

# **IKKA HOLDINGS(CAYMAN) LIMITED**

## **Organizational Rules of the Salary and Remuneration Committee**

### **Article 1 (Purpose and basis of establishment)**

In order to improve the company's salary and remuneration system for directors and managers, in accordance with the provisions of Article 3 of the "Measures for the Establishment and Exercise of Powers of the Salary and Remuneration Committee of Companies whose stocks are listed or traded on the business premises of securities firms" (hereinafter referred to as the "Measures for the Power of the Remuneration Committee"), This Organizational Rules of the Salary and Remuneration Committee (hereinafter referred to as the "Organizational Rules") are formulated for compliance.

### **Article 2 (Scope of application)**

Matters related to the duties and powers of the Company's Salary and Remuneration Committee (hereinafter referred to as the Committee) shall be governed by the regulations of this organization unless otherwise provided by laws or articles of association.

### **Article 3 (Announcement for future reference)**

The company should post the contents of this organizational procedure on the company's website and public information observatory for inquiry.

### **Article 4 (Functions of the Committee)**

The function of this committee is to evaluate the salary and remuneration policies and systems of the company's directors and managers in a professional and objective position, and to make recommendations to the board of directors for reference in its decision-making.

### **Article 5 (Composition of the Committee)**

The number of members of this committee is three, appointed by resolution of the board of directors, one of whom is the convener.

The professional qualifications and independence of the members of this committee shall comply with the provisions of Articles 5 and 6 of the Remuneration Committee's Terms of Reference.

### **Article 6 (Term of office of the committee and by-elections)**

The term of office of the members of this Committee shall be the same as the term of the appointed Board of Directors.

If the members of this committee are dismissed for any reason and the number of members is less than three, the board of directors shall convene to make replacement appointments within three months from the date of occurrence.

## Article 7 (Scope of Responsibilities)

This committee shall faithfully perform the following duties and powers with the attention of a good manager, and submit its suggestions to the board of directors for discussion: 1. Regularly review these regulations and propose amendments.

2. Establish and regularly review the performance evaluation standards, annual and long-term performance targets, and salary and remuneration policies, systems, standards and structures of the company's directors and managers, and disclose the content of the performance evaluation standards in the annual report.

3. Regularly evaluate the achievement of performance targets of the company's directors and managers, and determine the content and amount of their individual salary remuneration based on the evaluation results obtained from the performance evaluation standards.

The annual report should disclose the individual performance evaluation results of directors and managers, as well as the correlation and rationality of the content and amount of individual salary remuneration with the performance evaluation results, and report it to the shareholders' meeting.

When performing the functions and powers mentioned in the preceding paragraph, this committee shall do so in accordance with the following principles:

1. Ensure that the company's salary and remuneration arrangements comply with relevant laws and regulations and are sufficient to attract outstanding talents.
2. The performance evaluation and salary remuneration of directors and managers should refer to the normal payment situation of peers, and take into account the results of personal performance evaluation, time invested, responsibilities assumed, achievement of personal goals, performance in other positions, and company The salary remuneration given to people with equivalent positions in recent years is based on the achievement of the company's short-term and long-term business goals, the company's financial status, etc. to evaluate the reasonableness of the relationship between individual performance, the company's operating performance and future risks.
3. Directors and managers should not be led to engage in behavior that exceeds the company's risk appetite in pursuit of salary remuneration.
4. The proportion of remuneration for short-term performance of directors and senior managers and the payment timing of some variable remuneration should be determined by taking into account the characteristics of the industry and the nature of the company's business.
5. The content and amount of the remuneration of directors and managers should be determined with reasonableness in mind. The determination of remuneration of directors and managers should not be significantly inconsistent with financial

performance. If there is a significant decline in profits or long-term losses, their remuneration will be The remuneration should not be higher than that of the previous year. If it is still higher than that of the previous year, a reasonable explanation should be disclosed in the annual report and reported to the shareholders' meeting.

6. Members of this committee are not allowed to participate in discussions and votes on their personal salary and remuneration decisions.

The salary and remuneration referred to in the first two items include cash remuneration, stock options, dividends and stock subscriptions, retirement benefits or severance benefits, various allowances and other measures with substantial incentives; their scope should be consistent with the standards for matters that should be recorded in the annual report of a publicly listed company. The remuneration of directors and managers is consistent.

If the salary and remuneration matters of directors and managers of the company's subsidiaries are subject to approval by the company's board of directors according to the tiered responsibilities of the subsidiaries, the committee should first make recommendations and then be submitted to the board of directors for discussion.

#### Article 8 (Convening and convening of meetings)

This committee convenes twice a year. When convening, the reason for the convening shall be stated, and committee members shall be notified seven days in advance.

However, this does not apply to emergencies.

The committee consists of three independent directors, and all members elect an independent director to serve as the convener and chairman of the meeting. If the convener takes leave or is unable to convene the meeting for some reason, he will be replaced by other independent directors of the committee designated by him. There are no other independent directors on the committee. When an independent director is appointed, the convener shall designate another member of the committee to act as his/her agent; if the convener has not designated an agent, the other members of the committee shall nominate a person to act as his/her agent.

#### Article 9 (setting of agenda)

The agenda of this committee meeting is set by the convener, and other members may also provide proposals for discussion by the committee.

The meeting agenda should be provided to committee members in advance.

When this committee is convened, the company should set up a signature book for attendance members to sign in and make it available for inspection.

Members of this committee shall attend the committee in person. If they are unable to attend in person, they may entrust other members to attend on their behalf. Those who participate in the meeting via video conference shall be deemed to have attended in person.

When a member of this committee entrusts another member to attend the committee on his behalf, he shall issue a power of attorney every time and list the scope of authorization for the reason for the convening.

The agent mentioned in Paragraph 3 is limited to being entrusted by one person.

#### Article 10 (Resolution Method)

When the committee makes a resolution, more than half of all members must agree. If there is no objection after consulting the chairman of the committee during the voting, it will be deemed to be passed, and its validity will be the same as voting.

The results of the voting in the preceding paragraph shall be reported on the spot and recorded.

#### Article 11 (Proceedings)

The proceedings of this committee shall be kept in minutes, and the minutes shall record the following matters in detail:

1. Session, time and place of the meeting.
2. The name of the chairman.
3. Member attendance status, including the names and number of those present, on leave and absent.
4. Names and professional titles of those present.
5. Name recorded.
6. Reporting matters.
7. Discussion matters: resolution methods and results of each motion, objections or reservations of committee members.
8. Temporary motion: the name of the proposer, the resolution method and results of the motion, the members of the committee, experts and other personnel.  
summary, objections or reservations.
9. Other matters that should be recorded.

The committee's sign-in book is part of the minutes; if the meeting is held via video conference, the video and audio data are also part of the minutes.

The minutes must be signed or stamped by the chairman of the meeting and the record-keeper, distributed to the committee members within 20 days after the meeting, and should be reported to the board of directors and included in the company's important files, and should be kept for five years; the production and distribution of the minutes shall be Do it electronically.

Before the retention period in the preceding paragraph expires, if a lawsuit occurs regarding matters related to this committee, it shall be preserved until the litigation is terminated.

#### Article 12 (Handling of meeting resolutions)

The committee may authorize the convener or other members of the committee to continue the follow-up implementation of matters resolved based on the powers specified in Article 7, or the appointment of professionals in accordance with the second paragraph of Article 13, and shall report to the committee during the implementation period. It is a written report; if necessary, it shall be submitted to the committee for ratification or report at the next meeting.

#### Article 13 (Resources for exercising powers)

When the committee convenes, the company's directors, relevant department managers, internal auditors, accountants, legal advisors or other personnel may be invited to attend the meeting and provide relevant necessary information.

The committee may, by resolution, appoint lawyers, accountants or other professionals to conduct necessary inspections or provide consultation on matters related to the exercise of its powers. The relevant expenses shall be borne by the company.

#### Article 14 (Implementation)

These organizational regulations shall come into effect after being approved by the board of directors, even if they are revised.