

# Unimicron Technology Corp.

## Rules of Procedure for Board of Directors Meetings

Revised by the shareholders meeting on June 19, 2020

- Article 1 The rules (the Rules) are adopted pursuant to Article 26-3, paragraph 8 of the Securities Exchange Act and the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.
- Article 2 The procedure of the Company's meeting of Board of directors ("Board Meeting(s)") shall follow the Rules unless otherwise provided in the laws or articles of incorporation.
- Article 3 The Board Meetings shall be convened at least once a quarter.  
The reasons for calling the Board Meetings shall be notified to every director at least seven days in advance. However, the Board Meetings may be convened at any time in emergency circumstances. The aforementioned convening can be notified to the directors in writing, electronically or by fax.  
All matters mentioned in the subparagraphs of Article 7, paragraph 1 shall be listed in the notices of the causes for calling the Board Meeting; none of them may be raised by an extraordinary motion except in the case of an emergency or legitimate reasons.
- Article 4 The Board Meetings shall be held at the location of the Company and during business hours of the Company, or at locations and times convenient to all directors and suitable for holding the Board Meetings.
- Article 5 The agenda affairs working group of the Board Meetings has to be finance division or other people who are authorized by the Board Meeting.  
The agenda affairs working group shall prepare the agenda items for the Board Meeting and provide sufficient pre-meeting materials, to be delivered together with the notice of the meeting.  
Directors of the opinion that pre-meeting materials provided are insufficient may request the agenda affairs working group to supplement the materials and, in this case, the proposal concerning the insufficient materials may be postponed by a resolution of the Board Meeting.
- Article 6 Agenda items for regular Board Meetings shall include at least the following:
1. Reporting Items
    - (1) Minute of the last Board Meeting and resolution execution progress
    - (2) Important operating and financial reports
    - (3) Internal auditing reports
    - (4) Other important reporting items

## 2. Discussion Items

- (1) Items discussed and continued from last Board Meeting
- (2) Items for discussion at this Board Meeting

## 3. Extraordinary Motions

Article 7 The following items should be discussed in Board Meetings:

1. The Company's business plans
2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports that are not required under relevant laws and regulations to be audited and attested by a certified public accountant (CPA).
3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act and assessment of the effectiveness of the internal control system.
4. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of any handling procedures for material financial or business transactions, such as the acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of equity-type securities.
6. The appointment or discharge of a financial, accounting, or internal audit officer.
7. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief that is made for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.
8. Any matter that, under Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw, must be approved by resolution at a shareholders meeting or board meeting, or any material matter as may be prescribed by the competent authority.

The term "related party" in subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means an individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year.

The term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board of directors meeting is convened. Amounts already submitted to and passed by a resolution of the board are

exempted from inclusion in the calculation.

The Board Meetings shall be convened with at least one independent director attending each meeting in person. In the case of a meeting where a matter is required to be submitted for resolution at the Board Meeting under paragraph 1, each independent director shall attend in person; if an independent director is unable to attend in person, he or she shall appoint another independent director to attend as his or her proxy. An independent director intending to express objection or reservations but unable to attend the Board Meeting in person shall, unless there is some legitimate reason to do otherwise, issue a written opinion in advance, which shall be recorded in the Board Meeting minutes.

Article 8 Except for matters to be discussed in the Board Meeting under paragraph 1 of Article 7, with respect to the delegation by the Board Meeting, in accordance with the laws or the articles of incorporation, of powers of the board exercisable, the levels of such delegation and the content and matters covered by it shall be specific.

Article 9 When the Board Meeting is held, attendance books shall be prepared for signatures by directors attending the Board Meeting.

Directors shall attend Board Meetings personally. If personal attendance is not possible, directors can appoint other directors to attend in their place, and they shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. The attendance via teleconference is deemed as personal attendance.

The proxy referred to in paragraph 2 may be the appointed proxy of only one person.

Article 10 The chairman is the chairperson of Board Meetings convened by the chairman. However, the first Board Meeting of each term of board of directors is convened and chaired by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected; if there are two or more directors so entitled to call the Board Meeting, they shall choose one person by and from among themselves to do so.

The chairperson of Board Meetings convened by more than half of the directors according to provisions of Article 203, paragraph 4, or Article 203-1, paragraph 3 of the Company Act shall be nominated from among the directors.

Whenever the chairman is on leave or cannot exercise the powers of the chairman for any reason, the vice chairman shall do so in place of the chairman. If there is no vice chairman or the vice chairman is also on leave or cannot act for any reason, the chairman may designate one director in his place. If the chairman does not make such

designation, the directors choose one person by and among themselves.

Article 11 When holding a meeting of the board of directors, a company may, as necessary for the agenda items of the meeting, notify personnel of relevant departments or subsidiaries or invite certificated public accounts, attorneys, or other professionals to attend the meeting as nonvoting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.

Article 12 The chairperson of the Board Meeting shall announce the commencement of the Board Meeting when the time of such Board Meeting has arrived and more than one-half of all board directors are present.

The chairperson may announce postponement of the meeting time when the time of such Board Meeting has arrived and one-half of all board directors are not present, provided that only two postponements, may be made. If the quorum is still not met after two such postponements, the chairperson shall reconvene the Board Meeting following the procedures stated in paragraph 2 of Article 3.

The term “all board directors” as used in preceding paragraph and in Article 17, paragraph 2, subparagraph 2 is calculated as the number of directors then in office.

Article 13 The proceedings of the Board Meeting shall be conducted in a predetermined order of agenda items as stated in the meeting notice. The order may be changed, however, with the approval of a majority of directors present at the Board Meeting.

Unless with the approval of a majority of directors present at the Board Meeting, the chairperson may not announce the Board Meeting closed.

If during the Board Meeting the directors sitting at the Board Meeting are less than half of directors present at the Board Meeting, then upon motion by the directors sitting at the Board Meeting, the chairperson shall announce a suspension of the Board Meeting, in which case Article 12, paragraph 2 shall apply *mutatis mutandis*.

Article 14 When the chairperson is of the opinion that discussions for a agenda have been sufficient to a degree of putting to a vote, the chairperson may announce the discussions closed and bring the agenda to vote.

When an agenda comes to a vote at the Board Meeting, if upon inquiry by the chairperson and no attended director voices an objection, the agenda is deemed approved. If there is any objection after the chairperson’s inquiry, it shall be resolved by vote.

The chairperson can choose one of the following voting methods. If any objection from directors present at the Board Meeting, however, the voting method shall be decided by a majority of the directors present at the Board Meeting.

1. By a show of hands or voting machine
2. By roll call
3. By ballot
4. By methods adopted by the Company

The attended directors do not include directors who are not eligible to vote under prohibition defined by Article 16, Item 1.

To conveniently proceed meeting agenda, the chairperson may restrict the number of times and duration of each director's speech for each agenda; if necessary, such restriction shall be agreed by all directors present at the Board Meeting. After speeches of directors present at the Board Meeting, the chairperson may personally reply, assign related personnel to reply, or assign professionals sitting at the Board Meeting to provide relevant and necessary information.

Except for the case of unanimous consent of all directors present at the Board Meeting upon inquiry, the methods of voting, monitoring and counting methods shall be stated in the Board Meeting minutes.

Article 15 Unless otherwise provided in the Securities Exchange Act and the Company Act, resolutions on agendas in the Board Meeting require the approval of a majority of the directors present at the Board Meeting that shall be attended by a majority of all directors.

If there are amendments or substitutes for one agenda, the chairperson shall decide their voting order altogether with the original agenda. Nonetheless, if one of the agenda together with its amendment and substitute has been approved, the others shall be deemed as vetoed requiring no further vote.

If it is necessary to set monitoring and counting staff for agenda voting process, the chairperson shall appoint one/those who shall hold the position of director(s).

The results of voting shall be declared on the spot and be recorded in the meeting minutes.

Article 16 A board director shall state the important aspects of the interested party relationship at the respective meeting, but is prohibited from and have to be absent from participating in discussion of or voting on an agenda item in which the director or the juristic person that the director represents is an interested party, where such participation is likely to prejudice the interest of the Company, and likewise is prohibited from voting on such item as a proxy of another director.

Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph,

such director shall be deemed to have a personal interest in the matter.

With respect to resolutions of the Board Meetings, the provisions of Article 180, paragraph 2 of the Company Act, as applied mutatis mutandis under Article 206, paragraph 4 of that Act, shall apply in cases where a board director is prohibited by the preceding two paragraphs from exercising voting rights.

Article 17 Agenda discussions at the Board Meetings should be recorded in meeting minutes which shall record the following items:

1. Session, time and location of the meeting
2. Name of the chairperson
3. Attendance record of directors, including name and numbers of people present, excused, and absent
4. Names and titles of people attending the meeting as nonvoting participants
5. Name of minutes taker
6. Reporting items
7. Discussion items: the method of resolution and the result for each proposal; a summary of the comments made by directors, supervisors, experts, or other persons; the name of any director that is an interested party as referred to Article 16, paragraph 1, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director under Article 7, paragraph 4.
8. Extraordinary motions: the name of the mover; the method of resolution and the result for each motion; a summary of the comments made by directors, supervisors, experts, or other persons; the name of any director that is an interested party as referred to Article 16, paragraph 1, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing.
9. Other items required to be recorded.

Any of the following matters in relation to the resolutions of Board Meeting shall be recorded in the minutes and published on an information reporting website designated by the competent authority within 2 days of the Board Meeting:

1. Objections and reservations expressed by independent directors that have been included in records or stated in writing
2. If the Company has an audit committee, any matters not approved by the audit

committee but approved by more than two-thirds or more of all board directors

The attendance book of the Board Meeting is a part of the meeting minutes, and shall be preserved as long as the Company exists.

The meeting minutes shall be signed or sealed by the chairperson and minutes taker; a copy of the minutes shall be delivered to each director within 20 days after the Board Meeting and well preserved as important company files during the existence of the Company.

The production and delivery of meeting minutes referred to in paragraph 1 may be done in electronic form.

Article 18 The Company shall record on audio or video tape the entire proceedings of the Board Meeting, and preserve the recordings for at least 5 years, in electronic form or otherwise.

If before the end of the preservation period stated in the preceding paragraph a lawsuit arises with respect to the Board Meeting resolutions, related audio or video recordings shall be preserved continually until the lawsuit closes.

If the Board Meeting is held via teleconference, the audio or video recordings of the meeting form a part of the meeting minutes and shall be preserved as long as the Company exists.

Article 19 The adoption of the Rules shall be approved by the Board Meeting and be reported to the shareholders' meeting. The amendment shall be approved by the Board Meeting.