

# **Regulation on the Operation of Remuneration Committee**

**PanOcean. Co., Ltd.**

# Regulation on the Remuneration Committee

Enactment: April. 13, 2009  
Amendment : August. 12, 2015  
Amendment : May. 09, 2022

## Chapter 1. General Rules

### Article 1 Purpose

The purpose of this Regulation is to stipulate details regarding composition, authority, duties, operation and etc. of Remuneration Committee(hereinafter to be referred to as "RC") in accordance with Articles of Incorporation of PanOcean(hereinafter to be referred to as "Company") Article 42 and Article 43.

### Article 2 Scope of Application

This Regulation shall be applicable to matters concerning RC unless otherwise stipulated by laws or Articles of Incorporation of the Company.

### Article 3 Authority

The Committee shall suggest the following matters regarding the remuneration systems of the members of BOD, major executives, full-time directors and representative director(or Executives of same or higher level), whom is part-time director.

1. Criteria of Performance Evaluation and Remuneration
2. Performance Evaluation and Incentive Payments based on the accomplishment of the business management goals.
3. Method of Incentive Payment

## **Chapter 2. Organization**

### **Article 4 Composition**

- 1) Members of the Committee("Members") shall be elected and dismissed by the Board of Directors.
- 2) The Committee shall comprise at least three directors, a majority of whom, including the Chairman shall be independent director.
- 3) At least one director shall have knowledge of the remuneration of the company's directors, otherwise the Committee shall be able to get advices from internal and(or) external experts.

### **Article 5 Chairman**

- 1) The Committee shall elect the chairman of the Committee of its Members, whom is independent director, by the resolution of the provision of Article 8.
- 2) The Chairman shall represent the Committee and convene and preside over the meeting.
- 3) In the event of Chairman's inability, a member designated by the Committee shall represent his or her duties.

### **Article 6 Term of Office**

The term of office of the Members shall be same as the term of office as a director.

## **Chapter 3. Meetings**

### **Article 7 Convoker**

- 1) The Committee shall be convened by the Chairman. However, when the Chairman is absent, a member designated by the Committee shall represent his or her duties according to Article 5 Section 3.
- 2) Each member may request the Chairman to convene the meeting with the agenda and the reason. In the event that the Chairman does not

convene the Committee meeting without a reasonable ground, the member who has requested convocation of the Committee may convene the Committee meeting.

**Article 8 Convocation Procedure**

- 1) For Convocation of the Committee, date of the meeting shall be fixed and notice shall be given to each director two(2) days prior to the date of such meeting.
- 2) In the event that the consent of all directors is received prior to such meeting, procedure of clause 1 may not be required.

**Article 9 Convocation**

- 1) Regular Committee shall convene once a year.
- 2) Special Committee shall convene at any time, if necessary.

**Article 10 Adoption of Resolution**

Resolutions of the Committee meeting shall be adopted by the affirmative vote of the majority of the members present at the meeting, provided the majority of the members are present at the meeting. In this case, the Committee may permit all or some of members to participate in the resolution by means of remote communication system which transmits and receives sounds simultaneously without personally attending the meetings. In this case, the relevant members shall be deemed to be present at the meeting personally.

**Article 11 Listening parties of the opinion**

When the Committee deems necessary, it may require relevant officers and/or employees or external personnel to attend the meeting and listen to their opinion.

**Article 12 Obligation to report**

The Committee shall report the resolved matters to the first convened Board of Directors after the resolution.

**Article 13 Obligation to notify**

The Committee shall notify each director of resolutions within two (2) days.

In this case, each director receiving such a notification may request convocation of the Board of Directors, and the Board of Directors may reconsider the resolutions made by the Committee.

**Article 14 Minutes of meeting**

- 1) All minutes shall be prepared with regard to the Committee meeting.
- 2) The minutes shall record the agenda, summary of proceedings of the meeting, the result thereof, the committee members against the resolution and the reason for opposition of such members. All members present at the meeting shall write their names and sign, or affix their seals on the minutes.

**Chapter 4. Supplementary Rules**

**Article 15 Secretary**

- 1) The Committee may have a secretary.
- 2) Head or Leader in charge of HR becomes secretary and the secretary shall be in charge of the affairs of the Committee according to the instruction of the Chairman.

**Article 16 Revision and Abolition of the Regulation**

The revision and abolition of this regulation shall be determined by the Committee resolution.

**Supplementary Provision**

(Effective date) This regulation shall be effective from April. 13, 2009

(Effective date) This regulation shall be effective from Aug.12, 2015

(Effective date) This regulation shall be effective from May.09, 2022