

Advantech Co., Ltd.
Rules of Procedure for Board of Directors Meetings

Article 1

In order to establish for the Company a good system of governance and a system of governance for its Board of Directors, and to assist directors in the performance of their duties while improving the effectiveness of the Board, these Rules are formulated for compliance in accordance with the Regulations Governing Procedure for Board of Directors Meetings of Public Companies and the Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers.

Article 2

The Rules of Procedure for the Company's Board of Directors shall be conducted in accordance with the provisions of these Rules unless otherwise prescribed by the law or by the Articles of Incorporation.

Article 3

The Board of Directors of the Company shall convene at least once every quarter.

A notice of the reasons for convening a Board meeting shall be given to each director seven days in advance. However, in the event of an emergency, it may be called at any time, in which case directors shall not raise objections on the basis that the notice of convening is less than seven days.

The convening of the Board of Directors of the Company may be notified by written notification, e-mail, or fax.

Article 4

The designated deliberation unit for the Company's Board of Directors shall be the Chairperson's Office.

The deliberation unit shall formulate content for Board of Directors meetings and prepare sufficient meeting materials, and shall deliver them together with the convening notice.

The Chairperson's Office is responsible for handling matters requested by Directors, and shall do so as quickly as possible based on the principle of offering immediate and effective assistance to directors in the performance of their duties.

Directors of the Company shall be provided with appropriate and timely information, and it must be of a form and quality sufficient to enable directors to make informed decisions based on relevant information on hand and to perform their duties as directors.

A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the deliberation unit. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the Board of Directors.

Article 5

When a board meeting is held, an attendance book shall be provided for signing-in by attending directors, which shall be made available for future reference.

Directors shall attend board meetings in person. A director unable to attend in person may appoint another director to attend the meeting in his or her place in accordance with this Corporation's articles of incorporation. Attendance by videoconference will be deemed attendance in person.

A director who appoints another director to attend a board meeting shall in each instance issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting.

The proxy referred to in paragraph 2 may be the appointed proxy of only one person. In-person attendance of individual directors must not be less than 75%.

Article 6

A board meeting shall be held at the premises and during the business hours of this Corporation, or at a place and time convenient for all directors to attend and suitable for holding board meetings.

Article 7

Board meetings shall be convened and chaired by the chairperson of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair.

If the Board of Directors is convened by a majority of directors in accordance with Article 203, Paragraph 4 of the Company Act or Article 203-1, Paragraph 3 of the Company Act, the directors will choose a presiding chair from among themselves.

When the chairperson of the board is on leave or for any reason unable to exercise the powers of chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of vice chairperson, the chairperson shall appoint one of the directors shall be appointed to act as chair.

If no such designation is made by the chairperson , directors shall select one person from among themselves to serve as chair.

Article 8

When a board meeting is held, the management (or the designated unit responsible for the board meetings) shall furnish the attending directors with relevant materials for ready reference.

As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants.

When necessary, certified public accountants, attorneys, or other professionals retained by this Corporation may also be invited to attend the meeting as non-voting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.

The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance.

If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 3, paragraph 2.

Article 9

Proceedings of a board meeting shall be recorded in their entirety in audio or video, and the recording shall be retained for a minimum of 5 years. The record may be retained in electronic form.

If any litigation arises with respect to a resolution of a board meeting before the end of the retention period of the preceding paragraph, the relevant audio or video record shall be retained until the conclusion of the litigation.

Where a board meeting is held by videoconference, the audio or video documentation of the meeting constitutes part of the meeting minutes and shall be retained for the duration of the existence of this Corporation.

Article 10

Agenda items for regular board meetings of this Corporation shall include at least the following:

1. Matters to be reported:
 - A. Minutes of the last meeting and action taken.

- B. Important financial and business matters.
 - C. Internal audit activities.
 - D. Other important matters to be reported.
2. Matters for discussion:
 - A. Items for continued discussion from the last meeting.
 - B. Items for discussion at this meeting.
 3. Extraordinary motions.

Article 11

A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting.

In respect to the content of the proceedings and the provisional motions scheduled in the preceding paragraph, the chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting.

While a meeting of the Board of Directors is in progress, the chair may announce a break or consultation at his or her discretion.

Article 12

The matters listed below as they relate to this Corporation shall be raised for discussion at a board meeting:

1. The Corporation's business plan.
2. Annual and semi-annual financial reports.
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. (In the case of a foreign issuer whose shares have no par value or a par value other than NT\$10, 2.5 percent of shareholders' equity shall be substituted for the calculation of the amount equal to 5 percent of paid-in capital required under this paragraph.)

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.

At least one independent director of this Corporation shall attend the meeting in person. With respect to the matters which must be approved by resolutions at a board meeting as provided in the first paragraph, any and all independent directors shall attend the meeting. Where an independent director is unable to attend the meeting, that independent director shall appoint another independent director to attend the meeting as proxy. If an independent director objects to or expresses reservations about such a matter, it shall be recorded in the board meeting minutes; if an independent director intends to express an objection or reservation but is unable to attend the meeting in person, then unless there is a legitimate reason to do otherwise, that director shall issue a written opinion in advance, which shall be recorded in the board meeting minutes.

Article 13

When the chair at a board meeting is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call a vote.

When a proposal comes to a vote at a board meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote.

One voting method for proposals at a board meeting shall be selected by the chair from among those below, provided that when an attending director has an objection, the chair shall seek the opinion of the majority to make a decision:

1. A show of hands or a vote by voting machine.
2. A roll call vote.
3. A vote by ballot.
4. A vote by a method selected at this Corporation's discretion.

"Attending directors," as used in the preceding two paragraphs, does not include directors that may not exercise voting rights pursuant to Article 15, paragraph 1.

Article 14

Except where otherwise provided by the Securities and Exchange Act and the Company Act, the passage of a proposal at a board meeting shall require the approval of a majority of the directors in attendance at a board of directors meeting attended by a majority of all directors.

When there is an amendment or alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. If any one among them is passed, the other proposals shall then be deemed rejected, and no further voting on them shall be required.

If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, providing that all monitoring personnel shall be directors.

Voting results shall be made known on-site immediately and recorded in writing.

Article 15

If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of this Corporation, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.

Where a director is prohibited by the preceding paragraph from exercising voting rights with respect to a resolution at a board meeting, the provisions of Article 180, paragraph 2 of the Company Act apply mutatis mutandis in accordance with Article 206, paragraph 3 of the same Act.

Article 16

Discussions at a board meeting shall be recorded in the meeting minutes, and the minutes shall fully and accurately state the matters listed below:

1. The meeting session (or year) and the time and place of the meeting.
2. The name of the chair.

3. The directors' attendance at the meeting, including the names and the number of directors in attendance, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda 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 in paragraph 1 of the preceding article, 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 pursuant to Article 12, paragraph 4.
8. Extraordinary motions: The name of the mover, the method of resolution and the result, a summary of the comments of any director, supervisor, expert, or other person; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, 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; and their objections or reservations and any recorded or written statements.
9. Other matters required to be recorded.

The occurrence of any of the following circumstances, with respect to a resolution passed at a board meeting, shall be stated in the meeting minutes and shall be publicly announced and filed on the website of the Market Observation Post System designated by the Financial Supervisory Commission, within 2 days from the date of the meeting: Any objection or expression of reservations by an independent director expresses of which there is a record or written statement.

The attendance book constitutes part of the minutes for each board meeting and shall be retained for the duration of the existence of this Corporation.

The minutes of a board meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each director and supervisor within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of this Corporation. The meeting minutes of paragraph 1 may produced and distributed in electronic form.

Article 17

With the exception of matters required to be discussed at a Board of Directors meeting under Article 12, paragraph 1, the Board of Directors of the Company may, in accordance with the Articles of Incorporation of the Company, authorize the Chairperson, the President, and key managers to carry out Company business in accordance with the law or with the Company's Articles of Incorporation and its policies and systems. Matters concerning the level, content, and so on of implementation shall be handled in accordance with the schedule of division of approval authority and responsibilities as approved by the Board of Directors, and shall be reviewed regularly.

Article 18

A member of the Board of Directors of the Company shall faithfully exercise due care of a good administrator in conducting the business operation of the Company, and shall exercise his or her powers with a high degree of self-discipline and prudence. With regard to implementation of the Company's business, except for matters that should be resolved by the shareholders' meeting as required by law or by the Company's Articles of Incorporation, this should be done in accordance with a resolution of the Board of Directors.

Article 19

These Rules of Procedure shall be adopted by the approval of meeting of the board of directors and shall be reported to the board meeting. The board of directors may be authorized to adopt, by resolution, any future amendments to these Rules.

Article 20

These Rules were established on March 29, 2004

The 1st amendment was made on December 8, 2006.

The 2nd amendment was made on December 29, 2006.

The 3rd amendment was made on March 21, 2008.

The 4th amendment was made on June 9, 2010

The 5th amendment was made on March 22, 2013.

The 6th amendment was made on March 6, 2017.