objection addressed and the resolution was adopted unanimously by the remaining Directors present.