

TECO Electric & Machinery Co., Ltd.

Compensation Committee Charter

(Summary Translation) This English version is a translation of the Chinese version.

If there is any inconsistency or discrepancy between the Chinese and English versions, the Chinese version shall prevail for all intents and purposes.

Article 1 (Purpose and basis for adoption)

In order to implement corporate governance and ensure a sound system for compensation of the directors and managerial officers of this Corporation, this Compensation Committee Charter (hereinafter, "this Charter") is adopted pursuant to Item 1 of Article 14-6 of the Securities Exchange Act and 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 Compensation Committee (hereinafter, "the Committee") shall be handled in accordance with this Charter.

Article 3 (Composition, Number and Terms of Committee member)

The professional qualifications and working experience of the members of the Committee shall meet the requirements set out in Articles 5 and 6 of the Regulations.

The Committee shall consist of three members or more appointed by resolution of the board of directors. One of the members shall serve as independent director, and one of independent directors shall be elected by all members to serve as the convener and chairman of the meeting.

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 three members, a board meeting to make a new appointment shall be held within 3 months from the date of occurrence of dismissal.

When a member of the Committee is appointed or replaced, it shall be publicly announced and reported on the information reporting website designated by the competent authority within 2 days as counted from the effective date.

Article 4 (Scope of duties)

The Committee shall exercise the care of a good administrator in faithfully performing the official powers listed below, and shall submit its recommendations for deliberation by the board of directors:

1. Prescribe and periodically evaluate the performance assessment and compensation policy, system, standards, and structure for directors and managerial officers.

2. Periodically evaluate and prescribe the compensation of directors and managerial officers.

When performing the official powers of the preceding paragraph, the Committee shall follow the principles listed below:

1. With respect to the performance assessment and compensation of directors and managerial officers of the company, it shall refer to the typical pay levels adopted by peer companies, and take into consideration the reasonable correlation between the compensation package and individual performance, the Company's business performance, and future risk exposure.

2. It shall not propose a compensation package incentive for the directors or managerial officers to engage in activity which will exceed the risks that the Company may tolerate.

3. It shall take into consideration the characteristics of the industry and the nature of the Company's business when determining the ratio of the bonus payout based on the short-term performance of its directors and senior management and the time for payment of the variable part of the compensation.

"Compensation" 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 that of compensation packages for directors 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 the compensation package, payment methods, and the Company's future risk exposure.

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

If the compensation package passed by the board of directors exceeds the recommendation of the Committee, the circumstances and reasons 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 as counted from the date of passage of the resolution by the board of directors.

If the decision-making and handling of any matter relating to the compensation package of directors and managerial officers of a subsidiary is delegated to the subsidiary but requires ratification by the board of directors of the parent company, the parent company's Committee

shall be asked to make recommendations before the matter is submitted to the board of directors for deliberation.

Article 5 (Convening and conduct of meetings)

The Committee shall convene at least twice a year.

In calling a meeting of the Committee, a notice with the agenda of the subject(s) to be discussed at the meeting shall be given to each member at least 7 days in advance of the meeting. In emergencies, however, a meeting may be convened at any time.

The Committee chairperson shall convene meeting as the convener. When the convener goes on leave or otherwise for any reason whatsoever is unable to convene a meeting, the meeting shall be convened by another independent director of the Committee designated by the convener, or if there is no other independent director on the Committee, by another member elected by and from among the other members of the Committee.

The Committee may invite directors, managerial officers of relevant departments, internal auditors, certified public accountants, legal consultants, or other personnel to attend meetings as nonvoting participants and to provide any relevant necessary information. However, they should be absent during the discussion and voting.

Article 6 (Agendas, attendance and resolution of meetings)

The Committee meeting agenda shall be drawn up by the convener. Other Committee members also may submit motions for deliberation by the Committee. The meeting agenda shall be provided to the Committee members in advance.

When the Committee meetings are held, the Company shall provide an attendance book for signature by the members attending the meeting and thereafter keep and make it available for reference.

The Committee members shall attend the meetings in person; and 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. If the number of members attending in person are less than two, the meeting shall be cancelled.

A resolution of the Committee shall require the approval of more than one-half of all of the members. During voting, if the Committee chairperson/convener solicits but receives no dissent, the motion shall be deemed passed, with the equivalent force and effect as a resolution passed by majority vote. The results of voting shall be made known immediately, and recorded in writing.

The term "all members " as used in these Regulations shall be held as the number of members actually in office.

The Committee shall, at the meeting, discuss the salary and compensation matters of its members. At that meeting, the member shall not participate in the discussion and voting if it is harmful to the interests of the company, and shall be avoided during the discussion and

voting, and shall not represent other The members of the Committee exercise their voting rights.

Article 7 (Meeting minutes)

Minutes shall be prepared of the meeting discussions of the Committee, and the minutes shall record the matters in a detailed and accurate manner.

For each proposal, the method of resolution and the result, and any objections or reservations expressed by the Committee members, shall be recorded in full.

If with respect to any resolution of the Committee, any member has a dissenting or qualified opinion that is on record or stated in a written statement, the opinion shall be stated in the meeting minutes, and additionally, within two days inclusively counted from the date of occurrence, shall be publicly disclosed and reported on the information reporting website designated by the competent authority.

The attendance book constitutes part of the minutes for each meeting of the Committee; if the meeting is held via teleconferencing, 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 chairperson/convener and the minute taker. A copy of the minutes shall be distributed to each member of the Committee within 20 days after the meeting, and shall be presented to the board of directors and be retained as important corporate 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 must be preserved until the conclusion of the litigation.

Article 8 (Resources to be provided when the Committee exercises its powers)

The compensation committee may according to a resolution, and at the cost of the Company, engage an attorney, certified public accountant, or other professional to conduct a necessary audit or provide advice with respect to any matter related to the exercise of the Committee's powers.

Article 9 (Resources to be provided when the Committee exercises its powers)

The execution of tasks relating to matters resolved by the Committee may be delegated to the convener or other member or members of the Committee for follow-up and handling, and they shall make written reports on it to the Committee during the period in which they are handling such tasks. When necessary, they shall submit them for ratification, or report them, to the Committee at the next subsequent meeting.

Article 10 (Avoidance of conflicts of interest)

No member of the Committee shall have an interest in determining any matter relating to the determination of the compensation if it relates to either himself or to his close associates and family members.

Subject to previous regulations, if the Committee is unable to reach any resolution, it shall be reported to the board of directors for them to make a resolution, and this resolution shall be stated in the meeting minutes of the board of directors, and additionally, within two days inclusively counted from the date of occurrence, it shall be publicly disclosed and reported on the information reporting website designated by the competent authority.

Article 11

This regulation shall be promulgated on August 22, 2011.

This regulation was first amended on March 24, 2014.

This regulation was second amended on March 17, 2020.

Article 12 (Revisions of This regulation)

Any revision of this regulation shall be agreed by the board of directors.