

Compensation Committee

2024.12.20

The Compensation Committee is appointed by the Board to review, administer, and evaluate the compensation philosophy, policies and plans for directors and executives. The Committee will meet no fewer than twice a year to determine and make recommendations to the Board. The Committee shall consist of three members and one of the members shall serve as convener. The term of the Committee members shall be the same as the Board of Directors who appointed them.

Chinese Maritime Transport Ltd. established the Compensation Committee since December 15th 2011.

The current term of committee members is Mr. Donald Kuo-Liang Chao 、 Mr. Shih-Sheng Paul Lai and Mr. Chen-Cheng Chang.

(Mr. You-Jun Long, the former member of the fifth term of the Committee, passed away in February 2023, and Mr. Chen-Cheng Chang was appointed as replacement by the board on March 20, 2023.)

1. Official powers of the Compensation Committee:

- (1) Prescribe and periodically review the performance review and remuneration policy, system, standards, and structure for directors, supervisors and managerial officers.
- (2) Periodically evaluate and prescribe the remuneration of directors, supervisors and managerial officers.

2. When performing the official powers, the Compensation Committee shall follow the principles listed below:

- (1) With respect to the performance assessment and remuneration of directors, supervisors 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 or managerial officers to engage in activity to pursue remuneration exceeding the risks that the company may tolerate.
- (3) It shall take into consideration 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.

3. Compensation Committee Meeting Status (2022/5~2025/5)

Position	Name	Attendance in Person	Attendance By Proxy	Attendance Rate (%)	Remarks
Convener	Donald Kuo-Liang Chao	5	-	100	Independent Director
Committee Member	Paul Shih-Sheng Lai	5	-	100	Independent Director
Committee Member	You-Jiun Lung	1	-	100	Passed away on Feb. 19, 2023.
Committee Member	Chen-Cheng Chang	3	-	100	Appointed by the board on March 20, 2023

4. Compensation Committee Performance Evaluations:

Evaluation criteria includes composition of the committee and awareness of responsibilities, level of participation in company operations, improvement in quality of committee's resolutions, and internal controls.

The evaluation result of functional committee operation in 2023 averaged 4.93 out of 5, and the Compensation Committee deemed effectively with a score of 4.93 out of 5. These results had been submitted to the board on March 14, 2024.