

WT Microelectronics Co., Ltd.

Rules for Board of Directors Performance Assessments

Article 1

To implement corporate governance and enhance the Company's board functions, and to set forth performance objectives to improve the operation efficiency of the board of directors, this template is established pursuant to Article 37 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies for compliance.

Article 2

The evaluation cycles , periods, scope and method of evaluation, the unit conducting evaluations, evaluation procedures and other matters for compliance under the Company's regulations governing the board performance evaluation shall be subject to this template.

Article 3

The Company shall conduct an internal board performance evaluation at least once a year. The internal board performance evaluation for the current year shall be conducted at the end of each year according to the evaluation procedures and the evaluation indexes in Articles 6 and 8.

The Company's board performance evaluation may be conducted as necessary by an external independent professional institution or a panel of external experts and scholars every three years. The performance evaluation for the current year shall be conducted at the year-end.

Internal and external board performance evaluations shall be completed before the first board meeting held in the following year.

Article 4

The Company's board evaluation scope may cover the evaluation of the board as a whole, individual directors and functional committees.

Methods of evaluations may adopt the internal evaluation of the board, self-evaluation by individual board members, and evaluation by appointed external professional institutions, experts, or other appropriate methods.

Article 5

The unit conducting internal evaluations of the Company's board of directors shall have an adequate understanding of the operation of the unit subject to evaluation and shall play a fair, impartial and independent role.

Adjustments may be made to assign different units to perform evaluations of the functional committees in view of the slight difference in their operations, depending on the organizational structure of the company. The unit conducting evaluations shall be fair and impartial, and no individual or unit conducting evaluations shall have any direct interest in the operation of the units subject to evaluation.

Article 6

The procedures for the Company's board performance evaluation are as follows:

1. Determine the units to be subject to evaluation and the scope of evaluation in the current year.
2. Determine the method of evaluation.
3. Select the units appropriate to conduct the evaluations.
4. At the end of a year, the units performing evaluations will collect information about the activities of the board of directors and distribute self-evaluation questionnaires such as the Questionnaire of Evaluation of Performance of the Board (Functional Committee), or the Questionnaire of Self-Evaluation of Performance of Board Members, to be completed. The unit responsible for evaluation will then collect all information, record the evaluation results, and submit the results to the board of directors for discussion and improvement.

Article 7

Depending on actual need to appoint an external evaluation institution or panel of external experts and scholars to conduct evaluations of board performance, the Company shall act in accordance with the following guidelines:

The external evaluation institution shall be an institution or management consulting firm mainly engaging in the provision of services for educational and training programs for board of directors and improvement of corporate governance of enterprises.

The panel of external experts and scholars are advised to appoint at least three experts or scholars specialized in the fields of board of directors or corporate governance to conduct evaluations of board performance of the company and prepare external evaluation analysis reports.

Article 8

The Company shall take into consideration its condition and needs when establishing the criteria for evaluating the performance of the board of directors (functional committees), It is advisable to include the following five aspects:

1. Participation in the operation of the company;
2. Improvement of the quality of the board of directors' decision making;
3. Composition and structure of the board of directors;
4. Election and continuing education of the directors; and
5. Internal control.

The criteria for evaluating the performance of the board members, It is advisable to include the following six aspects:

1. Familiarity with the goals and missions of the company;
2. Awareness of the duties of a director;
3. Participation in the operation of the company;

4. Management of internal relationship and communication;
5. The director's professionalism and continuing education; and
6. Internal control.

The indexes of board performance evaluation shall be determined based on the operation and needs of the Company and suitable and appropriate for evaluations by the company.

Evaluating criteria may be modified and adjusted by the unit conducting evaluations based on the company's needs.

Article 9

When electing members of the board of directors or nominating independent directors, the Company shall base its election on the evaluation results of the performance of individual directors as reference.

Article 10

It is advisable that the Company disclose in its annual report whether regulations governing the board performance evaluation have been established as well as how the board performance evaluation has been conducted each year, with a description of the evaluation method provided.

In cases where an external institution or experts are appointed to conduct evaluations of board performance, the Company shall, in the annual report, disclose the names of the external evaluation institution, names of the experts, and specialties of the experts, and indicate if the external institution and experts have business dealings with the Company and if they are independent.

Article 11

The performance evaluation rules established by the Company which is advisable to fully disclosed on the Market Observation Post System (MOPS) and the Company's website at all times, to be made available for consultation.

Article 12

The Company's rules shall take effect after having been discussed and approved by the board of directors. Subsequent amendments thereto shall be effected in the same manner.

The rules were formulated on August 10, 2016.