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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**Form 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**For the Quarterly Period Ended June 30, 2020**

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from        to**

**Commission File Number 000-29472**

**AMKOR TECHNOLOGY, INC.**

*(Exact name of registrant as specified in its charter)*

**Delaware**

*(State of incorporation)*

**23-1722724**

*(I.R.S. Employer  
Identification Number)*

**2045 East Innovation Circle**

**Tempe, AZ 85284**

*(Address of principal executive offices and zip code)*

**(480) 821-5000**

*(Registrant's telephone number, including area code)*

**Securities registered pursuant to Section 12(b) of the Act:**

**Title of Each Class**

**Trading Symbol**

**Name of Each Exchange on Which Registered**

Common Stock, \$0.001 par value

AMKR

The NASDAQ Global Select Market

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934, during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company  Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of outstanding shares of the registrant's Common Stock as of July 24, 2020 was 241,369,553.

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**QUARTERLY REPORT ON FORM 10-Q**  
**For the Quarter Ended June 30, 2020**

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This report contains forward-looking statements within the meaning of the federal securities laws, including but not limited to statements regarding (1) the amount, timing and focus of our expected capital investments in 2020 including expenditures in support of advanced packaging and test equipment, (2) our ability to fund our operating activities and financial requirements for the next twelve months, (3) the effect of changes in revenue levels and capacity utilization on our gross margin, (4) the impact of the novel coronavirus disease, or Covid-19, pandemic on our operations and financial results, (5) the focus of our research and development activities, (6) the anticipated impact of the Tax Cuts and Jobs Act (the "Tax Act") and tax law changes in the jurisdictions in which we operate, (7) the grant and expiration of tax holidays in jurisdictions in which we operate and expectations regarding our effective tax rate and the availability of tax incentives, (8) the creation or release of valuation allowances related to taxes in the future, (9) our repurchase or repayment of outstanding debt, (10) payment of dividends, (11) compliance with our covenants, (12) expected contributions to foreign pension plans, (13) liability for unrecognized tax benefits and the potential impact of our unrecognized tax benefits on our effective tax rate, (14) expected timing of and charges related to restructuring activities, (15) the effect of foreign currency exchange rate exposure on our financial results, (16) the volatility of the trading price of our common stock, (17) changes to our internal controls related to integration of acquired operations and implementation of an enterprise resource planning system, (18) our efforts to enlarge our customer base in certain geographic areas and markets, (19) demand for advanced packages in mobile and automotive devices and our technology leadership and potential growth in this market, (20) projects to install and integrate new information technology systems or upgrade our existing systems and (21) other statements that are not historical facts. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continue," "intend" or the negative of these terms or other comparable terminology. Because such statements include risks and uncertainties, actual results may differ materially from those anticipated in such forward-looking statements as a result of various factors, including those set forth in the following report as well as in Part II, Item 1A of this Quarterly Report on Form 10-Q.

## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

**AMKOR TECHNOLOGY, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**(Unaudited)**

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2020	2019	2020	2019
	(In thousands, except per share data)			
Net sales	\$ 1,172,909	\$ 895,305	\$ 2,325,525	\$ 1,790,269
Cost of sales	980,589	771,851	1,944,297	1,546,054
Gross profit	192,320	123,454	381,228	244,215
Selling, general and administrative	74,260	64,758	146,842	136,345
Research and development	31,536	36,186	63,789	71,940
Total operating expenses	105,796	100,944	210,631	208,285
Operating income	86,524	22,510	170,597	35,930
Interest expense	16,012	18,653	33,057	37,926
Other (income) expense, net	1,467	6,966	(848)	2,401
Total other expense, net	17,479	25,619	32,209	40,327
Income (loss) before taxes	69,045	(3,109)	138,388	(4,397)
Income tax expense	12,905	5,897	17,751	27,277
Net income (loss)	56,140	(9,006)	120,637	(31,674)
Net income attributable to non-controlling interests	(716)	(444)	(1,324)	(655)
Net income (loss) attributable to Amkor	\$ 55,424	\$ (9,450)	\$ 119,313	\$ (32,329)
Net income (loss) attributable to Amkor per common share:				
Basic	\$ 0.23	\$ (0.04)	\$ 0.50	\$ (0.14)
Diluted	\$ 0.23	\$ (0.04)	\$ 0.49	\$ (0.14)
Shares used in computing per common share amounts:				
Basic	241,098	239,508	241,009	239,461
Diluted	241,410	239,508	241,345	239,461

The accompanying notes are an integral part of these statements.

**AMKOR TECHNOLOGY, INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**(Unaudited)**

	<u>For the Three Months Ended June 30,</u>		<u>For the Six Months Ended June 30,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	(In thousands)			
Net income (loss)	\$ 56,140	\$ (9,006)	\$ 120,637	\$ (31,674)
Other comprehensive income (loss), net of tax:				
Adjustments to net unrealized gains (losses) on available-for-sale debt investments	251	—	358	—
Adjustments to unrealized components of defined benefit pension plans	11	(57)	23	(189)
Foreign currency translation	(699)	5,918	(224)	3,694
Total other comprehensive income (loss)	(437)	5,861	157	3,505
Comprehensive income (loss)	55,703	(3,145)	120,794	(28,169)
Comprehensive income attributable to non-controlling interests	(716)	(444)	(1,324)	(655)
Comprehensive income (loss) attributable to Amkor	<u>\$ 54,987</u>	<u>\$ (3,589)</u>	<u>\$ 119,470</u>	<u>\$ (28,824)</u>

The accompanying notes are an integral part of these statements.

**AMKOR TECHNOLOGY, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

	June 30, 2020	December 31, 2019
	(In thousands, except per share data)	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 783,228	\$ 894,948
Restricted cash	931	610
Short-term investments (amortized cost of \$310,246 in 2020)	310,634	6,348
Accounts receivable, net of allowances	898,717	850,753
Inventories	306,902	220,602
Other current assets	41,383	28,272
Total current assets	2,341,795	2,001,533
Property, plant and equipment, net	2,471,977	2,404,850
Operating lease right of use assets	146,013	148,549
Goodwill	26,140	25,976
Restricted cash	3,027	2,974
Other assets	126,436	111,733
Total assets	\$ 5,115,388	\$ 4,695,615
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Short-term borrowings and current portion of long-term debt	\$ 148,872	\$ 144,479
Trade accounts payable	583,341	571,054
Capital expenditures payable	259,344	77,044
Accrued expenses	291,278	267,226
Total current liabilities	1,282,835	1,059,803
Long-term debt	1,396,389	1,305,755
Pension and severance obligations	165,401	176,971
Long-term operating lease liabilities	87,204	91,107
Other non-current liabilities	66,631	71,740
Total liabilities	2,998,460	2,705,376
Commitments and contingencies (Note 14)		
Stockholders' equity:		
Preferred stock, \$0.001 par value, 10,000 shares authorized, designated Series A, none issued	—	—
Common stock, \$0.001 par value, 500,000 shares authorized; 287,319 and 286,877 shares issued; and 241,236 and 240,805 shares outstanding in 2020 and 2019, respectively	287	287
Additional paid-in capital	1,934,047	1,927,739
Retained earnings	353,390	234,077
Accumulated other comprehensive income (loss)	19,272	19,115
Treasury stock, at cost, 46,083 and 46,072 shares, in 2020 and 2019, respectively	(217,592)	(217,479)
Total Amkor stockholders' equity	2,089,404	1,963,739
Non-controlling interests in subsidiaries	27,524	26,500
Total equity	2,116,928	1,990,239
Total liabilities and equity	\$ 5,115,388	\$ 4,695,615

The accompanying notes are an integral part of these statements.

**AMKOR TECHNOLOGY, INC.**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
**(Unaudited)**

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock		Total Amkor Stockholders' Equity	Noncontrolling Interest in Subsidiaries	Total Equity
	Shares	Par Value				Shares	Cost			
(In thousands)										
<b>Balance at March 31, 2020</b>	287,093	\$ 287	\$ 1,931,088	\$ 297,966	\$ 19,709	(46,077)	\$ (217,533)	\$ 2,031,517	\$ 27,108	\$ 2,058,625
Net income (loss)	—	—	—	55,424	—	—	—	55,424	716	56,140
Other comprehensive income (loss)	—	—	—	—	(437)	—	—	(437)	—	(437)
Treasury stock acquired through surrender of shares for tax withholding	—	—	—	—	—	(6)	(59)	(59)	—	(59)
Issuance of stock through share-based compensation plans	226	—	1,222	—	—	—	—	1,222	—	1,222
Share-based compensation	—	—	1,737	—	—	—	—	1,737	—	1,737
Subsidiary dividends to noncontrolling interests	—	—	—	—	—	—	—	—	(300)	(300)
<b>Balance at June 30, 2020</b>	<u>287,319</u>	<u>\$ 287</u>	<u>\$ 1,934,047</u>	<u>\$ 353,390</u>	<u>\$ 19,272</u>	<u>(46,083)</u>	<u>\$ (217,592)</u>	<u>\$ 2,089,404</u>	<u>\$ 27,524</u>	<u>\$ 2,116,928</u>
<b>Balance at December 31, 2019</b>	286,877	\$ 287	\$ 1,927,739	\$ 234,077	\$ 19,115	(46,072)	\$ (217,479)	\$ 1,963,739	\$ 26,500	\$ 1,990,239
Net income (loss)	—	—	—	119,313	—	—	—	119,313	1,324	120,637
Other comprehensive income (loss)	—	—	—	—	157	—	—	157	—	157
Treasury stock acquired through surrender of shares for tax withholding	—	—	—	—	—	(11)	(113)	(113)	—	(113)
Issuance of stock through share-based compensation plans	442	—	2,741	—	—	—	—	2,741	—	2,741
Share-based compensation	—	—	3,567	—	—	—	—	3,567	—	3,567
Subsidiary dividends to noncontrolling interests	—	—	—	—	—	—	—	—	(300)	(300)
<b>Balance at June 30, 2020</b>	<u>287,319</u>	<u>\$ 287</u>	<u>\$ 1,934,047</u>	<u>\$ 353,390</u>	<u>\$ 19,272</u>	<u>(46,083)</u>	<u>\$ (217,592)</u>	<u>\$ 2,089,404</u>	<u>\$ 27,524</u>	<u>\$ 2,116,928</u>

The accompanying notes are an integral part of these statements.

**AMKOR TECHNOLOGY, INC.**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
**(Unaudited)**

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock		Total Amkor Stockholders' Equity	Noncontrolling Interest in Subsidiaries	Total Equity
	Shares	Par Value				Shares	Cost			
(In thousands)										
<b>Balance at March 31, 2019</b>	285,430	\$ 285	\$ 1,911,179	\$ 90,310	\$ 21,456	(45,972)	\$ (216,219)	\$ 1,807,011	\$ 25,571	\$ 1,832,582
Net income (loss)	—	—	—	(9,450)	—	—	—	(9,450)	444	(9,006)
Other comprehensive income (loss)	—	—	—	—	5,861	—	—	5,861	—	5,861
Treasury stock acquired through surrender of shares for tax withholding	—	—	—	—	—	(6)	(35)	(35)	—	(35)
Issuance of stock through share-based compensation plans	80	—	150	—	—	—	—	150	—	150
Share-based compensation	—	—	1,774	—	—	—	—	1,774	—	1,774
Subsidiary dividends to noncontrolling interests	—	—	—	—	—	—	—	—	(150)	(150)
<b>Balance at June 30, 2019</b>	<u>285,510</u>	<u>\$ 285</u>	<u>\$ 1,913,103</u>	<u>\$ 80,860</u>	<u>\$ 27,317</u>	<u>(45,978)</u>	<u>\$ (216,254)</u>	<u>\$ 1,805,311</u>	<u>\$ 25,865</u>	<u>\$ 1,831,176</u>
<b>Balance at December 31, 2018</b>	285,352	\$ 285	\$ 1,909,425	\$ 113,189	\$ 23,812	(45,967)	\$ (216,171)	\$ 1,830,540	\$ 25,360	\$ 1,855,900
Net income (loss)	—	—	—	(32,329)	—	—	—	(32,329)	655	(31,674)
Other comprehensive income (loss)	—	—	—	—	3,505	—	—	3,505	—	3,505
Treasury stock acquired through surrender of shares for tax withholding	—	—	—	—	—	(11)	(83)	(83)	—	(83)
Issuance of stock through share-based compensation plans	158	—	436	—	—	—	—	436	—	436
Share-based compensation	—	—	3,242	—	—	—	—	3,242	—	3,242
Subsidiary dividends to noncontrolling interests	—	—	—	—	—	—	—	—	(150)	(150)
<b>Balance at June 30, 2019</b>	<u>285,510</u>	<u>\$ 285</u>	<u>\$ 1,913,103</u>	<u>\$ 80,860</u>	<u>\$ 27,317</u>	<u>(45,978)</u>	<u>\$ (216,254)</u>	<u>\$ 1,805,311</u>	<u>\$ 25,865</u>	<u>\$ 1,831,176</u>

The accompanying notes are an integral part of these statements.

**AMKOR TECHNOLOGY, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(Unaudited)**

	<b>For the Six Months Ended June 30,</b>	
	<b>2020</b>	<b>2019</b>
<b>(In thousands)</b>		
<b>Cash flows from operating activities:</b>		
Net income (loss)	\$ 120,637	\$ (31,674)
Depreciation and amortization	248,036	268,819
Other operating activities and non-cash items	10,151	33,112
Changes in assets and liabilities	(136,422)	(101,329)
Net cash provided by operating activities	<u>242,402</u>	<u>168,928</u>
<b>Cash flows from investing activities:</b>		
Payments for property, plant and equipment	(134,340)	(273,672)
Proceeds from sale of property, plant and equipment	2,389	8,247
Proceeds from insurance recovery for property, plant and equipment	—	1,538
Proceeds from sale of short-term investments	8,593	—
Proceeds from maturities of short-term investments	13,072	6,469
Payments for short-term investments	(325,632)	(5,935)
Other investing activities	805	2,330
Net cash used in investing activities	<u>(435,113)</u>	<u>(261,023)</u>
<b>Cash flows from financing activities:</b>		
Proceeds from revolving credit facilities	282,000	85,000
Payments of revolving credit facilities	(216,000)	(5,000)
Proceeds from short-term debt	62,495	29,781
Payments of short-term debt	(66,609)	(25,548)
Proceeds from issuance of long-term debt	225,985	614,375
Payments of long-term debt	(201,425)	(732,178)
Payments of finance lease obligations	(4,876)	(2,746)
Other financing activities	972	(3,865)
Net cash provided by (used in) financing activities	<u>82,542</u>	<u>(40,181)</u>
Effect of exchange rate fluctuations on cash, cash equivalents and restricted cash	(1,177)	1,131
Net decrease in cash, cash equivalents and restricted cash	(111,346)	(131,145)
Cash, cash equivalents and restricted cash, beginning of period	898,532	688,051
Cash, cash equivalents and restricted cash, end of period	<u>\$ 787,186</u>	<u>\$ 556,906</u>
<b>Non-cash investing and financing activities:</b>		
Property, plant and equipment included in capital expenditures payable	\$ 259,520	\$ 135,126

The accompanying notes are an integral part of these statements.



**AMKOR TECHNOLOGY, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**1. Interim Financial Statements**

*Basis of Presentation.* The Consolidated Financial Statements and related disclosures as of June 30, 2020, and for the three and six months ended June 30, 2020 and 2019, are unaudited, pursuant to the rules and regulations of the United States Securities and Exchange Commission (“SEC”). The December 31, 2019 Consolidated Balance Sheet data was derived from audited financial statements but does not include all disclosures required by accounting principles generally accepted in the United States of America (“U.S.”). Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) have been condensed or omitted pursuant to such rules and regulations. In our opinion, these financial statements include all adjustments (consisting only of normal recurring adjustments) necessary for the fair statement of the results for the interim periods. These financial statements should be read in conjunction with the financial statements included in our Annual Report for the year ended December 31, 2019, filed on Form 10-K with the SEC on February 19, 2020. The results of operations for the three and six months ended June 30, 2020 are not necessarily indicative of the results to be expected for the full year. Unless the context otherwise requires, all references to “Amkor,” “we,” “us,” “our” or the “company” are to Amkor Technology, Inc. and our subsidiaries. Certain prior year amounts have been reclassified to conform to current year presentation.

*Use of Estimates.* The Consolidated Financial Statements have been prepared in conformity with U.S. GAAP, using management’s best estimates and judgments where appropriate. These estimates and judgments affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. The estimates and judgments will also affect the reported amounts for certain revenues and expenses during the reporting period. Actual results could differ materially from these estimates and judgments, including the impact of Covid-19 and any worsening of the global business and economic environment.

*Goodwill.* The balance of goodwill in our Consolidated Balance Sheets reflects adjustments for foreign currency translation.

*Unbilled Receivables.* Total unbilled receivables as of June 30, 2020 and December 31, 2019 were \$152.4 million and \$125.4 million, respectively.

**2. Net Sales by Product Group and End Market**

Net sales by product group consist of the following:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2020	2019	2020	2019
	(In thousands)		(In thousands)	
Advanced products (1)	\$ 729,359	\$ 432,639	\$ 1,434,517	\$ 855,084
Mainstream products (2)	443,550	462,666	891,008	935,185
<b>Total net sales</b>	<b>\$ 1,172,909</b>	<b>\$ 895,305</b>	<b>\$ 2,325,525</b>	<b>\$ 1,790,269</b>

(1) Advanced products include flip chip and wafer-level processing and related test services.

(2) Mainstream products include wirebond packaging and related test services.

**AMKOR TECHNOLOGY, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**  
**(Unaudited)**

Net sales by end market consist of the following:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2020	2019	2020	2019
Communications (handheld devices, smartphones, tablets)	38 %	37 %	38 %	38 %
Consumer (connected home, set-top boxes, televisions, visual imaging, wearables)	27 %	15 %	25 %	14 %
Automotive, industrial and other (driver assist, infotainment, performance, safety)	19 %	29 %	21 %	29 %
Computing (data center, infrastructure, PC/laptop, storage)	16 %	19 %	16 %	19 %
Total net sales	100 %	100 %	100 %	100 %

### 3. Other Income and Expense

Other income and expense consist of the following:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2020	2019	2020	2019
	(In thousands)			
Interest income	\$ (1,701)	\$ (1,598)	\$ (3,959)	\$ (3,662)
Foreign currency (gain) loss, net	3,461	606	3,232	(1,407)
Loss on debt retirement	—	8,356	428	8,356
Other	(293)	(398)	(549)	(886)
Other (income) expense, net	\$ 1,467	\$ 6,966	\$ (848)	\$ 2,401

### 4. Income Taxes

Income tax expense of \$17.8 million for the six months ended June 30, 2020 reflects income taxes, foreign withholding taxes and minimum taxes.

We monitor on an ongoing basis our ability to utilize our deferred tax assets and whether there is a need for a related valuation allowance. In evaluating our ability to recover our deferred tax assets in the jurisdictions from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax-planning strategies and results of recent operations.

We maintain a valuation allowance on certain U.S. and foreign deferred tax assets. Such valuation allowances are released as the related tax benefits are realized or when sufficient evidence exists to conclude that it is more likely than not that the deferred tax assets will be realized.

Unrecognized tax benefits represent reserves for potential tax deficiencies or reductions in tax benefits that could result from federal, state or foreign tax audits. Gross unrecognized tax benefits decreased from \$26.2 million at December 31, 2019 to \$25.7 million as of June 30, 2020, primarily due to the lapse of statutes of limitations in foreign jurisdictions. All of our unrecognized tax benefits would reduce our effective tax rate if recognized. Our unrecognized tax benefits are subject to change for effective settlement of examinations, changes in the recognition threshold of tax positions, the expiration of statutes of limitations and other factors.

We have tax returns that are open to examination in various jurisdictions for tax years 2012-2019. The open years contain matters that could be subject to differing interpretations of applicable tax laws and regulations related to the amount and/or timing of income, deductions and tax credits. There can be no assurance that the outcome of the

**AMKOR TECHNOLOGY, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**  
**(Unaudited)**

examinations will be favorable. In certain circumstances where we elect to appeal the results of an examination, we may be required to make tax assessment payments to proceed with the administrative appeal process.

### 5. Earnings Per Share

Basic earnings per share (“EPS”) is computed by dividing net income attributable to Amkor common stockholders by the weighted-average number of common shares outstanding during the period. The weighted-average number of common shares outstanding is reduced for treasury stock.

Diluted EPS is computed based on the weighted-average number of common shares outstanding plus the effect of dilutive potential common shares outstanding during the period. Dilutive potential common shares include outstanding stock options and unvested restricted shares.

The following table summarizes the computation of basic and diluted EPS:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2020	2019	2020	2019
	(In thousands, except per share data)			
Net income (loss) attributable to Amkor common stockholders	\$ 55,424	\$ (9,450)	\$ 119,313	\$ (32,329)
Weighted-average number of common shares outstanding - basic	241,098	239,508	241,009	239,461
Effect of dilutive securities:				
Stock options and restricted share awards	312	—	336	—
Weighted-average number of common shares outstanding - diluted	241,410	239,508	241,345	239,461
Net income (loss) attributable to Amkor per common share:				
Basic	\$ 0.23	\$ (0.04)	\$ 0.50	\$ (0.14)
Diluted	0.23	(0.04)	0.49	(0.14)

The following table summarizes the potential shares of common stock that were excluded from diluted EPS because the effect of including these potential shares was anti-dilutive:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2020	2019	2020	2019
	(In thousands)			
Stock options and restricted share awards	4,260	7,618	4,260	7,618

**AMKOR TECHNOLOGY, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**  
**(Unaudited)**

### 6. Accumulated Other Comprehensive Income (Loss)

Changes in accumulated other comprehensive income (loss), net of tax, consist of the following:

	Unrealized Gains (Losses) on Available- for-Sale Debt Investments (1)	Defined Benefit Pension (2)	Foreign Currency Translation	Total
(In thousands)				
Accumulated other comprehensive income (loss) at December 31, 2019	\$ —	\$ (4,820)	\$ 23,935	\$ 19,115
Other comprehensive income (loss) before reclassifications	369	—	(224)	145
Amounts reclassified from accumulated other comprehensive income (loss)	(11)	23	—	12
Other comprehensive income (loss)	358	23	(224)	157
Accumulated other comprehensive income (loss) at June 30, 2020	\$ 358	\$ (4,797)	\$ 23,711	\$ 19,272

	Defined Benefit Pension (2)	Foreign Currency Translation	Total
(In thousands)			
Accumulated other comprehensive income (loss) at December 31, 2018	\$ 2,659	\$ 21,153	\$ 23,812
Other comprehensive income (loss) before reclassifications	—	3,694	\$ 3,694
Amounts reclassified from accumulated other comprehensive income (loss)	(189)	—	\$ (189)
Other comprehensive income (loss)	(189)	3,694	3,505
Accumulated other comprehensive income (loss) at June 30, 2019	\$ 2,470	\$ 24,847	\$ 27,317

(1) Amounts reclassified out of accumulated other comprehensive income (loss) are included as other (income) expense, net (Note 3).

(2) Amounts reclassified out of accumulated other comprehensive income (loss) are included as a component of net periodic pension cost (Note 12) or other (income) expense, net.

### 7. Investments

We classify our short-term investments in fixed income securities as available-for-sale debt investments, except for one foreign government security classified as held-to-maturity and recorded at amortized cost. All of our available-for-sale debt investments as of June 30, 2020 are available to fund current operations and are recorded at fair value (Note 13). Unrealized gains and losses on our available-for-sale debt investments are included as a separate component of accumulated other comprehensive income (loss), net of tax. Realized gains and losses on our available-for-sale debt investments and declines in value judged to be an impairment are included in other (income) expense, net. The cost of short-term investments matured or sold is based on the average cost method.

In determining if and when a decline in value below the adjusted cost of our available-for-sale debt investments is an impairment, we evaluate on an ongoing basis the market conditions, trends of earnings, financial condition, credit

**AMKOR TECHNOLOGY, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**  
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ratings, any underlying collateral and other key measures for our short-term investments. An impairment is considered if (i) we have the intent to sell the security, (ii) it is more likely than not that we will be required to sell the security before recovery of the entire amortized cost basis or (iii) we do not expect to recover the entire amortized cost basis of the security. If impairment is considered on condition (i) or (ii) above, the entire difference between the amortized cost and the fair value of the debt security is recognized in earnings. If impairment is considered based on condition (iii), the amount representing credit losses will be recognized in earnings and as an allowance for credit losses. The amount relating to all other factors will be recognized in other comprehensive income.

The following table summarizes our cash equivalents and available-for-sale debt investments:

	June 30, 2020					
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses (1)	Total Fair Value	Fair Value Level	
					Level 1	Level 2
(In thousands)						
<b>Cash equivalents</b>						
Asset-backed securities	\$ 1,283	\$ —	\$ —	\$ 1,283	\$ —	\$ 1,283
Certificate of deposits	2,020	—	—	2,020	2,020	—
Commercial paper	12,994	—	—	12,994	—	12,994
Corporate bonds	13,914	55	(3)	13,966	—	13,966
Money market funds	293,308	—	—	293,308	293,308	—
Municipal bonds	7,178	—	—	7,178	—	7,178
U.S. government bonds	5,700	—	—	5,700	5,700	—
<b>Total cash equivalents</b>	<b>336,397</b>	<b>55</b>	<b>(3)</b>	<b>336,449</b>	<b>301,028</b>	<b>35,421</b>
<b>Short-term investments</b>						
Asset-backed securities	42,550	62	(9)	42,603	—	42,603
Certificate of deposits	12,989	—	—	12,989	12,989	—
Commercial paper	43,245	—	—	43,245	—	43,245
Corporate bonds	114,901	332	(27)	115,206	—	115,206
Municipal bonds	16,248	13	(6)	16,255	—	16,255
U.S. government agency bonds	35,457	15	(2)	35,470	—	35,470
U.S. government bonds	40,019	10	—	40,029	40,029	—
Variable rate demand notes	400	—	—	400	—	400
<b>Total short-term investments</b>	<b>305,809</b>	<b>432</b>	<b>(44)</b>	<b>306,197</b>	<b>53,018</b>	<b>253,179</b>
<b>Total (2)</b>	<b>\$ 642,206</b>	<b>\$ 487</b>	<b>\$ (47)</b>	<b>\$ 642,646</b>	<b>\$ 354,046</b>	<b>\$ 288,600</b>

(1) All unrealized losses have been in a continuous loss position for less than 12 months. We do not intend to sell the investments in an unrealized loss position, and it is not more likely than not that we will be required to sell these investments before recovery of their amortized cost bases.

(2) In July 2020, we increased our available-for-sale debt investments by \$60 million.

The following table summarizes the contractual maturities of our cash equivalents and available-for-sale debt investments as of June 30, 2020:

**AMKOR TECHNOLOGY, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**  
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	Amortized Cost	Fair Value
Within 1 year	608,074	608,470
After 1 year through 5 years	31,691	31,739
After 5 years through 10 years	2,441	2,437
Total	642,206	642,646

Actual maturities can differ from contractual maturities due to various factors including the issuers may have the right to call or prepay obligations without call or prepayment penalties, and we view our available-for-sale debt investments as available for current operations.

As of June 30, 2020, the amortized cost and the fair market value of our held-to-maturity security (Level 1) maturing within a year is \$4.4 million.

The following table summarizes our debt investments as of December 31, 2019:

	December 31, 2019 (In thousands)
Cash equivalent money market funds (Level 1) (1)	\$ 384,474
Short-term investment government bond (Level 2) (2)	6,348

(1) The cash equivalent money market funds (Level 1) at December 31, 2019 have been corrected to include \$286.7 million of cash equivalents that were excluded in previously reported amounts. There was no change to total cash and cash equivalents reported on our consolidated balance sheet. We determined this was immaterial to the prior period but have presented the balance as revised for comparability.

(2) The fair market value of the security is \$6.3 million.

## **8. Factoring of Accounts Receivable**

For certain accounts receivable, we use non-recourse factoring arrangements with third-party financial institutions to manage our working capital and cash flows. Under this program, we sell receivables to a financial institution for cash at a discount to the face amount. As part of the factoring arrangements, we perform certain collection and administrative functions for the receivables sold. For the three and six months ended June 30, 2020, we sold receivables totaling \$94.0 million and \$264.5 million, net of discounts and fees of \$0.6 million and \$1.6 million, respectively. For the three and six months ended June 30, 2019, we sold receivables totaling \$149.1 million and \$304.8 million, net of discounts and fees of \$1.1 million and \$2.2 million, respectively.

**AMKOR TECHNOLOGY, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**  
**(Unaudited)**

**9. Property, Plant and Equipment**

Property, plant and equipment consist of the following:

	June 30, 2020	December 31, 2019
	(In thousands)	
Land	\$ 219,969	\$ 219,785
Buildings and improvements	1,585,915	1,571,653
Machinery and equipment	5,502,380	5,303,729
Finance lease assets	34,854	34,158
Software and computer equipment	224,265	220,264
Furniture, fixtures and other equipment	20,293	19,740
Construction in progress	52,719	12,593
Total property, plant and equipment	7,640,395	7,381,922
Accumulated depreciation and amortization	(5,168,418)	(4,977,072)
Total property, plant and equipment, net	\$ 2,471,977	\$ 2,404,850

The following table summarizes our depreciation expense:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2020	2019	2020	2019
	(In thousands)			
Depreciation expense	\$ 124,224	\$ 132,642	\$ 247,725	\$ 268,139

**10. Accrued Expenses**

Accrued expenses consist of the following:

	June 30, 2020	December 31, 2019
	(In thousands)	
Payroll and benefits	\$ 112,197	\$ 115,693
Short-term operating lease liabilities	43,251	40,972
Income taxes payable	31,439	11,661
Deferred revenue and customer advances	14,968	16,177
Accrued interest	11,486	11,638
Accrued severance plan obligations	11,104	13,408
Short-term finance lease liabilities	9,084	9,121
Other accrued expenses	57,749	48,556
Total accrued expenses	\$ 291,278	\$ 267,226

**AMKOR TECHNOLOGY, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**  
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**11. Debt**

Following is a summary of short-term borrowings and long-term debt:

	June 30, 2020	December 31, 2019
	(In thousands)	
<b>Debt of Amkor Technology, Inc.:</b>		
Senior notes:		
6.625% Senior notes, due September 2027	\$ 525,000	\$ 525,000
<b>Debt of subsidiaries:</b>		
<b>Amkor Technology Korea, Inc.:</b>		
\$30 million revolving credit facility, LIBOR plus the applicable bank rate (1)	—	—
\$30 million revolving credit facility, applicable bank rate plus 1.51% (2)	30,000	—
Term loan, fund floating rate plus 1.60%, due June 2020 (3)	—	24,000
Term loan, fixed rate at 1.80%, due May 2021 (4)	—	—
Term loan, applicable bank rate plus 2.03%, due July 2022	40,000	40,000
Term loan, applicable bank rate plus 2.03%, due September 2022 (5)	140,000	60,000
Term loan, applicable bank rate plus 1.77%, due April 2023 (6)	124,715	—
Term loan, LIBOR plus 2.56%, due December 2023 (7)	80,000	200,000
Term loan, applicable bank rate plus 1.98%, due December 2028 (3)	90,000	66,000
<b>Amkor Technology Japan, Inc.:</b>		
Short-term term loans, variable rate (8)	4,762	7,071
Term loan, fixed rate at 0.86%, due June 2022	18,531	23,018
Term loan, fixed rate at 0.60%, due July 2022	4,169	5,064
Term loan, fixed rate at 1.30%, due July 2023	156,583	179,541
Term loan, fixed rate at 1.35%, due December 2024 (7)	237,654	262,407
<b>Amkor Assembly &amp; Test (Shanghai) Co., Ltd.:</b>		
Term loan, LIBOR plus 1.60%, due March 2022	28,500	29,000
Term loan, LIBOR Plus 1.40%, due March 2022	18,750	19,250
<b>Other:</b>		
\$250.0 million senior secured revolving credit facility, LIBOR plus 1.25% - 1.75%, due July 2023 (Singapore) (9)	—	—
Revolving credit facility, TAIEX plus the applicable bank rate, due December 2024 (Taiwan) (10)	56,000	20,000
	<u>1,554,664</u>	<u>1,460,351</u>
Less: Unamortized discount and deferred debt costs, net	(9,403)	(10,117)
Less: Short-term borrowings and current portion of long-term debt	(148,872)	(144,479)
Long-term debt	<u>\$ 1,396,389</u>	<u>\$ 1,305,755</u>

(1) In October 2019, we renewed our revolving credit facility agreement with availability of \$30.0 million which expires in October 2020. Principal is payable at maturity, six months after draw of funds, and interest is payable monthly in arrears. During the six months ended June 30, 2020, we borrowed \$30.0 million and repaid the full \$30.0 million. As of June 30, 2020, \$30.0 million was available to be drawn.

(2) In May 2020, we entered into a revolving credit facility agreement with availability of \$30.0 million which expires in December 2020. Principal is payable at maturity and interest is payable monthly in arrears, at an



**AMKOR TECHNOLOGY, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**  
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applicable bank rate plus 1.51%. During the three months ended June 30, 2020, we borrowed the entire \$30.0 million at a weighted interest rate of 2.21%, which is due September 2020.

- (3) In December 2018, we entered into a term loan agreement pursuant to which we may borrow up to \$90.0 million for capital expenditures. Principal is payable in semiannual installments and interest is payable quarterly in arrears (fixed at a weighted average of 4.21% as of June 30, 2020). During the six months ended June 30, 2020, we drew down the remaining \$24.0 million to repay our term loan due June 2020.
- (4) In May 2020, we entered into a KRW ₩60 billion term loan agreement with the option to re-borrow the funds through May 2021. Principal is payable at maturity and interest is payable monthly in arrears, at a fixed rate of 1.80%. During the three months ended June 30, 2020, we borrowed and repaid ₩60 billion (\$48.4 million). As of June 30, 2020, ₩60 billion was available to be drawn.
- (5) In July 2019, we entered into a \$140.0 million term loan due September 2022. Principal is payable at maturity, and interest is payable quarterly in arrears (fixed at a weighted average of 2.94% as of June 30, 2020). During the six months ended June 30, 2020, we borrowed the remaining \$80.0 million available under this loan.
- (6) In April 2020, we entered into a KRW ₩150 billion term loan due April 2023. Principal is payable at maturity and interest is payable monthly in arrears (2.87% as of June 30, 2020). We immediately borrowed the full ₩150 billion (\$124.7 million).
- (7) In January 2020, we used proceeds from our term loan due December 2024 to repay \$120.0 million of our term loan due December 2023.
- (8) We entered into various short-term term loans which mature semiannually. Principal and interest are payable in monthly installments. Interest as of June 30, 2020 is at TIBOR plus 0.10% to 0.20% (weighted average of 0.18% as of June 30, 2020). As of June 30, 2020, \$6.5 million was available to be drawn.
- (9) In July 2018, our subsidiary, Amkor Technology Singapore Holding Pte, Ltd., entered into a \$250.0 million senior secured revolving credit facility, which is guaranteed by Amkor Technology, Inc. The availability for our revolving credit facility is based on the amount of eligible accounts receivable. Principal is payable at maturity. Interest is payable monthly at LIBOR plus 1.25% to 1.75%. During the six months ended June 30, 2020, we borrowed and repaid \$150.0 million. As of June 30, 2020, \$250.0 million was available to be drawn.
- (10) In December 2019, we entered into a \$56.0 million revolving credit facility. Interest is payable monthly at TAIFX plus the applicable bank rate (2.78% as of June 30, 2020). In December 2019, we borrowed \$20.0 million with the principal payable at maturity of the facility in December 2024. During the six months ended June 30, 2020 we borrowed, repaid and re-borrowed the remaining \$36.0 million at a lower interest rate, with the principal payable in December 2024, based on incurring a certain level of qualified eligible transactions.

Certain of our foreign debt is collateralized by the land, buildings, equipment and accounts receivable in the respective locations. The carrying value of all collateral exceeds the carrying amount of the collateralized debt.

The debt of Amkor Technology, Inc. is structurally subordinated in right of payment to all existing and future debt and other liabilities of our subsidiaries. From time to time, Amkor Technology, Inc. and Amkor Technology Singapore Holding Pte, Ltd. guarantee certain debt of our subsidiaries. The agreements governing our indebtedness contain affirmative and negative covenants which restrict our ability to pay dividends and could restrict our operations. We have never paid a dividend to our stockholders, and we do not have any present plans for doing so. We were in compliance with all debt covenants at June 30, 2020.

**AMKOR TECHNOLOGY, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**  
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**12. Pension Plans****Foreign Defined Benefit Pension Plans**

Our subsidiaries in Japan, Korea, Malaysia, the Philippines and Taiwan sponsor defined benefit pension plans. Charges to expense are based upon actuarial analyses. The components of net periodic pension cost for these defined benefit pension plans are as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2020	2019	2020	2019
	(In thousands)			
Service cost	\$ 7,545	\$ 7,789	\$ 15,081	\$ 15,766
Interest cost	1,246	1,305	2,493	2,629
Expected return on plan assets	(1,381)	(1,595)	(2,755)	(3,213)
Recognized actuarial gain	14	(94)	28	(188)
Net periodic pension cost	\$ 7,424	\$ 7,405	\$ 14,847	\$ 14,994

The components of net periodic pension cost other than the service cost component are included in other (income) expense, net in our Consolidated Statements of Income.

**Defined Contribution Pension Plans**

We sponsor defined contribution pension plans in Korea, Malaysia, Taiwan and the U.S. The following table summarizes our defined contribution expense:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2020	2019	2020	2019
	(In thousands)			
Defined contribution expense	\$ 3,725	\$ 3,352	\$ 8,541	\$ 7,756

**13. Fair Value Measurements**

The accounting framework for determining fair value includes a hierarchy for ranking the quality and reliability of the information used to measure fair value, which enables the reader of the financial statements to assess the inputs used to develop those measurements. The fair value hierarchy consists of three tiers as follows: Level 1, defined as quoted market prices in active markets for identical assets or liabilities; Level 2, defined as inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, model-based valuation techniques for which all significant assumptions are observable in the market or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and Level 3, defined as unobservable inputs that are not corroborated by market data.

The fair values of cash, accounts receivable, trade accounts payable, capital expenditures payable, and certain other current assets and accrued expenses approximate carrying values because of their short-term nature. The carrying value of certain other non-current assets and liabilities approximates fair value. Our assets and liabilities recorded at fair value on a recurring basis include restricted cash money market funds and short-term investments, including investments classified as cash equivalents. We also review goodwill for impairment annually during the fourth quarter of each year. Cash equivalent money market funds and restricted cash money market funds are invested in U.S. money market funds and various U.S. and foreign bank operating and time deposit accounts, which are due on demand or carry a maturity date of less than three months when purchased. No restrictions have been imposed on us regarding withdrawal of balances with respect to our cash equivalents as a result of liquidity or other credit market issues affecting the money market funds we invest in or the counterparty financial institutions holding our deposits. Short-term investments, including money market funds (Note 7), are valued as follows:

**AMKOR TECHNOLOGY, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)**  
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- Level 1: using quoted market prices in active markets for identical assets.
- Level 2: using quoted market prices for similar instruments or non-binding market prices that are corroborated by observable market data. We use inputs such as actual trade data, benchmark yields, broker/dealer quotes, and other similar data, which are obtained from quoted market prices, and independent pricing vendors to determine the fair value of these assets and liabilities.

Our derivative financial instruments are valued using quoted market prices for similar assets. Counterparties to these derivative contracts are highly rated financial institutions.

We also measure certain assets and liabilities, including property, plant and equipment and goodwill, at fair value on a nonrecurring basis.

We measure the fair value of our debt for disclosure purposes. The following table presents the fair value of financial instruments that are not recorded at fair value on a recurring basis:

	June 30, 2020		December 31, 2019	
	Fair Value	Carrying Value	Fair Value	Carrying Value
	(In thousands)			
Senior notes (Level 1)	\$ 563,425	\$ 515,597	\$ 576,875	\$ 519,211
Revolving credit facilities and term loans (Level 2)	1,034,445	1,029,664	940,756	931,023
<b>Total debt</b>	<b>\$ 1,597,870</b>	<b>\$ 1,545,261</b>	<b>\$ 1,517,631</b>	<b>\$ 1,450,234</b>

The estimated fair value of our senior notes is based primarily on quoted market prices reported on or near the respective balance sheet dates. The estimated fair value of our revolving credit facilities and term loans is calculated using a discounted cash flow analysis, which utilizes market-based assumptions including forward interest rates adjusted for credit risk.

#### 14. Commitments and Contingencies

We generally warrant that our services will be performed in a professional and workmanlike manner and in compliance with our customers' specifications. We accrue costs for known warranty issues. Historically, our warranty costs have been immaterial.

##### *Legal Proceedings*

We are involved in claims and legal proceedings and may become involved in other legal matters arising in the ordinary course of our business. We evaluate these claims and legal matters on a case-by-case basis to make a determination as to the impact, if any, on our business, liquidity, results of operations, financial condition or cash flows. Although the outcome of these matters is uncertain, we believe that the ultimate outcome of these claims and proceedings, individually and in the aggregate, will not have a material adverse impact to us. Our evaluation of the potential impact of these claims and legal proceedings on our business, liquidity, results of operations, financial condition or cash flows could change in the future.

In accordance with the accounting guidance for loss contingencies, including legal proceedings, lawsuits, pending claims and other legal matters, we accrue for a loss contingency when we conclude that the likelihood of a loss is probable and the amount of the loss can be reasonably estimated. We adjust our accruals from time to time as we receive additional information, but the loss we incur may be significantly greater than or less than the amount we have accrued. We disclose loss contingencies if we believe they are material and there is at least a reasonable possibility that a loss has been incurred. Attorney fees related to legal matters are expensed as incurred.

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**15. Restructuring and Other Exit Activities**

As part of our ongoing efforts to improve our manufacturing operations and manage costs, we regularly evaluate our staffing levels and facility requirements compared to business needs. The following table summarizes our exit activities associated with these efforts. “Charges” represents the initial charge related to the exit activity. “Cash Payments” consists of the utilization of “Charges.” “Non-cash Amounts” consists of translation adjustments.

***Japan Consolidation Activities***

During the three and six months ended June 30, 2020, we recorded restructuring charges of \$1.9 million and \$3.8 million, respectively, associated with our Japan factory consolidation efforts. We recorded these charges to selling, general and administrative expenses within the Consolidated Statements of Income. All amounts accrued at June 30, 2020 are classified as current liabilities. We expect to complete our restructuring actions in the first half of fiscal 2021.

	Facility Costs (1)	Employee Separation Costs	Other Exit Costs (2)	Total
	(In thousands)			
Accrual at December 31, 2019	\$ 2,196	\$ 271	\$ 174	\$ 2,641
Charges	2,524	280	971	3,775
Cash Payments	(3,262)	(485)	(1,111)	(4,858)
Non-cash Amounts	(11)	—	(3)	(14)
Accrual at June 30, 2020	<u>\$ 1,447</u>	<u>\$ 66</u>	<u>\$ 31</u>	<u>\$ 1,544</u>
Total cumulative charges incurred to date	\$ 7,024	\$ 2,990	\$ 1,716	\$ 11,730
Estimated additional charges to be incurred	\$ 10,000	\$ 6,000	\$ 3,000	\$ 19,000

(1) Facility costs primarily consist of equipment relocation costs directly resulting from the restructuring actions.

(2) Other exit costs primarily consist of employee relocation and training costs directly resulting from the restructuring actions.

## **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

### **Overview**

Amkor is one of the world's leading providers of outsourced semiconductor packaging and test services. Our financial goals are sales growth and improved profitability. To achieve these goals, we are focused on generating increased value from our investments in advanced technologies, improving utilization of existing assets, executing our balanced growth strategy and selectively growing our scale and scope through strategic investments.

We are an industry leader in developing and commercializing cost-effective advanced packaging and test technologies. These advanced technology solutions provide increased value to our customers. This is particularly true in the mobile communications market, where growth generally outpaces the overall semiconductor industry. Advanced packages are now the preferred choice in both the high-end and the mid-range segments of the smartphone market, which together account for a high portion of mobile phone semiconductor value. The demand for advanced packages is also being driven by second-wave mobile device customers, who are transitioning out of wirebond into wafer-level and flip-chip packages. Interest in advanced packages for automotive applications is growing as well, largely due to new, data-intensive applications, which require increased pin count and performance. We believe that our technology leadership and this technology transition create significant growth opportunities for us.

We typically look for opportunities in the advanced packaging and test area where we can generate reasonably quick returns on investments made for customers seeking leading edge technologies. We also focus on developing a second wave of customers to fill the capacity that becomes available when leading edge customers transition to newer packaging and test equipment and platforms. In addition, we are seeking to add new customers and to deepen our engagement with existing customers. This includes an expanded emphasis on the automotive end market where semiconductor content continues to grow and in the analog area for our mainstream wirebond technologies.

From time to time, we identify attractive opportunities to grow our customer base and expand the markets we serve through joint ventures, acquisitions and other strategic investments. For example, in May 2017 we acquired Nanium, which has strengthened our position in the market for wafer-level fan-out packaging, and in December 2015, we completed the acquisition of our Japan operations. We believe that taking advantage of these opportunities helps diversify our revenue streams, improve our profits, broaden our portfolio of services and maintain our technological leadership.

As a supplier in the semiconductor industry, our business is cyclical and impacted by broad economic factors. Historically, there has been a strong correlation between world-wide gross domestic product levels, consumer spending and semiconductor industry cycles. The semiconductor industry has experienced significant and sometimes prolonged cyclical upturns and downturns in the past. We believe that the smartphone inventory correction that impacted the first half of 2019 had recovered and that, prior to the Covid-19 outbreak, the general semiconductor market was nearing stabilization and likely to resume growth going forward.

Customer demand for our services was strong throughout the second quarter of 2020 in the communications and consumer end markets. We experienced only minor Covid-19 related disruptions to our operations during the period, principally as a result of isolated supply chain constraints and adapting to quarantines and movement control orders in the Philippines and Malaysia. Demand in the automotive and industrial ("automotive") end market was adversely affected by the Covid-19 pandemic during the quarter ended June 30, 2020. The Covid-19 pandemic is expected to continue to affect our results of operations in the second half of 2020.

The full potential effect of the Covid-19 pandemic is unknown, and there is significant uncertainty related to the ultimate impact that the Covid-19 pandemic will have on our business, results of operations and financial condition. See Part II, Item 1A, including, "The Covid-19 outbreak could impact the supply chain and consumer demand for our customers' products and services, which may adversely affect our business, results of operations, and financial condition" and "Dependence on the Highly Cyclical Semiconductor Industry - Our Packaging and Test Services Are Used in Volatile Industries and Industry Downturns, and Declines in Global Economic and Financial Conditions Could Harm Our Performance."

We operate in a capital-intensive industry and have a significant level of debt. Servicing our current and future customers requires that we incur significant operating expenses and continue to make significant capital expenditures,

which are generally made in advance of the related revenues and without firm customer commitments. We fund our operations, including capital expenditures and debt service requirements, with cash flows from operations, existing cash and cash equivalents, short-term investments, borrowings under available credit facilities and proceeds from any additional financing. Maintaining an appropriate level of liquidity is important to our business and depends on, among other considerations, the performance of our business, our capital expenditure levels, our ability to repay debt out of our operating cash flows or proceeds from debt or equity financings and our investment strategy. During the three months ended March 31, 2020, as a proactive, precautionary measure in light of the uncertainties caused by the Covid-19 pandemic, we elected to draw down approximately \$200 million from select lines of credit, including \$150 million under our senior secured revolving credit facility. During the three months ended June 30, 2020, we repaid \$165 million on these credit facilities, borrowed \$125 million in new revolving loans and borrowed \$80 million under existing term loans. Collectively, these actions increased our available borrowing capacity and overall liquidity. As of June 30, 2020, we had cash and cash equivalents and short-term investments of \$783.2 million and \$310.6 million, respectively.

Our net sales, gross profit, operating income, cash flows, liquidity and capital resources have historically fluctuated significantly from quarter to quarter as a result of many factors, including the seasonality of our business, the cyclical nature of the semiconductor industry and other factors discussed in Part II, Item 1A of this Quarterly Report on Form 10-Q.

### **Financial Summary**

Our net sales increased \$277.6 million or 31.0% to \$1,172.9 million for the three months ended June 30, 2020 from \$895.3 million for the three months ended June 30, 2019. This increase was due to higher sales of advanced products in the consumer and communications end markets, partially offset by a decline in the automotive end market.

Gross margin for the three months ended June 30, 2020 increased to 16.4% from 13.8% for the three months ended June 30, 2019. The increase in gross margin was primarily due to the increase in net sales, partially offset by changes in the mix of products sold with higher material content during the period.

Our capital expenditures totaled \$134.3 million for the six months ended June 30, 2020, compared to \$273.7 million for the six months ended June 30, 2019. Our spending was primarily focused on investments in advanced packaging and test equipment.

Net cash provided by operating activities was \$242.4 million for the six months ended June 30, 2020, compared to \$168.9 million for the six months ended June 30, 2019. This increase was primarily due to higher net sales and higher operating profit, partially offset by changes in our working capital.

### **Results of Operations**

The following table sets forth certain operating data as a percentage of net sales for the periods indicated:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2020	2019	2020	2019
Net sales	100.0 %	100.0 %	100.0 %	100.0 %
Materials	45.2 %	38.0 %	45.3 %	38.0 %
Labor	13.9 %	17.4 %	14.0 %	17.4 %
Other manufacturing costs	24.5 %	30.8 %	24.3 %	31.0 %
Gross margin	16.4 %	13.8 %	16.4 %	13.6 %
Operating income	7.4 %	2.5 %	7.3 %	2.0 %
Net income (loss) attributable to Amkor	4.7 %	(1.1) %	5.1 %	(1.8) %

### Net Sales

	For the Three Months Ended June 30,			For the Six Months Ended June 30,				
	2020	2019	Change	2020	2019	Change		
(In thousands, except percentages)								
Net sales	\$ 1,172,909	\$ 895,305	\$ 277,604	31.0 %	\$ 2,325,525	\$ 1,790,269	\$ 535,256	29.9 %

The increase in net sales for the three and six months ended June 30, 2020 compared to the three and six months ended June 30, 2019 was due to higher sales of advanced products in the consumer and communications end markets, partially offset by a decline in the automotive end market. Sales increased in the consumer end market due to the introduction of a new high-volume consumer product. The communications end market benefited from the recovery in the smartphone market from the prior year inventory correction.

### Gross Margin

	For the Three Months Ended June 30,			For the Six Months Ended June 30,		
	2020	2019	Change	2020	2019	Change
(In thousands, except percentages)						
Gross profit	\$192,320	\$123,454	\$68,866	\$381,228	\$244,215	\$137,013
Gross margin	16.4 %	13.8 %	2.6 %	16.4 %	13.6 %	2.8 %

Our cost of sales consists principally of materials, labor, depreciation and manufacturing overhead. Since a substantial portion of the costs at our factories is fixed, there tends to be a strong relationship between our revenue levels and gross margin. Accordingly, relatively modest increases or decreases in revenue can have a significant effect on margin and on labor and other manufacturing costs as a percentage of revenue, depending upon product mix, utilization and seasonality.

Gross margin increased for the three and six months ended June 30, 2020 compared to the three and six months ended June 30, 2019, primarily due to the increase in net sales, partially offset by changes in the mix of products sold with higher material content during the period.

### Selling, General and Administrative

	For the Three Months Ended June 30,			For the Six Months Ended June 30,				
	2020	2019	Change	2020	2019	Change		
(In thousands, except percentages)								
Selling, general and administrative	\$ 74,260	\$ 64,758	\$ 9,502	14.7 %	\$ 146,842	\$ 136,345	\$ 10,497	7.7 %

Selling, general and administrative expenses for the three and six months ended June 30, 2020 increased compared to the three and six months ended June 30, 2019, primarily due to increased employee compensation costs and costs incurred for our factory consolidation efforts in Japan. In addition, we received proceeds from a sale of real estate in the second quarter of 2019 which lowered our expenses that period. These increases were partially offset by our efforts to control expenses, particularly professional fees and travel.

### Research and Development

	For the Three Months Ended June 30,			For the Six Months Ended June 30,				
	2020	2019	Change	2020	2019	Change		
(In thousands, except percentages)								
Research and development	\$ 31,536	\$ 36,186	\$ (4,650)	(12.9)%	\$ 63,789	\$ 71,940	\$ (8,151)	(11.3)%

Research and development activities are focused on developing new packaging and test services and improving the efficiency and capabilities of our existing production processes. The costs related to our technology and product development projects are included in research and development expense until the project moves into production. Once production begins, the costs related to production become part of the cost of sales, including ongoing depreciation for the equipment previously held for research and development activities. Research and development expenses for the three

and six months ended June 30, 2020 decreased compared to the three and six months ended June 30, 2019 due to projects that moved into production, partially offset by new development projects, primarily at our research and development facility in Korea.

### Other Income and Expense

	For the Three Months Ended June 30,				For the Six Months Ended June 30,			
	2020	2019	Change		2020	2019	Change	
(In thousands, except percentages)								
Interest expense	\$ 16,012	\$ 18,653	\$ (2,641)	(14.2)%	\$ 33,057	\$ 37,926	\$ (4,869)	(12.8)%
Interest income	(1,701)	(1,598)	(103)	6.4 %	(3,959)	(3,662)	(297)	8.1 %
Foreign currency (gain) loss, net	3,461	606	2,855	>100%	3,232	(1,407)	4,639	>(100)%
Loss on debt retirement	—	8,356	(8,356)	(100.0)%	428	8,356	(7,928)	(94.9)%
Other (income) expense, net	(293)	(398)	105	(26.4)%	(549)	(886)	337	(38.0)%
Total other expense, net	<u>\$ 17,479</u>	<u>\$ 25,619</u>	<u>\$ (8,140)</u>	<u>(31.8)%</u>	<u>\$ 32,209</u>	<u>\$ 40,327</u>	<u>\$ (8,118)</u>	<u>(20.1)%</u>

Interest expense decreased for the three and six months ended June 30, 2020 compared to the three and six months ended June 30, 2019, primarily due to the repayment of higher interest debt with the proceeds from our ¥28.5 billion (\$260.6 million) fixed rate term loan agreement in December 2019 and January 2020. Interest expense has also decreased due to overall decreases in interest rates in 2020 for our variable interest rate loans.

The changes in foreign currency (gain) loss, net for the three and six months ended June 30, 2020 compared to the three and six months ended June 30, 2019 were due to foreign currency exchange rate movements, mainly the Korean Won, and the associated impact on our net monetary exposure at our foreign subsidiaries.

The loss on debt retirement for the three and six months ended June 30, 2019 was due to the early redemption in April 2019 of the outstanding \$525 million aggregate principal amount of our 6.375% Senior Notes due 2022.

### Income Tax Expense

	For the Three Months Ended June 30,			For the Six Months Ended June 30,		
	2020	2019	Change	2020	2019	Change
(In thousands)						
Income tax expense	\$ 12,905	\$ 5,897	\$ 7,008	\$ 17,751	\$ 27,277	\$ (9,526)

Income tax expense, which includes foreign withholding taxes and minimum taxes, reflects the applicable tax rates in effect in the various countries where our income is earned and is subject to volatility depending on the relative mix of earnings in each location. Income tax expense for the six months ended June 30, 2019 also includes a \$14.9 million non-cash discrete tax expense primarily for the recognition of a valuation allowance for certain deferred tax assets.

During the six months ended June 30, 2020 and 2019, our subsidiaries in Korea, the Philippines and Singapore operated under various tax holidays. As these tax holidays expire, income earned in these jurisdictions will be subject to higher statutory income tax rates, which may cause our effective tax rate to increase.

### Liquidity

We assess our liquidity based on our current expectations regarding sales, operating expenses, capital spending, debt service requirements and other funding needs. Based on this assessment, we believe that our cash flow from operating activities, together with existing cash and cash equivalents, short-term investments and availability under our credit facilities, will be sufficient to fund our working capital, capital expenditure, debt service and other financial requirements for at least the next twelve months. During the three months ended March 31, 2020, as a proactive, precautionary measure in light of the uncertainties caused by the Covid-19 pandemic, we elected to draw down approximately \$200 million from select lines of credit, including \$150 million under our senior secured revolving credit facility. During the three months ended June 30, 2020, we repaid \$165 million on the credit facilities, borrowed \$125 million of new



revolving loans, and borrowed \$80 million of existing term loans. Collectively, these actions increased our available borrowing capacity and overall liquidity.

Our liquidity is affected by, among other factors, volatility in the global economy and credit markets, the performance of our business, our capital expenditure levels, other uses of our cash including any purchases of stock under our stock repurchase program, any acquisitions or investments in joint ventures and our ability to either repay debt out of operating cash flow or refinance it at or prior to maturity with the proceeds of debt or equity offerings. There can be no assurance that we will generate the necessary net income or operating cash flows, or be able to borrow sufficient funds, to meet the funding needs of our business beyond the next twelve months due to a variety of factors, including the cyclical nature of the semiconductor industry and other factors discussed in Part II, Item 1A of this Quarterly Report on Form 10-Q.

Our primary source of cash and the source of funds for our operations are cash flows from operations, current cash and cash equivalents, short-term investments, borrowings under available credit facilities and proceeds from any additional debt or equity financings. We refer you to Note 7 and Note 11 to our Consolidated Financial Statements in Part 1, Item 1 of this Quarterly Report on Form 10-Q for additional information on our investments and borrowings, respectively.

As of June 30, 2020, we had cash and cash equivalents and short-term investments of \$783.2 million and \$310.6 million, respectively. Included in our cash and short-term investments balances as of June 30, 2020, is \$715.9 million and \$214.7 million, respectively, held offshore by our foreign subsidiaries. We have the ability to access cash held offshore by our foreign subsidiaries primarily through the repayment of intercompany debt obligations. Due to the changes in the U.S. tax law under the Tax Cuts and Jobs Act (“Tax Act”), distributions of cash to the U.S. as dividends generally will not be subject to U.S. federal income tax. If we were to distribute this offshore cash to the U.S. as dividends from our foreign subsidiaries, we may be subject to foreign withholding and state income taxes.

The borrowing base under our \$250.0 million first lien senior secured revolving credit facility entered into by our subsidiary, Amkor Technology Singapore Holding Pte, Ltd. (the “Singapore Revolver”), is limited to the amount of eligible accounts receivable. As of June 30, 2020, we had availability of \$250.0 million and no outstanding standby letters of credit. As of June 30, 2020, our foreign subsidiaries had \$280.0 million available to be drawn under revolving credit facilities, including the Singapore Revolver, and \$56.4 million available to be borrowed under term loan credit facilities for working capital purposes and capital expenditures.

As of June 30, 2020, we had \$1,545.3 million of debt. Our scheduled principal repayments on debt include \$91.8 million due over the remainder of 2020, \$114.1 million due in 2021, \$344.1 million due in 2022, \$306.5 million due in 2023, \$121.7 million due in 2024, and \$576.4 million due thereafter. We were in compliance with all debt covenants at June 30, 2020, and we expect to remain in compliance with these covenants for at least the next twelve months.

For certain accounts receivable, we use non-recourse factoring arrangements with third-party financial institutions to manage our working capital and cash flows. Under this program, we sell receivables to a financial institution for cash at a discount to the face amount. Available capacity under these programs is dependent on the level of our trade accounts receivable eligible to be sold, the financial institutions’ willingness to purchase such receivables and the limits provided by the financial institutions. These factoring arrangements can be reduced or eliminated at any time due to market conditions and changes in the credit worthiness of customers. For the six months ended June 30, 2020 and 2019, we sold accounts receivable totaling \$264.5 million and \$304.8 million, net of discounts and fees of \$1.6 million and \$2.2 million, respectively.

In order to reduce our debt and future cash interest payments, we may from time to time repurchase or redeem our outstanding notes for cash or exchange shares of our common stock for our outstanding notes. Any such transaction may be made in the open market, through privately negotiated transactions or otherwise, and would be subject to the terms of our indentures and other debt agreements, market conditions and other factors.

Certain debt agreements have restrictions on dividend payments and the repurchase of stock and subordinated securities. These restrictions are determined in part by calculations based upon cumulative net income or borrowing availability. We have never paid a dividend to our stockholders, and we do not have any present plans for doing so. From time to time, Amkor Technology, Inc. and Amkor Technology Singapore Holding Pte, Ltd. also guarantee certain debt of our subsidiaries.

We operate in a capital-intensive industry. Servicing our current and future customers may require that we incur significant operating expenses and make significant investments in equipment and facilities, which are generally made in advance of the related revenues and without firm customer commitments.

Our Board of Directors previously authorized the repurchase of up to \$300.0 million of our common stock, exclusive of any fees, commissions or other expenses. At June 30, 2020, approximately \$91.6 million was available to repurchase common stock pursuant to the stock repurchase program. The purchase of stock may be made in the open market or through privately negotiated transactions. The timing, manner, price and amount of any repurchases will be determined by us at our discretion and will depend upon a variety of factors including economic and market conditions, the cash needs and investment opportunities for the business, the current market price of our stock, applicable legal requirements and other factors. We have not purchased any stock under the program since 2012.

### Capital Resources

We make significant capital expenditures in order to service the demand of our customers, which is primarily focused on investments in advanced packaging and test equipment. We expect 2020 capital expenditures to be approximately \$550 million. During the six months ended June 30, 2020, our capital expenditures totaled \$134.3 million. Ultimately, the amount of our 2020 capital expenditures will depend on several factors including, among others, the timing and implementation of any capital projects under review, the performance of our business, economic and market conditions, the cash needs and investment opportunities for the business, the need for additional capacity to service anticipated customer demand and the availability of cash flows from operations or financing.

In addition, we are subject to risks associated with our capital expenditures, including those discussed in Part II, Item 1A of this Quarterly Report on Form 10-Q under the caption “Capital Expenditures - We Make Substantial Investments in Equipment and Facilities To Support the Demand Of Our Customers, Which May Adversely Affect Our Business If the Demand Of Our Customers Does Not Develop As We Expect or Is Adversely Affected.”

### Cash Flows

Net cash provided by (used in) operating, investing and financing activities for the six months ended June 30, 2020 and 2019, was as follows:

	For the Six Months Ended June 30,	
	2020	2019
	(In thousands)	
Operating activities	\$ 242,402	\$ 168,928
Investing activities	(435,113)	(261,023)
Financing activities	82,542	(40,181)

*Operating activities:* Our cash flow provided by operating activities for the six months ended June 30, 2020 increased by \$73.5 million compared to the six months ended June 30, 2019, primarily due to higher net sales and higher operating profit, partially offset by changes in our working capital.

*Investing activities:* Our cash flows used in investing activities for the six months ended June 30, 2020 increased by \$174.1 million compared to the six months ended June 30, 2019, primarily due to purchases of short-term investments. This increase was partially offset by a decrease in payments related to purchases of property, plant and equipment and proceeds from sales and maturities of short-term investments. Payments for property, plant and equipment can fluctuate based on timing of purchase, receipt and acceptance of equipment.

*Financing activities:* The net cash provided by financing activities for the six months ended June 30, 2020 was primarily due to the net borrowing in Korea and Taiwan, partially offset by net repayments of debt in Japan. The net cash used in financing activities for the six months ended June 30, 2019 was primarily due to the redemption of our 6.375% Senior Notes due 2022 as well as repayments of debt in Japan and Korea, partially offset by our issuance of the 6.625% Senior Notes due September 2027 and draw down of our Singapore Revolver.

We provide the following supplemental data to assist our investors and analysts in understanding our liquidity and capital resources. We define free cash flow as net cash provided by operating activities less payments for property, plant and

equipment, plus proceeds from the sale of and insurance recovery for property, plant and equipment, if applicable. Free cash flow is not defined by U.S. GAAP. We believe free cash flow to be relevant and useful information to our investors because it provides them with additional information in assessing our liquidity, capital resources and financial operating results. Our management uses free cash flow in evaluating our liquidity, our ability to service debt and our ability to fund capital expenditures. However, free cash flow has certain limitations, including that it does not represent the residual cash flow available for discretionary expenditures since other, non-discretionary expenditures, such as mandatory debt service, are not deducted from the measure. The amount of mandatory versus discretionary expenditures can vary significantly between periods. This measure should be considered in addition to, and not as a substitute for, or superior to, other measures of liquidity or financial performance prepared in accordance with U.S. GAAP, such as net cash provided by operating activities. Furthermore, our definition of free cash flow may not be comparable to similarly titled measures reported by other companies.

	For the Six Months Ended June 30,	
	2020	2019
(In thousands)		
Net cash provided by operating activities	\$ 242,402	\$ 168,928
Payments for property, plant and equipment	(134,340)	(273,672)
Proceeds from sale of and insurance recovery for property, plant and equipment	2,389	9,785
Free cash flow	\$ 110,451	\$ (94,959)

### Contractual Obligations

The following table summarizes our contractual obligations at June 30, 2020, and the effect such obligations are expected to have on our liquidity and cash flows in future periods.

	Payments Due for Year Ending December 31,						
	Total	2020 - Remaining	2021	2022	2023	2024	Thereafter
(In thousands)							
Total debt	\$ 1,554,664	\$ 91,817	\$ 114,110	\$ 344,121	\$ 306,518	\$ 121,669	\$ 576,429
Scheduled interest payment obligations (1)	331,082	29,036	56,707	52,525	44,239	39,358	109,217
Purchase obligations (2)	191,763	179,771	3,578	2,960	2,082	1,271	2,101
Operating lease obligations (3)	144,768	24,630	44,089	27,347	13,703	10,204	24,795
Finance lease obligations (3)	21,253	4,883	9,247	2,302	1,014	965	2,842
Severance obligations (4)	114,437	5,552	9,800	8,942	8,142	7,402	74,599
Total contractual obligations	\$ 2,357,967	\$ 335,689	\$ 237,531	\$ 438,197	\$ 375,698	\$ 180,869	\$ 789,983

- (1) Represents interest payment obligations calculated using stated coupon rates for fixed rate debt and interest rates applicable at June 30, 2020, for variable rate debt.
- (2) Represents off-balance sheet purchase obligations for capital expenditures, long-term supply contracts and other contractual commitments outstanding at June 30, 2020.
- (3) Represents future minimum lease payments including interest payments.
- (4) Represents estimated benefit payments for our Korean subsidiary severance plan.

In addition to the obligations identified in the table above, other non-current liabilities recorded in our Consolidated Balance Sheet at June 30, 2020 include:

- \$61.8 million of foreign pension plan obligations, for which the timing and actual amount of impact on our future cash flow is uncertain.
- \$25.2 million net liability associated with unrecognized tax benefits. Due to the uncertainty regarding the amount and the timing of any future cash outflows associated with our unrecognized tax benefits, we are unable to reasonably estimate the amount and period of ultimate settlement, if any, with the various taxing authorities.

### **Off-Balance Sheet Arrangements**

As of June 30, 2020, we had no off-balance sheet guarantees or other off-balance sheet arrangements as defined in Item 303(a)(4)(ii) of SEC Regulation S-K.

### **Contingencies, Indemnifications and Guarantees**

We refer you to Note 14 to our Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for a discussion of our contingencies related to litigation and other legal matters.

### **Critical Accounting Policies**

Our critical accounting policies are disclosed in our Annual Report on Form 10-K for the year ended December 31, 2019. During the six months ended June 30, 2020, there were no significant changes in our critical accounting policies as reported in our 2019 Annual Report on Form 10-K.

### **Item 3. Quantitative and Qualitative Disclosures about Market Risk**

#### **Market Risk Sensitivity**

We are exposed to market risks, primarily related to foreign currency and interest rate fluctuations. In the normal course of business, we employ established policies and procedures to manage the exposure to fluctuations in foreign currency values and changes in interest rates.

#### **Foreign Currency Risk**

The U.S. dollar is our reporting and functional currency for us and for our subsidiaries, except for our Japan operations, where the Japanese Yen is the functional currency. In order to reduce our exposure to foreign currency gains and losses, we generally use natural hedging techniques to reduce foreign currency rate risk. We also use forward contracts to mitigate foreign currency risk of certain net monetary liabilities denominated in foreign currencies.

We have foreign currency exchange rate risk associated with the remeasurement of monetary assets and liabilities on our Consolidated Balance Sheets that are denominated in currencies other than the functional currency. We performed a sensitivity analysis of our foreign currency exposure as of June 30, 2020 to assess the potential impact of fluctuations in exchange rates for all foreign denominated assets and liabilities. Assuming that all foreign currencies appreciated 10% against the U.S. dollar, taking into account our foreign currency forward contracts, our income before taxes for the six months ended June 30, 2020 would have been approximately \$10 million lower, due to the remeasurement of monetary assets and liabilities.

In addition, we have foreign currency exchange rate exposure on our results of operations. For the six months ended June 30, 2020, approximately 80% of our net sales were denominated in U.S. dollars. Our remaining net sales were principally denominated in Japanese Yen. For the six months ended June 30, 2020, approximately 40% of our cost of sales and operating expenses were denominated in U.S. dollars and were largely for raw materials and costs associated with property, plant and equipment. The remaining portion of our cost of sales and operating expenses was principally denominated in the Asian currencies where our production facilities are located and largely consisted of labor. To the extent that the U.S. dollar weakens against these Asian-based currencies, similar foreign currency denominated income and expenses in the future will result in higher sales, higher cost of sales and operating expenses, with cost of sales and operating expenses having the greater impact on our financial results. Similarly, our sales, cost of sales and operating expenses will decrease if the U.S. dollar strengthens against these foreign currencies. We performed a sensitivity analysis of our foreign currency exposure as of June 30, 2020 to assess the potential impact of fluctuations in exchange rates for all foreign denominated sales and operating expenses. Assuming that all foreign currencies appreciated 10% against the U.S. dollar, our operating income for the six months ended June 30, 2020 would have been approximately \$59 million lower.

There are inherent limitations in the sensitivity analysis presented, primarily the assumption that foreign exchange rate movements across multiple jurisdictions would change instantaneously in an equal fashion. As a result, the analysis is unable to reflect the potential effects of more complex market or other changes that could arise which may positively or negatively affect our results of operations.

Our Consolidated Financial Statements are impacted by changes in exchange rates at the entity where the local currency is the functional currency. The effect of foreign exchange rate translation for these entities was a loss of \$0.2 million and a gain of \$3.7 million for the six months ended June 30, 2020 and 2019, respectively, and was recognized as an adjustment to equity through other comprehensive income (loss).

### Interest Rate Risk

We have interest rate risk with respect to our available-for-sale debt investments. Our investment portfolio consists of various security types and maturities, with a significant portion of our portfolio having maturity of one year or less. Our primary objective with our investment portfolio is to invest available cash while preserving capital and meeting liquidity needs. These securities are subject to interest rate risk and will decrease in value if market interest rates increase. We do not have hedging instruments for our available-for-sale debt investments, and they are held for purposes other than trading. Due to the relatively short-term nature of our investment portfolio, an immediate increase in interest rates will not have a material impact on the fair value of our available-for-sale debt investments. For information regarding our available-for-sale debt investments, see Note 7 to our Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q.

In addition, we have interest rate risk with respect to our debt. Our fixed and variable rate debt includes foreign borrowings and revolving credit facilities. Our fixed rate debt also consists of senior notes. Changes in interest rates have different impacts on the fixed and variable rate portions of our debt portfolio. A change in interest rates on the fixed portion of the debt portfolio impacts the fair value of the debt instrument but has no impact on interest expense or cash flows. A change in interest rates on the variable portion of the debt portfolio impacts the interest incurred and cash flows but does not generally impact the fair value of the instrument.

The table below presents the interest rates, maturities and fair value of our fixed and variable rate debt as of June 30, 2020:

	2020 - Remaining	2021	2022	2023	2024	Thereafter	Total	Fair Value
	(\$ in thousands)							
Fixed rate debt	\$ 56,055	\$ 112,110	\$ 299,871	\$ 101,803	\$ 65,669	\$ 576,429	\$ 1,211,937	\$ 1,256,814
Average interest rate	1.3 %	1.3 %	2.5 %	1.7 %	1.9 %	6.4 %	4.1 %	
Variable rate debt	\$ 35,762	\$ 2,000	\$ 44,250	\$ 204,715	\$ 56,000	\$ —	\$ 342,727	\$ 341,056
Average interest rate	1.9 %	1.9 %	2.0 %	2.9 %	2.8 %	— %	2.6 %	
<b>Total debt maturities</b>	<b>\$ 91,817</b>	<b>\$ 114,110</b>	<b>\$ 344,121</b>	<b>\$ 306,518</b>	<b>\$ 121,669</b>	<b>\$ 576,429</b>	<b>\$ 1,554,664</b>	<b>\$ 1,597,870</b>

For information regarding the fair value of our long-term debt, see Note 13 to our Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q.

**Item 4. Controls and Procedures**

**Evaluation of Disclosure Controls and Procedures**

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our periodic reports to the Securities and Exchange Commission (“SEC”) is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms and that such information is accumulated and communicated to our management, including the Chief Executive Officer and the Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure, based on the definition of “disclosure controls and procedures” in Rule 13a-15(e) and Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended. In designing and evaluating the disclosure controls and procedures, management recognizes that any disclosure controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily is required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures.

We carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of June 30, 2020 and concluded those disclosure controls and procedures were effective as of that date.

**Changes in Internal Control Over Financial Reporting**

There have been no changes in our internal control over financial reporting that occurred during the three months ended June 30, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. *Legal Proceedings*

Information about legal proceedings is set forth in Note 14 to our Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q and in Note 17 to our Annual Report on Form 10-K for the year ended December 31, 2019.

### Item 1A. *Risk Factors*

The factors discussed below are cautionary statements that identify important factors and risks that could cause actual results to differ materially from those anticipated by the forward-looking statements contained in this report. For more information regarding the forward-looking statements contained in this report, see the Table of Contents of this Quarterly Report on Form 10-Q. You should carefully consider the risks and uncertainties described below, together with all of the other information included in this report, in considering our business and prospects. Many of the following risks and uncertainties are, and will be, exacerbated by the Covid-19 pandemic and any worsening of the global business and economic environment as a result. The risks and uncertainties described below are not the only ones facing Amkor. Additional risks and uncertainties not presently known to us may also adversely affect our business operations. The occurrence of any of the following risks could affect our business, liquidity, results of operations, financial condition or cash flows.

***The Covid-19 outbreak has impacted and may continue to impact the supply chain and consumer demand for our customers' products and services, which may adversely affect our business, results of operations, and financial condition.***

Our business has been and may continue to be adversely impacted by the effects of the Covid-19 outbreak. The impacts have varied, and likely will continue to vary, by location and by industry. We, our suppliers and our customers have been and may continue to be disrupted by worker absenteeism, quarantines and restrictions on employees' ability to work, office and factory closures, disruptions to ports and other shipping infrastructure and border closures or other travel or health-related restrictions. There is considerable uncertainty regarding such restrictions and potential future governmental restrictions. Restrictions on our workforce or access to our manufacturing facilities, or similar limitations for our suppliers, or restrictions or disruptions of transportation, such as reduced availability of air transport, port closures, and increased border controls, could limit our capacity to meet customer demand and have a material adverse effect on our business, results of operations and financial condition. Such restrictions and efforts to contain the spread of Covid-19 have caused and may continue to cause disruptions to our supply chain in connection with the sourcing of equipment, supplies and other materials. The resumption of normal business operations after any such restrictions are lifted may be delayed or constrained by lingering effects of Covid-19 on our suppliers or customers or both.

The Covid-19 pandemic has adversely affected and may continue to adversely affect the economies and financial markets of many countries, resulting in an economic downturn that may cause a decrease in short-term and long-term consumer demand for our customers' products and services and impact our operating results. Demand for our products and services for the automotive end market has experienced the most significant impact to date, and there is no certainty as to when demand in that market will return.

The spread of Covid-19 has caused us to modify our business practices (including corporate hygiene protocols at factories, restricting employee travel and employee work locations and cancelling physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine to be in the best interests of our employees, customers and suppliers. There is no certainty that such measures will be sufficient to mitigate the current or future impacts of Covid-19, and our ability to perform critical functions could be harmed.

At this time, we are unable to predict the future impacts that Covid-19 will have on our business, financial condition or results of operations due to various uncertainties, including the ultimate spread of Covid-19, the severity of Covid-19, the duration of the outbreak, and the actions that may be taken by governmental authorities and other businesses in response to the Covid-19 pandemic.

***Dependence on the Highly Cyclical Semiconductor Industry - Our Packaging and Test Services Are Used in Volatile Industries and Industry Downturns, and Declines in Global Economic and Financial Conditions Could Harm Our Performance.***

Our business is impacted by market conditions in the semiconductor industry, which is cyclical by nature and impacted by broad economic factors, such as world-wide gross domestic product and consumer spending. The semiconductor industry has experienced significant and sometimes sudden and prolonged downturns in the past. If the industry or markets we compete in experience slower, or even negative growth, our business and results of operations may be adversely affected.

Since our business is, and will continue to be, dependent on the requirements of semiconductor companies for outsourced packaging and test services, any downturn in the semiconductor industry or any other industry that uses a significant number of semiconductor devices, such as telecommunications, automotive, consumer electronics, or computing, could have a material adverse effect on our business and operating results. During downturns, we have experienced, among other things, reduced demand, excess capacity and reduced sales. For example, the Covid-19 pandemic has disrupted demand in the automotive end market, an inventory correction in the smartphone market and weakness in the general market reduced demand during 2019, and generally soft economic conditions and a lack of compelling new mobile products constrained overall demand during 2015.

In addition, declines in global economic and financial conditions have harmed our business in the past, and future global downturns could adversely affect our business. The Covid-19 pandemic and the effects of governmental initiatives to control the pandemic have adversely affected and may continue to adversely affect the economies and financial markets of many countries, resulting in an economic downturn that may affect demand for our services and our operating results. Although the magnitude of the impact of Covid-19 pandemic on our business and operations remains uncertain, the continued spread or potential re-emergence of Covid-19 or the occurrence of other epidemics or pandemics, and the imposition of related public health measures and travel and business restrictions may adversely impact our business, financial condition, operating results and cash flows. In addition, we have experienced and will continue to experience disruptions to our business operations resulting from quarantines, self-isolations, or other movement and restrictions on the ability of our employees to perform their jobs that may impact our ability to meet customer commitments. It is difficult to predict the timing, strength or duration of the economic slowdown caused by the Covid-19 pandemic, or which end markets will experience a slowdown, or subsequent economic recovery, which, in turn, makes it more challenging for us to forecast our operating results, make business decisions and identify risks that may affect our business, sources and uses of cash, financial condition and results of operations. Additionally, if industry conditions deteriorate, we could suffer significant losses, as we have in the past, which could materially impact our business, liquidity, results of operations, financial condition and cash flows.

***Fluctuations in Operating Results and Cash Flows - Our Operating Results and Cash Flows Have Varied and May Vary Significantly as a Result of Factors That We Cannot Control.***

Many factors, including the impact of adverse economic conditions, could have a material adverse effect on our net sales, gross profit, operating results and cash flows or lead to significant variability of quarterly or annual operating results. Our profitability and ability to generate cash from operations is principally dependent upon demand for semiconductors, the utilization of our capacity, semiconductor package mix, the average selling price of our services, our ability to manage our capital expenditures and our ability to control our costs including labor, material, overhead and financing costs.

Our net sales, gross margin, gross profit, operating income and cash flows have historically fluctuated significantly from quarter to quarter as a result of many of the following factors, over which we have little or no control and which we expect to continue to impact our business:

- fluctuation in demand for semiconductors and conditions in the semiconductor industry generally, as well as by specific customers, such as inventory reductions by our customers impacting demand in key markets;
- our ability to achieve our major growth objectives, including transitioning second-wave customers to advanced packages and increasing our share of the automotive end market;
- changes in our capacity and capacity utilization rates;



- changes in average selling prices which can occur quickly due to the absence of long-term agreements on price;
- changes in the mix of the semiconductor packaging and test services that we sell;
- fluctuations in our manufacturing yields;
- the development, transition and ramp to high volume manufacture of more advanced silicon nodes and evolving wafer, packaging and test technologies may cause production delays, lower manufacturing yields and supply constraints for new wafers and other materials;
- absence of backlog, the short-term nature of our customers' commitments, double bookings by customers and deterioration in customer forecasts and the impact of these factors, including the possible delay, rescheduling and cancellation of large orders, or the timing and volume of orders relative to our production capacity;
- changes in costs, quality, availability and delivery times of raw materials, components and equipment;
- changes in labor costs to perform our services;
- wage inflation and fluctuations in commodity prices, including gold, copper and other precious metals;
- the timing of expenditures in anticipation of future orders;
- changes in effective tax rates;
- the availability and cost of financing;
- leverage and debt covenants;
- intellectual property transactions and disputes;
- warranty and product liability claims and the impact of quality excursions and customer disputes and returns;
- costs associated with legal claims, indemnification obligations, judgments and settlements;
- political instability and government shutdowns, civil disturbances or international events, such as the United Kingdom's departure from the European Union;
- environmental or natural disasters such as earthquakes, typhoons and volcanic eruptions;
- pandemics or other illnesses that may impact our labor force, operations, liquidity, supply chain and end-user demand for products which incorporate semiconductors, such as the Covid-19 pandemic;
- costs of acquisitions and divestitures and difficulties integrating acquisitions;
- our ability to attract and retain qualified personnel to support our global operations;
- fluctuations in interest rates and currency exchange rates, including the potential impact of the phase-out of LIBOR on our variable rate debt;
- our ability to penetrate new end markets or expand our business in existing end markets;
- dependence on key customers or concentration of customers in certain end markets, such as mobile communications and automotive; and
- restructuring charges, asset write-offs and impairments.

It is often difficult to predict the impact of these factors upon our results for a particular period. These factors may have a material and adverse effect on our business, liquidity, results of operations, financial condition and cash flows or lead to significant variability of quarterly or annual operating results. In addition, these factors may adversely affect our credit ratings, which could make it more difficult and expensive for us to raise capital and could adversely affect the price of our securities.

***Risks Associated with International Operations - We Depend on Our Factories and Operations in China, Japan, Korea, Malaysia, the Philippines, Portugal, Singapore and Taiwan. Many of Our Customers' and Vendors' Operations Are Also Located Outside of the U.S.***

We provide packaging and test services through our factories and other operations located in China, Japan, Korea, Malaysia, the Philippines, Portugal, Singapore and Taiwan. Substantially all of our property, plant and equipment is located outside of the United States. Moreover, many of our customers and the vendors in our supply chain are located outside the U.S. The following are some of the risks we face in doing business internationally:

- health and safety concerns, including widespread outbreak of infectious diseases, such as Covid-19;
- changes in consumer demand resulting from variations in local economies;
- laws, rules, regulations and policies imposed by U.S. or foreign governments in areas such as data privacy, cybersecurity, antitrust and competition, tax, currency and banking, labor, and environmental;
- restrictive trade barriers considered or adopted by U.S. and foreign governments applicable to the semiconductor supply chain, including laws, rules, regulations and policies in areas such as national security, licensing requirements for exports, tariffs, customs and duties;
- laws, rules, regulations and policies within China and other countries that may favor domestic companies over non-domestic companies, including customer- or government-supported efforts to promote the development and growth of local competitors;
- the payment of dividends and other payments by non-U.S. subsidiaries may be subject to prohibitions, limitations or taxes in local jurisdictions;
- fluctuations in currency exchange rates, particularly the dollar/yen exchange rate for our operations in Japan;
- political and social conditions, and the potential for civil unrest, terrorism or other hostilities;
- disruptions or delays in shipments caused by customs brokers or government agencies;
- difficulties in attracting and retaining qualified personnel and managing foreign operations, including foreign labor disruptions;
- difficulty in enforcing contractual rights and protecting our intellectual property rights;
- potentially adverse tax consequences resulting from tax laws in the U.S. and in foreign jurisdictions in which we operate; and
- local business and cultural factors that differ from our normal standards and practices, including business practices that we are prohibited from engaging in by the Foreign Corrupt Practices Act and other anti-corruption laws and regulations.

We have significant facilities and other investments in South Korea, and there have been heightened security concerns in recent years stemming from North Korea's nuclear weapon and long-range missile programs as well as its military actions in the region. Furthermore, there has been a history of conflict and a recent rise in tensions within and among other countries in the region.

In addition, the Covid-19 pandemic has impacted and may continue to impact our operations and the operations of our customers and suppliers as a result of quarantines, facility closures and travel and logistics restrictions in connection with the outbreak. For example, quarantine orders covering certain regions in the Philippines, including where our operations are located, have affected, and may in the future affect, our operations. Similarly, in Malaysia, orders restricting movement throughout the country temporarily forced us to pause operations as we obtained permission to resume operations in compliance with such orders. Other national, regional and local governments have been implementing and may continue to implement similar restrictions to mitigate the spread of Covid-19 in jurisdictions in which we, our customers and our suppliers operate, and such restrictions may adversely impact our operations and the operations of our customers and suppliers. Such restrictions may also affect end-user demand in each geography where our customers sell

their products and services, which may adversely affect demand for our services, our operating results and financial condition.

***Customer Concentration and Loss of Customers - The Loss of Certain Customers or Reduced Orders or Pricing from Existing Customers May Have a Significant Adverse Effect on Our Operations and Financial Results.***

We have derived and expect to continue to derive a large portion of our revenues from a small group of customers during any particular period due in part to the concentration of market share in the semiconductor industry. Our ten largest customers together accounted for 63% of our net sales for the year ended December 31, 2019, and we expect that percentage to increase for the year ending December 31, 2020. In addition, we have significant customer concentration within our end markets. The loss of a significant customer, a business combination among our customers, a reduction in orders or decrease in price from a significant customer or disruption in any of our significant strategic partnerships or other commercial arrangements may result in a decline in our sales and profitability and could have a material adverse effect on our business, liquidity, results of operations, financial condition and cash flows.

The demand for our services from each customer is directly dependent upon that customer's financial health, level of business activity and purchasing decisions, the quality and price of our services, our cycle time and delivery performance, the customer's qualification of additional competitors on products we package or test and a number of other factors. Each of these factors could vary significantly from time to time resulting in the loss or reduction of customer orders. Our business is likely to remain subject to this variability in order levels, and we cannot assure you that our key customers or any other customers will continue to place orders with us in the future at the same levels as in past periods.

For example, as seen in the automotive end market, the Covid-19 pandemic and restrictions imposed by governmental authorities to mitigate the spread of Covid-19 in our customers' end markets may decrease demand for our customers' products and services, impacting their financial health and their demand for our services.

If a key customer decides to purchase wafers from a semiconductor foundry that provides packaging and test services, our business could be reduced if the customer also engages that foundry for related packaging and test services. We cannot assure that customer decisions regarding the purchase of semiconductor wafers will not significantly and adversely impact customer demand for our packaging and test services.

In addition, from time to time we may acquire or build new facilities or migrate existing business among our facilities. In connection with these facility changes, our customers require us to qualify the new facilities even though we have already qualified to perform the services at our other facilities. We cannot assure that we will successfully qualify new facilities or that our customers will not qualify our competitors and move the business for such services.

***Competition - We Compete Against Established Competitors in the Packaging and Test Business as Well as Internal Capabilities of Integrated Device Manufacturers and Face Competition from New Competitors, Including Foundries.***

The outsourced semiconductor packaging and test market is very competitive. We face substantial competition from established and emerging packaging and test service providers primarily located in Asia, including companies with significantly greater processing capacity, financial resources, local presence, research and development operations, marketing, technology and other capabilities. We also may face increased competition from domestic companies located in China, where there are government-supported efforts to promote the development and growth of the local semiconductor industry. We may be at a disadvantage in attempting to compete with entities associated with such government-supported initiatives based on their lower cost of capital, access to government resources and incentives, preferential sourcing practices, stronger local relationships or otherwise. Our competitors may also have established relationships, or enter into new strategic relationships, with one or more of the large semiconductor companies that are our current or potential customers, or key suppliers to these customers. Consolidation among our competitors could also strengthen their competitive position. For example, Advanced Semiconductor Engineering, Inc. and Siliconware Precision Industries Co., Ltd. became sister companies under a new joint holding company, ASE Technology Holding Co. Ltd., in April 2018, and in March 2020, the Anti-Monopoly Bureau under the State Administration for Market Regulation of People's Republic of China lifted the restrictive conditions on their approval of the combination.

We also face competition from the internal capabilities and capacity of many of our current and potential IDM and foundry customers. In addition, we compete with contract foundries, such as Taiwan Semiconductor Manufacturing Company Limited and Samsung Electronics Co., Ltd., which offer full turnkey services from silicon wafer fabrication through packaging and final test. These foundries, which are substantially larger than us and have greater financial resources than we do, have expanded their operations to include packaging and test services and may continue to expand these capabilities in the future.

We cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that our customers will not rely on internal sources for packaging and test services, or that our business, liquidity, results of operations, financial condition and cash flows will not be adversely affected by such increased competition.

***Decisions by Our Integrated Device Manufacturer and Foundry Customers to Curtail Outsourcing May Adversely Affect Our Business.***

Historically, we have been dependent on the trend in outsourcing of packaging and test services by IDM customers. Our IDM and foundry customers continually evaluate the need for outsourced services against their own in-house packaging and test services. As a result, at any time and for a variety of reasons, IDMs and foundries may decide to shift some or all of their outsourced packaging and test services to internally sourced capacity.

In addition, to the extent we limit capacity commitments for certain customers, these customers may increase their level of in-house packaging and test capabilities, which could make it more difficult for us to regain their business when we have available capacity.

If we experience a significant loss of IDM or foundry business, it could have a material adverse effect on our business, liquidity, results of operations, financial condition and cash flows, especially during a prolonged industry downturn.

***Absence of Backlog - The Lack of Contractually Committed Customer Demand May Adversely Affect Our Sales.***

Our packaging and test business does not typically operate with any material backlog. Our quarterly net sales from packaging and test services are substantially dependent upon our customers' demand in that quarter. None of our customers have committed to purchase any significant amount of packaging or test services or to provide us with binding forecasts of demand for packaging and test services for any future period, in any material amount. In addition, we sometimes experience double booking by customers, and our customers often reduce, cancel or delay their purchases of packaging and test services for a variety of reasons including industry-wide, customer-specific and Amkor-specific reasons. This makes it difficult for us to forecast our capacity utilization and net sales in future periods. Since a large portion of our costs is fixed and our expense levels are based in part on our expectations of future sales, we may not be able to adjust costs in a timely manner to compensate for any sales shortfall. If we are unable to adjust costs in a timely manner, our margins, operating results, financial condition and cash flows would be adversely affected.

***High Fixed Costs - Due to Our High Percentage of Fixed Costs, We Will Be Unable to Maintain Satisfactory Gross Margins if We Are Unable to Achieve Relatively High Capacity Utilization Rates.***

Our operations are characterized by relatively high fixed costs and the absence of any material backlog. Our profitability depends in part not only on pricing levels for our packaging and test services but also on the efficient utilization of our human resources and packaging and test equipment. Increases or decreases in our capacity utilization can significantly affect gross margins. In periods of low demand, we experience relatively low capacity utilization in our operations, which leads to reduced margins during that period. Transitions between different packaging technologies, such as the transition from gold wirebond to flip chip and copper wirebond packages, can also impact our capacity utilization if we do not efficiently redeploy our equipment for other packaging and test opportunities. For example, in the past, the migration of some customer demand from wirebond to flip chip packages resulted in under-utilized wirebond assets which negatively impacted our capacity utilization and gross margin. We cannot assure you that we will be able to achieve consistently high capacity utilization, and if we fail to do so, our gross margins will be negatively impacted. If our gross margins decrease, our business, liquidity, results of operations, financial condition and cash flows could be materially adversely affected.

In addition, our fixed operating costs have increased in recent years in part as a result of our efforts to expand our capacity through significant capital expenditures. Forecasted customer demand for which we have made capital

investments may not materialize, especially if industry conditions deteriorate. As a result, our sales may not adequately cover fixed costs, resulting in reduced profit levels or causing significant losses, either of which may adversely impact our business, liquidity, results of operations, financial condition and cash flows.

***Dependence on Materials and Equipment Suppliers - Our Business May Suffer If the Cost, Quality or Supply of Materials or Equipment Changes Adversely Including Any Disruption that May Occur in the Supply of Certain Materials due to Regulations and Customer Requirements.***

We obtain the materials and equipment required for the packaging and test services performed by our factories from various vendors. We source most of our materials, including critical materials such as leadframes, laminate substrates and gold wire, from a limited group of suppliers. A disruption to the operations of one or more of our suppliers could have a negative impact on our business. For example, the actions that government authorities and businesses worldwide have taken in response to Covid-19 have resulted in, to date, limited business disruption, including delays in shipments of equipment, supplies and other materials. To the extent the impact of Covid-19 continues or worsens, we may have greater difficulty obtaining the equipment, supplies and other materials necessary for performance of our services. Furthermore, severe earthquakes, flooding and tsunamis in the past have significantly and adversely affected the electronics industry supply chain by impacting the supply of specialty chemicals, substrates, silicon wafers, equipment and other supplies to the electronics industry.

In addition, we purchase the majority of our materials on a purchase order basis. Our business may be harmed if we cannot obtain materials and other supplies from our vendors in a timely manner, in sufficient quantities, at acceptable quality or at competitive prices. Some of our customers are also dependent on a limited number of suppliers for certain materials and silicon wafers. Shortages or disruptions in our customers' supply channels could have a material adverse effect on our business, financial condition, results of operations and cash flows. For example, the shortage in the supply of wafers to some of our customers in a prior year delayed or otherwise adversely impacted the demand for certain of our advanced packaging and test services.

Rules adopted by the SEC implementing the Dodd-Frank Wall Street Reform and Consumer Protection Act impose diligence and disclosure requirements regarding the use of certain minerals originating from the conflict zones of the Democratic Republic of Congo and adjoining countries in our products. Industry associations and many of our customers have implemented initiatives to improve transparency and accountability concerning the supply of these and other materials and, in some cases, requiring us to certify that the covered materials we use in our packages do not come from the conflict areas. We may incur additional costs associated with complying with these requirements and customer initiatives, and we may be required to increase our efforts in the future to cover additional materials and geographic areas. These requirements and customer initiatives could affect the pricing, sourcing and availability of materials used in the manufacture of semiconductor devices, and we cannot assure you that we will be able to obtain conflict-free materials or other materials covered by customer initiatives in sufficient quantities and at competitive prices or that we will be able to verify the origin of all of the materials we use in our manufacturing process. If we are unable to meet these requirements and customer initiatives, it could adversely affect our business as some customers may move their business to other suppliers. Our reputation could also be adversely affected.

We purchase new packaging and test equipment to maintain and expand our operations. From time to time, increased demand for new equipment may cause lead times to extend beyond those normally required by equipment vendors. For example, in the past, increased demand for equipment caused some equipment suppliers to only partially satisfy our equipment orders in the normal time frame or to increase prices during market upturns for the semiconductor industry. The unavailability of equipment or failures to deliver equipment on a timely basis could delay or impair our ability to meet customer orders. If we are unable to meet customer orders, we could lose potential and existing customers. Generally, we acquire our equipment on a purchase order basis and do not enter into long-term equipment agreements. As a result, we could experience adverse changes in pricing, currency risk and potential shortages in equipment in a strong market, any of which could have a material adverse effect on our results of operations.

We are a large buyer of gold and other commodity materials including substrates and copper. The prices of gold and other commodities used in our business fluctuate. Historically, we have been able to partially offset the effect of commodity price increases through price adjustments to some customers and changes in our product designs that reduce the material content and cost, such as the use of shorter, thinner, gold wire and migration to copper wire. However, we typically do not have long-term contracts that permit us to impose price adjustments, and market conditions may limit

our ability to do so. Significant price increases may adversely impact our gross margin in future periods to the extent we are unable to pass along past or future commodity price increases to our customers.

***Capital Expenditures - We Make Substantial Investments in Equipment and Facilities to Support the Demand of Our Customers, Which May Adversely Affect Our Business if the Demand of Our Customers Does Not Develop as We Expect or Is Adversely Affected.***

We make significant investments in equipment and facilities in order to service the demand of our customers. The amount of our capital expenditures depends on several factors, including the performance of our business, our assessment of future industry and customer demand, our capacity utilization levels and availability, advances in technology, our liquidity position and the availability of financing. Our ongoing capital expenditure requirements may strain our cash and short-term asset balances, and, in periods when we are expanding our capital base, we expect that depreciation expense and factory operating expenses associated with capital expenditures to increase production capacity will put downward pressure on our gross margin, at least in the near term. While we have completed the initial phases of construction of our factory and research and development facility in Incheon, Korea, there can be no assurance regarding when the facility will be fully utilized, or that the actual scope, costs, timeline or benefits of the project will be consistent with our expectations. From time to time, we also make significant capital expenditures based on specific business opportunities with one or a few key customers, and the additional equipment purchased may not be readily usable to support other customers. If demand is insufficient to fill our capacity, or we are unable to efficiently redeploy such equipment, our capacity utilization and gross margin could be negatively impacted. Our capital expenditures or cost per square foot may increase as we transition to new or more advanced packaging and test technologies because, among other things, new equipment used for these technologies is generally more expensive and often our existing equipment cannot be redeployed in whole or part for these technologies. To the extent this occurs in the future, our business, liquidity, results of operations, financial condition and cash flows could be materially adversely affected.

Furthermore, if we cannot generate or raise additional funds to pay for capital expenditures, particularly in some of the advanced packaging and bumping areas, as well as research and development activities, our growth and future profitability may be adversely affected. Our ability to obtain external financing in the future is subject to a variety of uncertainties, including:

- our future financial condition, results of operations and cash flows;
- general market conditions for financing;
- volatility in fixed income, credit and equity markets; and
- economic, political and other global conditions.

***Guidance - Our Failure to Meet Our Guidance or Analyst Projections Could Adversely Impact the Trading Prices of Our Securities.***

We periodically provide guidance to investors with respect to certain financial information for future periods. Securities analysts also periodically publish their own projections with respect to our future operating results. As discussed above under “Fluctuations in Operating Results and Cash Flows - Our Operating Results and Cash Flows Have Varied and May Vary Significantly as a Result of Factors That We Cannot Control,” our operating results and cash flows vary significantly and are difficult to accurately predict. Volatility in customer forecasts, fluctuations in global consumer demand and market volatility as a result of the Covid-19 pandemic make it particularly difficult to predict future results. Further, providing guidance requires us to make estimates and assumptions about such things as revenue, costs and expenses, which may turn out to be incorrect or change. To the extent we fail to meet or exceed our own guidance or the analyst projections for any reason, the trading prices of our securities may be adversely impacted. Moreover, even if we do meet or exceed that guidance or those projections, if analysts and investors do not react favorably, or if analysts were to discontinue providing coverage of our company, the trading prices of our securities may be adversely impacted.

***Declining Average Selling Prices - Historically There Has Been Downward Pressure on the Prices of Our Packaging and Test Services.***

Prices for packaging and test services have generally declined over time, and sometimes prices can change significantly in relatively short periods of time. We expect downward pressure on average selling prices for our packaging and test

services to continue in the future, and this pressure may intensify during downturns in business. If we are unable to offset a decline in average selling prices by developing and marketing new packages with higher prices, reducing our purchasing costs, recovering more of our material cost increases from our customers and reducing our manufacturing costs, our business, liquidity, results of operations, financial condition and cash flows could be materially adversely affected.

***We Face Warranty Claims, Product Return and Liability Risks, the Risk of Economic Damage Claims and the Risk of Negative Publicity if Our Packages Fail.***

Our packages are incorporated into a number of end products, and our business is exposed to warranty claims, product return and liability risks, the risk of economic damage claims and the risk of negative publicity if our packages fail.

We receive warranty claims from our customers from time to time in the ordinary course of our business. If we were to experience an unusually high incidence of warranty claims, we could incur significant costs and our business could be adversely affected. In addition, we are exposed to the product and economic liability risks and the risk of negative publicity affecting our customers. Our sales may decline if any of our customers are sued on a product liability claim. We also may suffer a decline in sales from the negative publicity associated with such a lawsuit or with adverse public perceptions in general regarding our customers' products. Further, if our packages are delivered with defects, we could incur additional development, repair or replacement costs or suffer other economic losses, and our credibility and the market's acceptance of our packages could be harmed.

***Our Substantial Indebtedness Could Adversely Affect Our Financial Condition and Prevent Us from Fulfilling Our Obligations.***

We have a significant amount of indebtedness, and the terms of the agreements governing our indebtedness allow us and our subsidiaries to incur more debt, subject to certain limitations. As of June 30, 2020, our total debt balance was \$1,545.3 million, of which \$148.9 million was classified as a current liability and \$815.6 million was collateralized indebtedness at our subsidiaries. We may consider investments in joint ventures, increased capital expenditures, refinancings or acquisitions which may increase our indebtedness. If new debt is added to our consolidated debt level, the related risks that we face could intensify.

Our substantial indebtedness could:

- make it more difficult for us to satisfy our obligations with respect to our indebtedness, including our obligations under our indentures to purchase notes tendered as a result of a change in control of Amkor;
- increase our vulnerability to general adverse economic and industry conditions;
- limit our ability to fund future working capital, capital expenditures, research and development and other business opportunities, including joint ventures and acquisitions;
- require us to dedicate a substantial portion of our cash flow from operations to service payments of interest and principal on our debt, thereby reducing the availability of our cash flow to fund future working capital, capital expenditures, research and development expenditures and other general corporate requirements;
- increase the volatility of the price of our common stock;
- limit our flexibility to react to changes in our business and the industry in which we operate;
- place us at a competitive disadvantage to any of our competitors that have less debt;
- limit, along with the financial and other covenants in our indebtedness, our ability to borrow additional funds;
- limit our ability to refinance our existing indebtedness, particularly during periods of adverse credit market conditions when refinancing indebtedness may not be available under interest rates and other terms acceptable to us or at all; and
- increase our cost of borrowing.

In addition, certain of our credit agreements use LIBOR or other reference rates to determine the rate of interest payable on our borrowings. As such, our financial position may be adversely affected by fluctuations in such reference rates based on economic and market factors beyond our control. Any significant increase in such reference rates would result in a significant increase in interest expense on our debt, which could negatively impact our results of operations and cash flows. In addition, the United Kingdom's Financial Conduct Authority intends to phase out LIBOR by the end of 2021. Plans for alternative reference rates for other currencies have also been announced. At this time, we cannot predict how markets will respond to proposed alternative rates or the effect of any changes to, or discontinuation of, LIBOR. If reference rates under our credit agreements are no longer available or if our lenders have increased costs due to changes in reference rates, we may experience increases in interest rates on our variable rate debt, which could adversely impact our interest expense, results of operations and cash flows.

***We May Have Difficulty Funding Liquidity Needs.***

We assess our liquidity based on our current expectations regarding sales, operating expenses, capital spending, debt service requirements and other funding needs. We fund our operations, including capital expenditures and other investments and servicing principal and interest obligations with respect to our debt, from cash flows from our operations, existing cash and cash equivalents, borrowings under available debt facilities, or proceeds from any additional debt or equity financing. Our liquidity is affected by, among other factors, the performance of our business, our capital expenditure and other investment levels and our ability to repay debt and other long-term obligations out of our operating cash flows or with the proceeds of debt or equity financings.

Servicing our current and future customers requires that we incur significant operating expenses and continue to make significant capital expenditures and other investments, and the amount of our capital expenditures for 2020 and thereafter may vary materially and will depend on several factors. These factors include, among others, the amount, timing and implementation of our capital projects, the performance of our business, economic and market conditions, advances in technology, the cash needs and investment opportunities for the business, the need for additional capacity and facilities and the availability of cash flows from operations or financing.

The health of the worldwide banking system and capital markets affects our liquidity. If financial institutions that have extended credit commitments to us are adversely affected by the conditions of the U.S., foreign or international banking system and capital markets, they may refuse or be unable to fund borrowings under their credit commitments to us. Volatility in the banking system and capital markets, as well as any increase in interest rates or adverse economic, political, public health or other global conditions, could also make it difficult or more expensive for us to maintain our existing credit facilities or refinance our debt.

The trading price of our common stock has been, and is likely to continue to be, highly volatile and could be subject to wide fluctuations. Such fluctuations could impact our decision or ability to utilize the equity markets as a potential source of our funding needs in the future.

In addition, there is a risk that we could fail to generate the necessary net income or operating cash flows to meet the funding needs of our business due to a variety of factors, including the other factors discussed in this "Risk Factors" section. If we fail to generate the necessary cash flows or we are unable to access the capital markets when needed, our liquidity would be adversely impacted.

***Covenants in the Indentures and Agreements Governing Our Current and Future Indebtedness Could Restrict Our Operating Flexibility.***

The indentures and agreements governing our existing debt, and debt we may incur in the future, contain, or may contain, affirmative and negative covenants that materially limit our ability to take certain actions, including our ability to incur debt, pay dividends and repurchase stock, make certain investments and other payments, enter into certain mergers and consolidations, engage in sale leaseback transactions and encumber and dispose of assets. In addition, certain of our debt agreements contain, and our future debt agreements may contain, financial covenants and ratios.

The breach of any of these covenants by us, or the failure by us to meet any of the financial ratios or conditions, could result in a default under any or all of such indebtedness. If a default occurs under any such indebtedness, all of the outstanding obligations thereunder could become immediately due and payable, which could result in a default under our other outstanding debt and could lead to an acceleration of obligations related to other outstanding debt. The existence



of such a default or event of default could also preclude us from borrowing funds under our revolving credit facilities. Our ability to comply with the provisions of the indentures, credit facilities and other agreements governing our outstanding debt and indebtedness we may incur in the future can be affected by events beyond our control, and a default under any debt instrument, if not cured or waived, could have a material adverse effect on us.

***We Have Significant Severance Plan Obligations Associated with Our Manufacturing Operations in Korea Which Could Reduce Our Cash Flow and Negatively Impact Our Financial Condition.***

Our subsidiary in Korea maintains an unfunded severance plan, under which we have an accrued liability of \$114.4 million as of June 30, 2020. The plan covers certain employees that were employed prior to August 1, 2015. In the event of a significant layoff or other reduction in our labor force in Korea, our subsidiary in Korea would be required to make lump-sum severance payments under the plan, which could have a material adverse effect on our liquidity, financial condition and cash flows.

***If We Fail to Maintain an Effective System of Internal Controls, We May Not be Able to Accurately Report Financial Results or Prevent Fraud.***

Effective internal controls are necessary to provide reliable financial reports and to assist in the effective prevention of fraud. We must annually evaluate our internal procedures to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, which requires management and our independent registered public accounting firm to assess the effectiveness of internal control over financial reporting.

Internal controls may not prevent or detect misstatements because of their inherent limitations, including the possibility of human error, the circumvention or overriding of controls, fraud or corruption. Therefore, even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. In addition, projections of any evaluation of effectiveness of internal controls to future periods are subject to the risk that the internal controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

We assess our internal controls and systems on an ongoing basis, and from time-to-time, we update and make modifications to our global enterprise resource planning system. We have implemented several significant enterprise resource planning modules and expect to implement additional enterprise resource planning modules in the future. In addition, we have implemented new shop floor management systems in certain of our factories. Although we continue to monitor and assess our internal controls for these systems and operations, there is a risk that deficiencies may occur that could constitute significant deficiencies or, in the aggregate, a material weakness.

If we fail to remedy any deficiencies or maintain the adequacy of our internal controls, we could be subject to regulatory scrutiny, civil or criminal penalties or shareholder litigation. In addition, failure to maintain adequate internal controls could result in financial statements that do not accurately reflect our operating results or financial condition.

***We Face Risks Trying to Attract, Retain or Replace Qualified Employees to Support Our Operations.***

Our success depends to a significant extent upon the continued service of our key senior management, sales and technical personnel, any of whom may be difficult to replace. Competition for qualified employees is intense, and our business could be adversely affected by the loss of the services of any of our existing key personnel, including senior management, as a result of competition or for any other reason. Other than the agreement with our Chief Executive Officer, we do not have employment agreements with our key employees, including senior management, or other contracts that would prevent our key employees from working for our competitors in the event they cease working for us. We cannot assure you that we will be successful in our efforts to retain or replace key employees or in hiring and properly training sufficient numbers of qualified personnel and in effectively managing our growth. Our inability to attract, retain, motivate and train qualified new personnel could have a material adverse effect on our business.

***We Face Risks in Connection with the Continuing Development and Implementation of Changes to, and Maintenance and Security of, Our Information Technology Systems.***

We depend on our information technology systems for many aspects of our business. Our systems may be susceptible to damage, disruptions or shutdowns due to failures during the process of upgrading, replacing or maintaining software, databases or components thereof, power outages, hardware failures, interruption or failures of third-party provider

systems, computer viruses, attacks by computer hackers, telecommunication failures, user errors, malfeasance or catastrophic events. Cybersecurity breaches could result in unauthorized disclosure of confidential information or disruptions to our operations. The IT systems in our factories are at varying levels of sophistication and maturity as the factories have different sets of products, processes and customer expectations. Some of our key software has been developed by our own programmers, and this software may not be easily integrated with other software and systems. From time to time we make additions or changes to our information technology systems. For example, we are integrating our Japan operations' information technology systems with our existing systems and processes, and such integration has inherent risks to existing operations. In addition, in May 2017, we completed our acquisition of Nanium and continue to integrate its information technology systems into our existing systems and processes. We face risks in connection with current and future projects to install or integrate new information technology systems or upgrade our existing systems. These risks include:

- delays in the design and implementation of the system;
- costs may exceed our plans and expectations; and
- disruptions resulting from the implementation, integration or cybersecurity breach of the systems may impact our ability to process transactions and delay shipments to customers, impact our results of operations or financial condition or harm our control environment.

Our business could be materially and adversely affected if our information technology systems are disrupted or if we are unable to successfully install new systems or improve, upgrade, integrate or expand upon our existing systems.

***Difficulties Consolidating and Integrating Our Operations - We Face Challenges as We Integrate Diverse Operations.***

We have experienced, and expect to continue to experience, change in the scope and complexity of our operations resulting primarily from existing and future facility and operational consolidations, strategic acquisitions, joint ventures and other partnering arrangements. Some of the risks from these activities include those associated with the following:

- increasing the scope, geographic diversity and complexity of our operations;
- conforming an acquired company's standards, practices, systems and controls with our operations;
- increasing complexity from combining recent acquisitions of an acquired business;
- unexpected losses of key employees or customers of an acquired business;
- difficulties in the assimilation of acquired operations, technologies or products; and
- diversion of management and other resources from other parts of our operations and adverse effects on existing business relationships with customers.

In connection with these activities, we may:

- incur costs associated with personnel reductions and voluntary retirement programs;
- record restructuring charges to cover costs associated with facility consolidations and related cost reduction initiatives;
- use a significant portion of our available cash;
- incur substantial debt;
- issue equity securities, which may dilute the ownership of current stockholders;
- incur or assume known or unknown contingent liabilities; and
- incur large, immediate accounting write offs and face antitrust or other regulatory inquiries or actions.

For example, the businesses we have acquired had, at the time of acquisition, multiple systems for managing their own production, sales, inventory and other operations. Migrating these businesses to our systems typically is a slow, expensive process requiring us to divert significant resources from other parts of our operations. We may continue to face these challenges in the future. As a result of the risks discussed above, the anticipated benefits of these or other future acquisitions, consolidations and partnering arrangements may not be fully realized, if at all, and these activities could have a material adverse effect on our business, financial condition and results of operations.

***We Are Exposed to Fluctuations in Interest Rates and Changes in Credit Risk Which Could Have a Material Adverse Impact on Our Earnings as it Relates to the Market Value of Our Investment Portfolio.***

We maintain an investment portfolio of various holdings, types, and maturities. Our portfolio includes available-for-sale debt investments, the values of which are subject to market price volatility resulting from interest rate movements, changes in credit risk and financial market conditions. If such investments suffer market price declines, we may recognize in earnings the decline in the fair value of our investments below their cost basis when the decline is judged to be an impairment, including an allowance for credit loss.

***Impairment Charges - Any Impairment Charges Required Under U.S. GAAP May Have a Material Adverse Effect on Our Net Income.***

Under U.S. GAAP, we review our long-lived assets including property, plant and equipment, intellectual property, goodwill and other intangibles for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. In addition, we review goodwill for impairment annually during the fourth quarter of each year. Factors we consider include significant under-performance relative to expected historical or projected future operating results, significant negative industry or economic trends and our market capitalization relative to net book value. We may be required in the future to record a significant charge to earnings in our financial statements during the period in which any impairment of our long-lived assets is determined, such as any impairment that may result from the effects of Covid-19. Such charges could have a significant adverse impact on our results of operations and our operating flexibility under our debt covenants.

***Litigation Incident to Our Business Could Adversely Affect Us.***

We have been a party to various legal proceedings, including those described from time to time in our reports filed with the SEC, and may be a party to legal proceedings in the future. These proceedings could require significant management time and resources and, if an unfavorable ruling or outcome were to occur in these legal proceedings, there could be a material adverse impact on our business, liquidity, results of operations, financial condition, cash flows and the trading price of our securities.

***We Could Suffer Adverse Tax and Other Financial Consequences if There Are Changes in Tax Laws or Taxing Authorities Do Not Agree with Our Interpretation of Applicable Tax Laws, Including Whether We Continue to Qualify for Tax Holidays, or if We Are Required to Establish or Adjust Valuation Allowances on Deferred Tax Assets.***

We earn a substantial portion of our income in foreign countries, and our operations are subject to tax in multiple jurisdictions with complicated and varied tax regimes. Tax laws and income tax rates in these jurisdictions are subject to change due to economic and political conditions. In addition, the Organisation for Economic Co-operation and Development has released recommendations and an action plan aimed to standardize and modernize global corporate tax policy, including changes to transfer pricing and other international tax matters to address base erosion and profit shifting impacting multinational companies like Amkor. Changes in U.S. or foreign tax laws arising out of such recommendations or otherwise could have a material adverse impact on our liquidity, results of operations, financial condition and cash flows.

Our tax liabilities are based, in part, on our corporate structure, interpretations of various U.S. and foreign tax laws, including withholding tax, compliance with tax holiday requirements, application of changes in tax law to our operations and other relevant laws of applicable taxing jurisdictions. From time to time, taxing authorities may conduct examinations of our income tax returns and other regulatory filings. We cannot assure you that the taxing authorities will agree with our interpretations, including whether we continue to qualify for tax holidays. If they do not agree, we may seek to enter into settlements with the taxing authorities. We may also appeal a taxing authority's determination to the appropriate governmental authorities, but we cannot be sure we will prevail. If we do not prevail or if we enter into

settlements with taxing authorities, we may have to make significant payments or otherwise record charges (or reduce tax assets) that adversely affect our results of operations, financial condition and cash flows. Additionally, certain of our subsidiaries operate under tax holidays, which will expire in whole or in part at various dates in the future. As those tax holidays expire, we expect that our tax expense will increase as income from those jurisdictions becomes subject to higher statutory income tax rates, thereby reducing our liquidity and cash flow.

We monitor on an ongoing basis our ability to utilize our deferred tax assets and whether there is a need for a related valuation allowance. In evaluating our ability to recover our deferred tax assets, in the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax-planning strategies and results of recent operations. For most of our foreign deferred tax assets, we believe that we will have sufficient taxable income to allow us to realize these deferred tax assets. In the event taxable income falls short of current expectations, we may need to establish a valuation allowance against such deferred tax assets that, if required, could materially affect our results of operations.

***The Enactment of Tax Reform Could Materially Impact Our Financial Position and Results of Operations***

On December 22, 2017, the Tax Act was signed into law. The Tax Act made significant changes to the U.S. tax code. Changes include a reduction of the U.S. federal corporate tax rate from 35% to 21%, a one-time transition tax on unremitted foreign earnings and profits applicable for our fiscal year ended December 31, 2017, limitations on tax deductions for interest expense for the period beginning January 1, 2018, and changes to other existing deductions and business-related exclusions in future periods. As a result, in the fourth quarter of 2017, we recognized a one-time net tax benefit of approximately \$41.6 million, primarily due to the release of a valuation allowance against U.S. deferred tax assets that we expected to realize as a result of the change to the U.S. tax law limiting the deductibility of interest expense. We also incurred charges for the one-time transition tax on our unremitted foreign earnings and profits offset by the anticipated utilization of foreign tax credits. We were also required to re-measure our deferred tax assets based on the new U.S. federal corporate tax rate of 21%. In 2018, we updated our provisional estimate of the impact of the Tax Act and recorded a \$22.3 million income tax expense to complete the accounting for the impact of the Tax Act, reducing our estimated net tax benefit of \$41.6 million from 2017. Our accounting for the impact of the Tax Act is now complete in accordance with SEC staff issued Staff Accounting Bulletin No. 118. However, there is uncertainty in the application of many aspects of the Tax Act and additional guidance with respect to the Tax Act may affect our estimates and could have a material impact on our income tax expense.

***Intellectual Property - Our Business Will Suffer if We Are Not Able to Develop New Proprietary Technology, Protect Our Proprietary Technology and Operate Without Infringing the Proprietary Rights of Others.***

The complexity and breadth of semiconductor packaging, SiP modules and test services are rapidly increasing. As a result, we expect that we will need to develop, acquire and implement new manufacturing processes and packaging technologies and tools in order to respond to competitive industry conditions and customer requirements. Technological advances also typically lead to rapid and significant price erosion and may make our existing packages less competitive or our existing inventories obsolete. If we cannot achieve advances in packaging design or obtain access to advanced packaging designs developed by others, our business could suffer.

The need to develop and maintain advanced packaging capabilities and equipment could require significant research and development, capital expenditures and acquisitions in future years. In addition, converting to new packaging designs or process methodologies could result in delays in producing new package types, which could adversely affect our ability to meet customer orders and adversely impact our business.

The process of seeking patent protection takes a long time and is expensive. There can be no assurance that patents will issue from pending or future applications or that, if patents are issued, the rights granted under the patents will provide us with meaningful protection or any commercial advantage. Any patents we do obtain will eventually expire, may be challenged, invalidated or circumvented and may not provide meaningful protection or other commercial advantage to us.

Some of our technologies are not covered by any patent or patent application. The confidentiality agreements on which we rely to protect these technologies may be breached and may not be adequate to protect our proprietary technologies. There can be no assurance that other countries in which we market our services will protect our intellectual property rights to the same extent as the U.S.

Our competitors may develop, patent or gain access to know-how and technology similar or superior to our own. In addition, many of our patents are subject to cross licenses, several of which are with our competitors. The semiconductor industry is characterized by frequent claims regarding the infringement of patent and other intellectual property rights. If any third party makes an enforceable infringement claim against us or our customers, we could be required to:

- discontinue the use of certain processes or cease to provide the services at issue, which could curtail our business;
- pay substantial damages;
- develop non-infringing technologies, which may not be feasible; or
- acquire licenses to such technology, which may not be available on commercially reasonable terms or at all.

We may need to enforce our patents or other intellectual property rights, including our rights under patent and intellectual property licenses with third parties, or defend ourselves against claimed infringement of the rights of others through litigation, which could result in substantial cost and diversion of our resources and may not be successful. Furthermore, if we fail to obtain necessary licenses, our business could suffer, and we could be exposed to claims for damages and injunctions from third parties, as well as claims from our customers for indemnification. In the past, we have been involved in legal proceedings involving the acquisition and license of intellectual property rights, the enforcement of our existing intellectual property rights or the enforcement of the intellectual property rights of others, including settled legal proceedings described in more detail in Note 17 to the Consolidated Financial Statements in Part II, Item 8 of our Annual Report on Form 10-K. Unfavorable outcomes in any legal proceedings involving intellectual property could result in significant liabilities or loss of commercial advantage and could have a material adverse effect on our business, liquidity, results of operations, financial condition and cash flows. The potential impact from the legal proceedings referred to in this Quarterly Report on Form 10-Q on our results of operations, financial condition and cash flows could change in the future.

***Packaging and Test Processes Are Complex and Our Production Yields and Customer Relationships May Suffer from Defects in the Services We Provide or if We Do Not Successfully Implement New Technologies.***

Semiconductor packaging and test services are complex processes that require significant technological and process expertise, and in line with industry practice, customers usually require us to pass a lengthy and rigorous qualification process that may take several months. Once qualified and in production, defective packages primarily result from:

- contaminants in the manufacturing environment;
- human error;
- equipment malfunction;
- changing processes to address environmental requirements;
- defective raw materials; or
- defective plating services.

Test is also complex and involves sophisticated equipment and software. Similar to many software programs, these software programs are complex and may contain programming errors or “bugs.” The test equipment is also subject to malfunction, and the test process is subject to operator error.

These and other factors have, from time to time, contributed to lower production yields. They may also do so in the future, particularly as we adjust our capacity, change our processing steps or ramp new technologies. In addition, we must continue to develop and implement new packaging and test technologies and expand our offering of packages to be competitive. Our production yields on new packages, particularly those packages which are based on new technologies, typically are significantly lower than our production yields on our more established packages.

Our failure to qualify new processes, maintain quality standards or acceptable production yields, if significant and prolonged, could result in loss of customers, increased costs of production, delays, substantial amounts of returned goods and claims by customers relating thereto. Any of these problems could have a material adverse effect on our business, liquidity, results of operations, financial condition and cash flows.

***Environmental, Health & Safety Laws and Industry and Customer Initiatives - Future Environmental, Health & Safety Laws and Industry and Customer Sustainability Initiatives Could Place Additional Burdens on Our Manufacturing Operations.***

Environmental, health and safety laws and regulations in places we do business impose various controls on the use, storage, handling, discharge and disposal of chemicals used or generated in, or emitted by, our production processes, on the factories we occupy and on the materials contained in semiconductor products. For example, at our foreign facilities we produce liquid waste when semiconductor wafers are diced into chips with the aid of diamond saws, then cooled with running water. In addition, semiconductor packages have historically utilized metallic alloys containing lead (Pb) within the interconnect terminals typically referred to as leads, pins or balls, and the European Union's Restriction of Hazardous Substances in Electrical and Electronic Equipment directive and similar laws in other jurisdictions, including China, impose strict restrictions on the placement into the market of electrical and electronic equipment containing lead and certain other hazardous substances. We may become liable under these and other environmental, health and safety laws and regulations, including for the cost of compliance and cleanup of any disposal or release of hazardous materials arising out of our former or current operations, or otherwise as a result of the emission of greenhouse gasses or other chemicals, the existence of hazardous materials on our properties or the existence of hazardous substances in the products for which we perform our services. We could also be held liable for damages, including fines, penalties and the cost of investigations and remedial actions, we could be subject to revocation of permits negatively affecting our ability to maintain or expand our operations, and we could suffer reputational harm.

There has also been an increase in public attention and industry and customer focus on the materials contained in semiconductor products, the environmental impact of semiconductor operations and the risk of chemical releases from such operations, climate change, sustainability and related environmental concerns. This increased focus on sustainability and the environmental impact of semiconductor operations and products has caused industry groups and customers to impose additional requirements on us and our suppliers, sometimes exceeding regulatory standards. These industry and customer requirements include increased tracking and reporting of greenhouse gas emissions, reductions in waste and wastewater from operations, additional reporting on the materials and components used in the products for which we perform our services, and the use of renewable energy sources in our factory operations. To comply with these additional requirements, we may need to procure additional equipment or make factory or process changes and our operating costs may increase.

***Our Business and Financial Condition Could be Adversely Affected by Natural Disasters and Other Calamities, Health Conditions or Pandemics, Political Instability, Hostilities, or Other Disruptions.***

We have significant packaging and test and other operations in China, Japan, Korea, Malaysia, the Philippines, Portugal, Singapore and Taiwan which are or could be subject to: natural disasters, such as earthquakes, tsunamis, typhoons, floods, droughts, volcanoes and other severe weather and geological events, and other calamities, such as fire; the outbreak of infectious diseases (such as Covid-19 and other coronaviruses, Ebola or flu); industrial strikes; government imposed travel restrictions or quarantines; breakdowns of equipment; difficulties or delays in obtaining materials, equipment, utilities and services; political events or instability; acts of war, armed conflict, terrorist incidents and other hostilities, including any such events that may arise out of increased tensions involving North Korea or in other regions where we have facilities; and industrial accidents and other events, that could disrupt or even shutdown our operations. In addition, our suppliers and customers also have significant operations in such locations. In the event of such a disruption or shutdown, we may be unable to reallocate production to other facilities in a timely or cost-effective manner (if at all) and we may not have sufficient capacity to service customer demands in our other facilities. A natural disaster or other calamity, political instability, the occurrence of hostilities or other event that results in a prolonged disruption to our operations, or the operations of our customers or suppliers, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

For example, in April 2016, our Kumamoto factory was damaged by earthquakes in Japan. As a result of these earthquakes, our sales were reduced due to the temporary disruption in operations. We also incurred earthquake related costs for damaged inventory, buildings and equipment.

In addition, some of the processes that we utilize in our operations place us at risk of fire and other damage. For example, highly flammable gases are used in the preparation of wafers holding semiconductor devices for flip chip packaging.

We maintain insurance policies for various types of property, casualty and other risks, but we do not carry insurance for all the above referred risks. With regard to the insurance we do maintain, we cannot assure you that it would be sufficient to cover all of our potential losses. As a result, our business, financial condition, results of operations and cash flows could be adversely affected by natural disasters and other calamities.

***Mr. James J. Kim and Members of His Family Can Effectively Determine or Substantially Influence the Outcome of All Matters Requiring Stockholder Approval.***

As of June 30, 2020, Mr. James J. Kim, the Executive Chairman of our Board of Directors, Ms. Susan Y. Kim, the Vice Chairman of our Board of Directors, and members of the Kim family and affiliates owned approximately 141.7 million shares, or approximately 59%, of our outstanding common stock. The Kim family also has options to acquire approximately 0.6 million shares. If the options are exercised, the Kim family's total ownership would be an aggregate of approximately 142.3 million shares of our outstanding common stock or approximately 59% of our outstanding common stock.

In June 2013, the Kim family exchanged convertible notes issued by Amkor in 2009 for approximately 49.6 million shares of common stock (the "Convert Shares"). The Convert Shares are subject to a voting agreement. The voting agreement requires the Kim family to vote these shares in a "neutral manner" on all matters submitted to our stockholders for a vote, so that such Convert Shares are voted in the same proportion as all of the other outstanding securities (excluding the other shares owned by the Kim family) that are actually voted on a proposal submitted to Amkor's stockholders for approval. The Kim family is not required to vote in a "neutral manner" any Convert Shares that, when aggregated with all other voting shares held by the Kim family, represent 41.6% or less of the total then-outstanding voting shares of our common stock. The voting agreement for the Convert Shares terminates upon the earliest of (i) such time as the Kim family no longer beneficially owns any of the Convert Shares, (ii) consummation of a change of control (as defined in the voting agreement) or (iii) the mutual agreement of the Kim family and Amkor.

Mr. James J. Kim and his family and affiliates, acting together, have the ability to effectively determine or substantially influence matters submitted for approval by our stockholders by voting their shares or otherwise acting by written consent, including the election of our Board of Directors. There is also the potential, through the election of members of our Board of Directors, that the Kim family could substantially influence matters decided upon by our Board of Directors. This concentration of ownership may also have the effect of impeding a merger, consolidation, takeover or other business consolidation involving us, or discouraging a potential acquirer from making a tender offer for our shares, and could also negatively affect our stock's market price or decrease any premium over market price that an acquirer might otherwise pay. Concentration of ownership also reduces the public float of our common stock. There may be less liquidity and higher price volatility for the stock of companies with a smaller public float compared to companies with broader public ownership. Also, the sale or the prospect of the sale of a substantial portion of the Kim family shares may adversely affect the market price of our stock.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds****Issuer Repurchase of Equity Securities**

The following table provides information regarding repurchases of our common stock during the three months ended June 30, 2020.

Period	Total Number of Shares Purchased (a)	Average Price Paid Per Share (\$)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (b)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (\$) (b)
April 1 - April 30	—	\$ —	—	\$ 91,586,032
May 1 - May 31	5,425	10.97	—	91,586,032
June 1 - June 30	—	—	—	91,586,032
Total	5,425	\$ 10.97	—	

- (a) Represents shares of common stock surrendered to us to satisfy tax withholding obligations associated with the vesting of restricted shares issued to employees.
- (b) Our Board of Directors previously authorized the repurchase of up to \$300.0 million of our common stock, \$150.0 million was approved in August 2011 and \$150.0 million was approved in February 2012, exclusive of any fees, commissions or other expenses. For the three months ended June 30, 2020, we made no common stock purchases, and at June 30, 2020, approximately \$91.6 million was available pursuant to the stock repurchase program.

**Item 3. Defaults Upon Senior Securities**

None.

**Item 4. Mine Safety Disclosures**

Not applicable.

**Item 5. Other Information**

None.



**Item 6. Exhibits**

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	Period Ending	Exhibit	Filing Date	
10.1	<a href="#">Form of Global Stock Option Award Agreement under the Second Amended and Restated 2007 Equity Incentive Plan.*</a>				X	
10.2	<a href="#">Form of Global Restricted Stock Award Agreement under the Second Amended and Restated 2007 Equity Incentive Plan.*</a>				X	
10.3	<a href="#">Employment Letter Agreement, dated June 24, 2020, between Amkor Technology, Inc. and Guillaume Marie Jean Rutten.*</a>				X	
10.4	<a href="#">Separation Agreement and Release, effective July 4, 2020, between Amkor Technology, Inc. and Stephen D. Kelley.*</a>				X	
31.1	<a href="#">Certification of Guillaume Marie Jean Rutten, President and Chief Executive Officer of Amkor Technology, Inc., pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>				X	
31.2	<a href="#">Certification of Megan Faust, Executive Vice President and Chief Financial Officer of Amkor Technology, Inc., pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>				X	
32	<a href="#">Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>				X	
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.				X	
101.SCH	Inline XBRL Taxonomy Extension Schema Document				X	
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document				X	
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document				X	
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document				X	
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document				X	
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				X	

\*Indicates management compensatory plan, contract or arrangement.



**AMKOR TECHNOLOGY, INC.  
SECOND AMENDED AND RESTATED 2007 EQUITY INCENTIVE PLAN  
GLOBAL STOCK OPTION AWARD AGREEMENT**

Unless otherwise defined herein, the terms defined in the Amkor Technology, Inc. Second Amended and Restated 2007 Equity Incentive Plan (the "Plan") will have the same defined meanings in this Global Stock Option Award Agreement, including the general terms and conditions for non-U.S. Participants and the additional terms and conditions for certain countries, all as set forth in the appendix attached hereto (the "Appendix" and, together, the "Award Agreement").

**Participant Name:**

**Address:**

You have been granted an Option to purchase Common Stock of Amkor Technology, Inc. (the "Company"), subject to the terms and conditions of the Plan and this Award Agreement, as follows:

**Grant Number:**

**Date of Grant:**

**Vesting Commencement Date:** See Vesting Schedule Below

**Exercise Price per Share:**

**Total Number of Shares Granted:**

**Type of Option:**   \_\_\_ Incentive Stock Option  
                          \_\_\_ Non-statutory Stock Option

**Term/Expiration Date:**

1.     Grant of Option. The Company hereby grants to the individual named in this Award Agreement (the "Participant") an option (the "Option") to purchase the number of Shares, as set forth in this Award Agreement, at the exercise price per Share set forth in this Award Agreement (the "Exercise Price"), subject to all of the terms and conditions in this Award Agreement and the Plan, which is incorporated herein by reference. In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Award Agreement, the terms and conditions of the Plan shall prevail.

If designated in the Award Agreement as an Incentive Stock Option (“ISO”), this Option is intended to qualify as an Incentive Stock Option under Section 422 of the Code. However, if this Option is intended to be an Incentive Stock Option, to the extent that it exceeds the \$100,000 limit set forth in Section 422(d) of the Code, it shall be treated as a Nonstatutory Stock Option (“NSO”)

2. Vesting Schedule. Except as provided in Section 4 and subject to any acceleration provisions contained in the Plan or set forth below, this Option will become vested and exercisable in accordance with the following schedule: [INSERT].

Options scheduled to vest on a certain date or upon the occurrence of a certain condition will not vest in Participant in accordance with any of the provisions of this Award Agreement, unless Participant will have been continuously a Service Provider from the Date of Grant until the date such vesting is scheduled to occur. For the avoidance of doubt, employment or service during only a portion of the vesting period until the respective vesting date shall not entitle Participant to vest in a pro rata portion of the Option scheduled to vest on such date.

3. Termination Period.

(a) In the event that Participant ceases to be a Service Provider, the portion of the Option that is not vested as of such date shall be immediately forfeited with no consideration due to Participant and the portion of the Option that is vested and exercisable as of the date of such cessation shall remain exercisable (except as otherwise provided below): (x) if Participant ceases to be a Service Provider due to Participant’s resignation for any reason (other than Retirement) or due to termination by the Company or any Subsidiary for any reason, for **three (3) months** after Participant ceases to be a Service Provider; (y) if Participant ceases to be a Service Provider due to death or Disability, for **twenty-four (24) months** after Participant ceases to be a Service Provider; and (z) if Participant ceases to be a Service Provider due to Retirement, for **twenty-four (24) months** following Participant’s Retirement. If the exercise of the Option following the termination of Participant’s status as a Service Provider (other than upon Participant’s death or Disability) would result in liability under Section 16(b), then the vested portion of the Option will terminate on the earlier of (A) the Term/Expiration Date or (B) the tenth (10<sup>th</sup>) day after the last date on which such exercise would result in such liability under Section 16(b). If the exercise of the Option following the termination of Participant’s status as a Service Provider (other than upon Participant’s death or Disability) would be prohibited at any time solely because the issuance of Shares would violate the registration requirements under the U.S. Securities Act of 1933, as amended (the “Securities Act”), then the vested portion of the Option will terminate on the earlier of (A) the Term/Expiration Date or (B) three (3) months after the last day on which the exercise of the Option would be in violation of such registration requirements. Notwithstanding anything contained herein to the contrary, in no event shall this Option be exercised later than the Term/Expiration Date as provided above. In addition, the Option may be subject to earlier termination as provided in Section 16(c) of the Plan.

(b) For purposes of the Option, the Participant’s status as a Service Provider will be deemed terminated as of the date Participant is no longer actively providing services to the Company or one of its

Subsidiaries (regardless of the reason for such termination and whether or not later found to be invalid or in breach of labor laws in the jurisdiction where the Participant is providing service or the terms of the Participant's employment or other service agreement, if any) and such date will not be extended by any notice period (*e.g.*, Participant's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under labor laws in the jurisdiction where the Participant is providing service or the terms of Participant's employment or other service agreement, if any). The Administrator shall have the exclusive discretion to determine when Participant is no longer actively provides services for purposes of the Option (including whether Participant may still be considered to be providing services while on a leave of absence).

4. Administrator Discretion. The Administrator, in its discretion, may accelerate the vesting of the balance, or some lesser portion of the balance, of the unvested Option at any time, subject to the terms of the Plan. If so accelerated, such Option will be considered as having vested as of the date specified by the Administrator.

5. Exercise of Option. This Option is exercisable during its term in accordance with the vesting schedule set out in Section 2 of this Award Agreement and the applicable provisions of the Plan and this Award Agreement. This Option is exercisable by completing the transaction through the Company's captive broker assisted voice response system or the Internet secured transaction system.

The Option shall be deemed to be exercised upon completion of the transactions through the Company's captive broker assisted voice response system or the Internet secured transaction system, or such other process established by the Company or the Company's captive broker. The exercise shall be accompanied by payment of the aggregate Exercise Price as to the number of Shares in respect of which the Option is being exercised (the "Exercised Shares"), and subject to the satisfaction of any applicable withholding obligation for Tax-Related Items (as defined in Section 7 of this Award Agreement). No Shares shall be issued pursuant to the exercise of this Option unless such issuance and exercise complies with Applicable Laws.

6. Method of Payment. Payment of the aggregate Exercise Price shall be by any of the following, or a combination thereof, at the election of Participant:

(a) Cash;

(b) Check;

(c) Consideration received by the Company under a cashless exercise program implemented by the Company in connection with the Plan;

(d) For U.S. Participants only, surrender of other Shares which have a Fair Market Value on the date of exercise equal to the aggregate Exercise Price of the Exercised Shares, provided that

accepting such Shares, in the sole discretion of the Administrator, will not result in any adverse accounting consequences to the Company; or

(e) Retention by the Company of a number of the whole Shares otherwise deliverable to Participant on exercise of the Option having an aggregate Fair Market Value (determined on the date of exercise) equal to the aggregate Exercise Price unless, in the case of Participants who are not subject to the reporting requirements of Section 16 of the Exchange Act, such right is revoked by the Administrator prior to the time of exercise.

In all events, the aggregate Exercise Price must be paid to the Company within three days after the date of exercise.

Notwithstanding the foregoing, if Participant is subject to Section 16 of the Exchange Act at the time of exercise, then the Exercise Price shall be paid as provided in Section 6(d) above, unless the Administrator and Participant agree otherwise.

7. Responsibility for Taxes.

(a) Participant acknowledges and agrees that, regardless of any action taken by the Company or, if different, the Subsidiary to which Participant is providing services (the "Service Recipient"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to Participant's participation in the Plan and legally applicable to Participant ("Tax-Related Items") is and remains Participant's responsibility and may exceed the amount, if any, actually withheld by the Company or the Service Recipient. Participant further acknowledges that the Company and/or the Service Recipient (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Option, including, but not limited to, the grant, vesting or exercise of this Option, the subsequent sale of Shares acquired upon the exercise of this Option and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of this Option to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if Participant is subject to Tax-Related Items in more than one jurisdiction, Participant acknowledges that the Company and/or the Service Recipient (or former service recipient, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to the relevant taxable or tax withholding event, as applicable, Participant agrees to make adequate arrangements satisfactory to the Company and/or the Service Recipient to satisfy all Tax-Related Items. In this regard, Participant authorizes the Company and/or the Service Recipient, or their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following: (i) withholding from Participant's salary, wages or other compensation payable to Participant by the Company and/or the Service Recipient, (ii) withholding from proceeds of the sale of the Shares acquired upon the exercise of this Option either through a voluntary sale or through a mandatory sale arranged by the Company (on Participant's behalf

pursuant to this authorization without further consent), (iii) withholding from the Shares otherwise issuable at exercise of this Option, or (iv) any method determined by the Administrator to be in compliance with Applicable Laws. Notwithstanding the foregoing, any Participant who is subject to the requirements of Section 16 of the Exchange Act at the time the withholding obligation for Tax-Related Items becomes due, shall satisfy any withholding obligation for Tax-Related Items by the method described in (iii).

(c) Depending on the withholding method, the Company and/or the Service Recipient may withhold or account for Tax-Related Items by considering statutory withholding amounts or other applicable withholding rates, including maximum rates applicable in Participant's jurisdiction(s). In the event of over-withholding, Participant may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Shares), or if not refunded, Participant may seek a refund from local tax authorities. In the event of under-withholding, Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Service Recipient. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, Participant is deemed to have been issued the full number of Shares subject to the exercised Option, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items.

(d) Participant agrees to pay to the Company or the Service Recipient any amount of Tax-Related Items that the Company or the Service Recipient may be required to withhold or account for as a result of Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of the Shares acquired upon the exercise of the Option, if Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

8. Rights as Stockholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant. After such issuance, recordation and delivery, Participant will have all the rights of a stockholder of the Company with respect to such Shares, including voting and receipt of dividends and distributions on such Shares.

9. No Guarantee of Continued Service. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF THE OPTION PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS A SERVICE PROVIDER AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THE OPTION OR ACQUIRING SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AWARD AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A SERVICE PROVIDER FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S

RIGHT OR THE RIGHT OF THE SERVICE RECIPIENT TO TERMINATE PARTICIPANT'S RELATIONSHIP AS A SERVICE PROVIDER AT ANY TIME, WITH OR WITHOUT CAUSE.

10. Appendix. For Participants outside the United States, this Option shall be subject to the general terms and conditions for non-U.S. Participants and the additional terms and conditions for certain countries set forth in the Appendix attached hereto. Moreover, if Participant relocates from the U.S. to one of the countries included in the Appendix or if Participant relocates between countries included in the Appendix during the life of the Option, the general terms and conditions for non-U.S. Participants and the additional terms and conditions for such country shall apply to Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Award Agreement.

11. No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding participation in the Plan, or Participant's acquisition or sale of the underlying Shares. Participant acknowledges that he or she should consult with his or her own personal tax, legal and financial advisors regarding participation in the Plan before taking any action related to the Option.

12. Address for Notices. Any notice to be given to the Company under the terms of this Award Agreement will be addressed to the Company, in care of its Stock Plan Administrator at Amkor Technology, Inc., 2045 East Innovation Circle, Tempe, Arizona, 85284, or at such other address as the Company may hereafter designate in writing.

13. Waivers. Participant acknowledges that a waiver by the Company of breach of any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach by Participant or any other participants.

14. Non-Transferability of Option. This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Participant only by Participant.

15. Binding Agreement. Subject to the limitation on the transferability of this grant contained herein, this Award Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto (provided that neither the Option nor this Award Agreement may be assigned by Participant).

16. Additional Conditions to Issuance of Stock. If at any time the Company determines, in its discretion, that the listing, registration or qualification of the Shares upon any securities exchange or under any Applicable Laws, or the consent or approval of any U.S. or non-U.S. governmental regulatory authority is necessary or desirable as a condition to the issuance of Shares to Participant (or his or her estate), such issuance will not occur unless and until such listing, registration, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Company. Participant



understands that the Company is under no obligation to register or qualify the Shares subject to the Option with any U.S. state or non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, Participant agrees that the Company shall have unilateral authority to amend the Plan and this Award Agreement without Participant's consent to the extent necessary to comply with Applicable Laws.

17. Administrator Authority. The Administrator has the power to interpret the Plan and this Award Agreement and to adopt such rules for the administration, interpretation and application of the Plan and this Award Agreement as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Shares subject to the Option have vested). All actions taken and all interpretations and determinations made by the Administrator in good faith will be final and binding upon Participant, the Company and all other interested persons. No member of the Administrator will be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Award Agreement.

18. Electronic Delivery and Acceptance. The Company may, in its sole discretion, decide to deliver any documents related to the Option or the Plan by electronic means or request Participant's consent to participate in the Plan by electronic means. Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company.

19. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Award Agreement.

20. Agreement Severable. In the event that any provision in this Award Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Award Agreement.

21. Modifications to the Award Agreement. The Plan and this Award Agreement constitute the entire understanding of the parties on the subjects covered herein. Participant expressly warrants that he or she is not accepting this Award Agreement in reliance on any promises, representations, or inducements other than those contained herein. Except as otherwise provided herein or in the Plan, modifications to this Award Agreement can be made only in an express written contract executed by Participant and a duly authorized officer of the Company.

22. Governing Law; Venue. This Award Agreement will be governed by the laws of the State of Delaware without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under this Option or this Award Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Arizona, and agree that such litigation will be conducted solely in the courts of Maricopa County, Arizona, or the federal courts for the United States for the District of Arizona, and no other courts.

23. Code Section 409A. The Option is intended to comply with, or be exempt from, Code Section 409A and all regulations, guidance, compliance programs and other interpretative authority thereunder, and shall be interpreted in a manner consistent therewith. Notwithstanding anything contained herein to the contrary, in the event the Option is subject to Code Section 409A, the Company may, in its sole discretion and without Participant's prior consent, amend the Plan and/or the Award Agreement, adopt policies and procedures, or take any other actions as deemed appropriate by the Company to (i) exempt the Option from the application of Code Section 409A, (ii) preserve the intended tax treatment of the Option or (iii) comply with the requirements of Code Section 409A. Notwithstanding anything contained herein to the contrary, in no event shall the Company or any Subsidiary have any liability or obligation to Participant or any other person in the event that the Plan or the Option is not exempt from, or compliant with, Code Section 409A.

24. Insider Trading Restrictions/Market Abuse Laws. By accepting the Option, Participant acknowledges that he or she is bound by all the terms and conditions of the Company's insider trading policy as may be in effect from time to time. Participant further acknowledges that, depending on Participant's or his or her broker's country or the country in which the Shares are listed, he or she may be subject to insider trading restrictions and/or market abuse laws which may affect Participant's ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares (*e.g.*, Options) or rights linked to the value of Shares during such times as Participant is considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders Participant placed before Participant possessed inside information. Furthermore, Participant could be prohibited from (i) disclosing the inside information to any third party, which may include fellow employees and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under the Company's insider trading policy as may be in effect from time to time. Participant acknowledges that it is Participant's responsibility to comply with any applicable restrictions, and Participant should speak to his or her personal advisor on this matter.

25. Agreement. Participant's acceptance of the Option by signing below or by otherwise accepting the Option following such procedures as established by the Company (including an online acceptance process) constitute Participant's agreement to be bound by the terms and conditions of this Award Agreement and the Plan. The Company may refuse to allow Participant to exercise the Option unless Participant has signed this Award Agreement or otherwise accepted the Option following such procedures as established by the Company (including an online acceptance process).

**Participant**

**Amkor Technology, Inc.**

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[NAME]

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**Date**

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**Date**

**APPENDIX TO  
AMKOR TECHNOLOGY, INC.  
SECOND AMENDED AND RESTATED 2007 EQUITY INCENTIVE PLAN  
GLOBAL STOCK OPTION AWARD AGREEMENT**

Capitalized terms used but not defined in this Appendix shall have the same meanings assigned to them in the Plan and/or the Global Stock Option Award Agreement (the “Option Agreement”).

***Terms and Conditions***

This Appendix includes general terms and conditions for non-U.S. Participants and additional terms and conditions that govern the Option if Participant works and/or resides in one of the countries listed below. If Participant is a citizen or resident of a country other than the one in which Participant is currently working and/or residing (or is considered as such for local law purposes), or if Participant transfers employment and/or residency to a different country after the Option is granted, the Company will, in its discretion, determine the extent to which the terms and conditions contained herein will apply to Participant.

***Notifications***

This Appendix also includes information regarding certain other issues of which Participant should be aware with respect to Participant’s participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of May 2020. Such laws are often complex and change frequently. As a result, Participant should not rely on the information noted herein as the only source of information relating to the consequences of participation in the Plan because the information may be out-of-date at the time Participant exercises the Option or sells any Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to Participant’s particular situation. As a result, the Company is not in a position to assure Participant of any particular result. Accordingly, Participant should seek appropriate professional advice as to how the relevant laws in Participant’s country may apply to Participant’s individual situation.

If Participant is a citizen or resident of a country other than the one in which Participant is currently working and/or residing (or is considered as such for local law purposes), or if Participant transfers employment and/or residency to a different country after the Option is granted, the information contained in this Appendix may not be applicable to Participant in the same manner.

## **GENERAL TERMS AND CONDITIONS APPLICABLE TO ALL NON-US PARTICIPANTS**

1. **Retirement.** The following provision supplements Section 3 of the Option Agreement:

Notwithstanding Section 3(a) of the Option Agreement, if the Company receives an opinion of counsel that there has been a legal judgment and/or legal development in Participant's jurisdiction that likely would result in the favorable Retirement treatment that otherwise would apply to the Option pursuant to Section 3(a) of the Option Agreement being deemed unlawful and/or discriminatory, then the Company will not apply this favorable Retirement treatment at the time of the termination of Participant's status as a Service Provider and the Option will be treated as it would under the rules that otherwise would have applied if the termination of Participant's status as a Service Provider did not qualify as a Retirement.

2. **Data Privacy Information and Consent.**

*(a) **Data Collection and Usage.** The Company and the Service Recipient collect, process and use certain personal information about Participant, including, but not limited to, Participant's name, home address, telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all awards granted under the Plan or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor ("Data"), for purposes of implementing, administering and managing the Plan. The legal basis, where required, for the processing of Data is Participant's consent.*

*(b) **Stock Plan Administration Service Providers.** The Company transfers Data to E\*TRADE Financial Corporate Services, Inc. and certain of its affiliates ("E\*TRADE"), an independent service provider which is assisting the Company with the implementation, administration and management of the Plan. The Company may select a different service provider or additional service providers and share Data with such other provider serving in a similar manner. Participant may be asked to agree on separate terms and data processing practices with E\*TRADE and such other service providers, with such agreement being a condition to the ability to participate in the Plan.*

*(c) **International Data Transfers.** The Company and E\*TRADE are based in the U.S., which means that it will be necessary for Data to be transferred to, and processed in, the U.S. Participant's country or jurisdiction may have different data privacy laws and protections than the U.S. The Company's legal basis for the transfer of Data, where required, is Participant's consent.*

*(d) **Data Retention.** The Company will hold and use Data only as long as is necessary to implement, administer and manage Participant's participation in the Plan, or as required to comply*

with legal or regulatory obligations, including under tax, exchange control, labor and securities laws. This period may extend beyond the Participant's period as a Service Provider. When the Company and/or the Service Recipient no longer need Data for any of the above purposes, they will cease processing it in this context and remove it from all of their systems used for such purposes to the fullest extent practicable.

(e) Voluntariness and Consequences of Consent Denial or Withdrawal. Participation in the Plan is voluntary and Participant is providing the consents herein on a purely voluntary basis. If Participant does not consent, or if Participant later seeks to revoke his or her consent, Participant's salary from or employment or service with the Service Recipient will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to grant the Option or other equity awards to Participant under the Plan or administer or maintain such awards.

(f) Data Subject Rights. Participant may have a number of rights under data privacy laws in his or her jurisdiction. Depending on where Participant is based, such rights may include the right to (i) request access to or copies of Data the Company processes, (ii) rectify incorrect Data, (iii) delete Data, (iv) restrict the processing of Data, (v) restrict the portability of Data, (vi) lodge complaints with competent authorities in Participant's jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, Participant can contact his or her local human resources representative.

(g) Other Legal Basis and Additional Consent. Participant understands that the Company may rely on a different legal basis for the collection, processing or transfer of Data in the future and/or request Participant to provide another data privacy consent. If applicable, upon request of the Company or the Service Recipient, Participant will provide a separate executed data privacy agreement (or any other agreements or consents) that the Company and/or the Service Recipient may deem necessary to obtain from Participant for the purpose of administering his or her participation in the Plan in compliance with the data privacy laws in Participant's country, either now or in the future. Participant understands and agrees that Participant will not be able to participate in the Plan if Participant fails to provide any such agreement requested by the Company and/or the Service Recipient.

3. Nature of Grant. By accepting the Option, Participant acknowledges, understands, and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the grant of the Option is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of stock options, or benefits in lieu of stock options, even if stock options have been granted in the past;

(c) all decisions with respect to future stock option or other grants, if any, will be at the sole discretion of the Company;

(d) Participant is voluntarily participating in the Plan;

(e) the Option and any Shares subject to the Option, and the income from and value of same, are not intended to replace any pension rights or compensation;

(f) unless otherwise agreed with the Company, the Option and the Shares subject to the Option, and the income from and value of same, are not granted as consideration for, or in connection with, the service Participant may provide as a director of a Subsidiary;

(g) the Option and any Shares subject to the Option, and the income from and value of same, are not part of normal or expected compensation for any purpose, including, without limitation to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, holiday pay, pension or retirement or welfare benefits or similar mandatory payments;

(h) the future value of the Shares underlying the Option is unknown, indeterminable, and cannot be predicted with certainty;

(i) if the underlying Shares subject to the Option do not increase in value, the Option will have no value;

(j) if Participant exercises the Option and acquires Shares, the value of such Shares may increase or decrease, even below the Exercise Price;

(k) no claim or entitlement to compensation or damages shall arise from forfeiture of the Option resulting from the termination of Participant's status as a Service Provider (for any reason whatsoever, whether or not later found to be invalid or in breach of labor laws in the jurisdiction where the Participant is providing service or the terms of the Participant's employment or other service agreement, if any);

(l) unless otherwise provided in the Plan or by the Company in its discretion, the Option and the benefits evidenced by this Award Agreement do not create any entitlement to have the Option or any

such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and

(m) neither the Company, the Service Recipient nor any other Subsidiary shall be liable for any foreign exchange rate fluctuation between Participant's local currency and the U.S. dollar that may affect the value of the Option or of any amounts due to Participant pursuant to the exercise of the Option or the subsequent sale of any Shares acquired upon exercise.

4. Language. Participant acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English, so as to allow Participant to understand the terms and conditions of this Award Agreement. If Participant has received this Award Agreement, or any other documents related to the Option and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

5. Foreign Asset/Account, Exchange Control and Tax Reporting. Participant may be subject to foreign asset/account, exchange control, tax reporting or other requirements which may affect Participant's ability acquire or hold Options or Shares or cash received from participating in the Plan (including dividends and the proceeds arising from the sale of Shares) in a brokerage/bank account outside Participant's country. The applicable laws of Participant's country may require that he or she report such Options, Shares, accounts, assets or transactions to the applicable authorities in such country and/or repatriate funds received in connection with the Plan to Participant's country within a certain time period or according to certain procedures. Participant acknowledges that he or she is responsible for ensuring compliance with any applicable requirements and should consult his or her personal legal advisor to ensure compliance with Applicable Laws.



## **ADDITIONAL TERMS AND CONDITIONS FOR CERTAIN COUNTRIES**

### **KOREA**

#### ***Notifications***

**Exchange Control Information.** To remit funds out of Korea to pay the aggregate Exercise Price in cash (or cash equivalent), Participant must obtain a confirmation of the remittance by a foreign exchange bank in Korea. This is an automatic procedure (*i.e.*, the bank does not need to approve the remittance and the process should not take more than a single day). Participant likely will need to present the bank processing the transaction supporting documentation evidencing the nature of the remittance. Participant should check with the bank to determine whether there are any additional requirements. This confirmation is not necessary if Participant uses a cashless exercise to pay the aggregate Exercise Price because there is no remittance of funds out of Korea in this case.

**Foreign Asset / Account Reporting Information.** Korean residents must declare all foreign financial accounts (*i.e.*, non-Korean bank accounts, brokerage accounts, etc.) to the Korean tax authority and file a report with respect to such accounts if the value of such accounts exceeds a certain threshold (currently KRW 500 million or an equivalent amount in foreign currency). Participant should consult with his or her personal tax advisor to determine any personal reporting obligations.

### **PORTUGAL**

#### ***Terms and Conditions***

**Consent to Receive Information in English.** Participant hereby expressly declares that Participant has full knowledge of the English language and has read, understood and fully accepted and agreed with the terms and conditions established in the Plan and this Award Agreement.

**Conhecimento da Língua.** *Por meio do presente, eu declaro expressamente que tem pleno conhecimento da língua inglesa e que li, compreendi e livremente aceitei e concordei com os termos e condições estabelecidas no Plano e no Acordo.*

#### ***Notifications***

**Exchange Control Information.** If Participant receives Shares at exercise of the Option, the acquisition of the Shares must be reported to the Banco de Portugal for statistical purposes. If the Shares are deposited with a commercial bank or financial intermediary in Portugal, such bank or financial intermediary will submit the report on Participant's behalf. If the Shares are not deposited with a commercial bank or

financial intermediary in Portugal, Participant is responsible for submitting the report to the Banco de Portugal.

## **SINGAPORE**

### ***Terms and Conditions***

**Restriction on Sale of Shares.** The Option is subject to section 257 of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”) and Participant will not be able to make any subsequent offer to sell or sale of the Shares in Singapore, unless such offer or sale is made (1) after six (6) months from the Date of Grant, (2) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA or (3) pursuant to, and in accordance with, the conditions of any other applicable exemptions under the SFA.

### ***Notifications***

**Securities Law Information.** The offer of the Plan, the grant of the Option, and the issuance of the underlying Shares upon exercise are being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the SFA. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore.

**Director Notification.** Participant understands and acknowledges that if Participant is a director, associate director or shadow director of a Singapore Subsidiary, Participant is subject to certain notification requirements under the Singapore Companies Act, regardless of whether Participant is a Singapore resident or providing services in Singapore. Among these requirements is an obligation to notify the Singapore Subsidiary in writing when Participant receives an interest (*e.g.*, Options or Shares) in the Company. In addition, Participant must notify the Singapore Subsidiary when Participant sells Shares (including when Participant sells Shares acquired under the Plan). These notifications must be made within two days of acquiring or disposing of any interest in the Company. In addition, a notification must be made of Participant’s interests in the Company within two days of becoming a director, associate director or shadow director.

## **TAIWAN**

### ***Notifications***

**Securities Law Information.** The offer of participation in the Plan is available only for Service Providers. The offer of participation in the Plan is not a public offer of securities by a Taiwanese company.

Exchange Control Information. Participant may acquire and remit foreign currency (including proceeds from the sale of Shares or the receipt of dividends) up to US\$5,000,000 per year without justification. However, if the transaction amount is TWD500,000 or more in a single transaction, Participant must submit a Foreign Exchange Transaction Form and provide supporting documentation to the satisfaction of the remitting bank.

**AMKOR TECHNOLOGY, INC.  
SECOND AMENDED AND RESTATED 2007 EQUITY INCENTIVE PLAN**

**GLOBAL RESTRICTED STOCK AWARD AGREEMENT**

Unless otherwise defined herein, the terms defined in the Amkor Technology, Inc. Second Amended and Restated 2007 Equity Incentive Plan (the “Plan”) will have the same defined meanings in this Global Restricted Stock Award Agreement, including the general terms and conditions for all non-U.S. Participants and the additional terms and conditions for certain countries, all as set forth in the appendix attached hereto (the “Appendix” and, together with the Global Restricted Stock Agreement, the “Award Agreement”).

**Participant Name:**

**Address:**

You have been granted the right to receive an Award of Restricted Stock, subject to the terms and conditions of the Plan and this Award Agreement, as follows:

**Grant Number:**

**Date of Grant:**

**Vesting Commencement Date:**

**Number of Shares Granted:**

**Vesting Schedule:**

Subject to any acceleration provisions contained in the Plan or set forth below, the Restricted Stock will vest and the Company’s right to reacquire the Restricted Stock will lapse in accordance with the following schedule:

**[INSERT APPLICABLE VESTING SCHEDULE].**

1. Grant. The Company hereby grants to the individual named above (“Participant”) under the Plan as a separate incentive and not in lieu of any salary or other compensation for his or her services, an Award of Restricted Stock, subject to all of the terms and conditions in this Award Agreement and the Plan, which is incorporated herein by reference. In the event of a conflict between the terms and

conditions of the Plan and the terms and conditions of this Award Agreement, the terms and conditions of the Plan will prevail.

2. Escrow of Shares.

a. All Shares of Restricted Stock will, upon execution of this Award Agreement, be delivered and deposited with an escrow holder designated by the Company (the "Escrow Holder"). The Shares of Restricted Stock will be held by the Escrow Holder until such time as the Shares of Restricted Stock vest or the date Participant ceases to be a Service Provider (if earlier).

b. The Escrow Holder will not be liable for any act it may do or omit to do with respect to holding the Shares of Restricted Stock in escrow while acting in good faith and in the exercise of its judgment.

c. Upon Participant's termination as a Service Provider for any reason, the Escrow Holder, upon receipt of written notice of such termination, will take all steps necessary to accomplish the transfer of the unvested Shares of Restricted Stock (after giving effect to any accelerated vesting resulting from such termination) to the Company. Participant hereby appoints the Escrow Holder with full power of substitution, as Participant's true and lawful attorney-in-fact with irrevocable power and authority in the name and on behalf of Participant to take any action and execute all documents and instruments, including, without limitation, stock powers which may be necessary to transfer the certificate or certificates evidencing such unvested Shares of Restricted Stock to the Company upon such termination.

d. The Escrow Holder will take all steps necessary to accomplish the transfer of Shares of Restricted Stock to Participant after they vest following Participant's request that the Escrow Holder do so.

e. Subject to the terms hereof, Participant will have all the rights of a stockholder with respect to the Shares of Restricted Stock while they are unvested; provided, however, that if any (x) dividends or distributions are paid in Shares or other property, the Shares or other property will be subject to the same restrictions on transferability and forfeitability as the Shares of Restricted Stock with respect to which they were paid and (y) dividends are paid in cash, such cash dividends will be withheld (in the Company's general assets) and paid only upon the vesting of the underlying Shares of Restricted Stock (with such cash dividends to be forfeited upon the forfeiture of the underlying Shares of Restricted Stock). For the avoidance of doubt, Participant may not sell or otherwise dispose of any shares of Restricted Stock while they are unvested.

f. In the event of any recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Company, or other change in the corporate structure of the Company, affecting the Shares, in which the Shares of Restricted Stock are increased, reduced or otherwise changed, and by virtue of any such change Participant in his or her capacity as owner of unvested Shares of Restricted Stock (if applicable) is entitled to new or additional or different shares of stock, cash or securities (other than rights or warrants to purchase securities); such new or additional or different shares, cash or securities will thereupon be considered to be unvested Shares of Restricted Stock and will be subject to all of the conditions and restrictions which were applicable to the unvested Shares of Restricted Stock

pursuant to this Award Agreement. If Participant receives rights or warrants with respect to any unvested Shares of Restricted Stock, such rights or warrants may be held or exercised by Participant, provided that until such exercise any such rights or warrants and after such exercise any shares or other securities acquired by the exercise of such rights or warrants will be considered to be unvested Shares of Restricted Stock and will be subject to all of the conditions and restrictions which were applicable to the unvested Shares of Restricted Stock pursuant to this Award Agreement. The Administrator in its absolute discretion at any time may accelerate the vesting of all or any portion of such new or additional shares of stock, cash or securities, rights or warrants to purchase securities or shares or other securities acquired by the exercise of such rights or warrants.

g. The Company may instruct the transfer agent for its Common Stock to place a legend on the certificates representing the Restricted Stock or otherwise note its records as to the restrictions on transfer set forth in this Award Agreement.

3. Vesting Schedule. The Shares of Restricted Stock awarded by this Award Agreement will vest in accordance with the vesting provisions set forth in this Award Agreement. Unless otherwise provided in the vesting provisions set forth in this Award Agreement, Shares of Restricted Stock scheduled to vest on a certain date or upon the occurrence of a certain condition will not vest in Participant in accordance with any of the provisions of this Award Agreement, unless Participant has been continuously a Service Provider from the Date of Grant until the date such vesting is scheduled to occur. For the avoidance of doubt, employment or other service during only a portion of the vesting period until the respective vesting date shall not entitle Participant to vest in a pro rata portion of the Shares of Restricted Stock scheduled to vest on such date.

4. Forfeiture upon Termination of Status as a Service Provider. Notwithstanding any contrary provision of this Award Agreement, but subject to the vesting provisions set forth in this Award Agreement, the balance of the Shares of Restricted Stock that have not vested at the time of Participant's termination as a Service Provider for any reason will be forfeited (with no consideration due to Participant) and automatically transferred to and reacquired by the Company at no cost to the Company upon the date of such termination and Participant will have no further rights thereunder. Participant hereby appoints the Escrow Agent with full power of substitution, as Participant's true and lawful attorney-in-fact with irrevocable power and authority in the name and on behalf of Participant to take any action and execute all documents and instruments, including, without limitation, stock powers which may be necessary to transfer the certificate or certificates evidencing such unvested Shares of Restricted Stock to the Company upon such termination as a Service Provider.

For purposes of the Restricted Stock, Participant's status as a Service Provider will be deemed terminated as of the date Participant is no longer actively providing services to the Company or one of its Subsidiaries (regardless of the reason for such termination and whether or not later found to be invalid or in breach of labor laws in the jurisdiction where Participant is providing service or the terms of Participant's employment or other service agreement, if any) and such date will not be extended by any notice period (*e.g.*, Participant's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under labor laws in the jurisdiction where the Participant is providing service or the terms of Participant's employment or other service agreement, if any). The Administrator shall have the exclusive discretion to determine when Participant is no longer

actively provides services for purposes of the Restricted Stock (including whether Participant may still be considered to be providing services while on a leave of absence).

5. Death of Participant. Any distribution or delivery to be made to Participant under this Award Agreement will, if Participant is then deceased, be made to the administrator or executor of Participant's estate, Participant's legal heirs or, provided such designation has been permitted by the Company and/or is valid under Applicable Laws, Participant's designated beneficiary. Any such transferee must furnish the Company with (a) written notice of his or her status as transferee, and (b) evidence satisfactory to the Company to establish the validity of the transfer and compliance with any laws or regulations pertaining to said transfer.

6. Responsibility for Taxes.

a. Participant acknowledges and agrees that, regardless of any action taken by the Company or, if different, the Subsidiary to which Participant is providing services (the "Service Recipient"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to Participant's participation in the Plan and legally applicable to Participant ("Tax-Related Items") is and remains Participant's responsibility and may exceed the amount, if any, actually withheld by the Company or the Service Recipient. Participant further acknowledges that the Company and/or the Service Recipient (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock, including, but not limited to, the grant or vesting of Restricted Stock, or the subsequent sale of Shares acquired at vesting and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Restricted Stock to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if Participant is subject to Tax-Related Items in more than one jurisdiction, Participant acknowledges that the Company and/or the Service Recipient (or former service recipient, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

b. Prior to the relevant taxable or tax withholding event, as applicable, Participant agrees to make adequate arrangements satisfactory to the Company and/or the Service Recipient to satisfy all Tax-Related Items. In this regard, Participant authorizes the Company and/or the Service Recipient, or their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following: (i) withholding from Participant's salary, wages or other compensation payable to Participant by the Company and/or the Service Recipient, (ii) withholding from proceeds of the sale of the Shares subject to the Restricted Stock either through a voluntary sale or through a mandatory sale arranged by the Company (on Participant's behalf pursuant to this authorization without further consent), (iii) withholding Shares subject to the Restricted Stock, or (iv) any method determined by the Administrator to be in compliance with Applicable Laws. Notwithstanding the foregoing, if Participant is subject to Section 16 of the Exchange Act at the time the withholding obligation for Tax-Related Items becomes due, the Administrator will satisfy any applicable withholding obligation by directing the Company to withhold Shares subject to the Restricted Stock.

c. The Company and/or the Service Recipient may withhold or account for Tax-Related Items by considering statutory withholding amounts or other applicable withholding rates, including maximum rates applicable in Participant's jurisdiction(s). In the event of over-withholding, Participant

may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Shares), or if not refunded, Participant may seek a refund from local tax authorities. In the event of under-withholding, Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Service Recipient. If the obligation for Tax-Related Items is satisfied by withholding Shares, for tax purposes, Participant is deemed to have received the full number of Shares subject to the vested Award, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items.

d. Participant agrees to pay to the Company or the Service Recipient any amount of Tax-Related Items that the Company or the Service Recipient may be required to withhold or account for as a result of Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of the Shares acquired upon vesting of the Restricted Stock, if Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

7. Rights as Stockholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant or the Escrow Agent. Except as provided in Section 2(e), after such issuance, recordation and delivery, Participant will have all the rights of a stockholder of the Company with respect to such Shares, including voting and receipt of dividends and distributions on such Shares.

8. No Guarantee of Continued Service. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF THE SHARES OF RESTRICTED STOCK PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS A SERVICE PROVIDER AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS RESTRICTED STOCK OR ACQUIRING SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AWARD AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A SERVICE PROVIDER FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE RIGHT OF THE COMPANY OR THE SERVICE RECIPIENT, AS APPLICABLE, TO TERMINATE PARTICIPANT'S RELATIONSHIP AS A SERVICE PROVIDER AT ANY TIME, WITH OR WITHOUT CAUSE.

9. Appendix. For Participants outside the United States, the Restricted Stock shall be subject to the general terms and conditions for all non-U.S. Participants and the additional terms and conditions for certain countries set forth in the Appendix attached hereto. Moreover, if Participant relocates from the U.S. to one of the countries included in the Appendix or if Participant relocates between countries included in the Appendix during the vesting period of the Restricted Stock, the general terms and conditions for non-U.S. Participants and the additional terms and conditions for such country shall apply to Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Award Agreement.



10. No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding participation in the Plan, or Participant's acquisition or sale of the underlying Shares. Participant acknowledges that he or she should consult with his or her own personal tax, legal and financial advisors regarding participation in the Plan before taking any action related to the Restricted Stock.

11. Address for Notices. Any notice to be given to the Company under the terms of this Award Agreement will be addressed to the Company, in care of its General Counsel at Amkor Technology, Inc., 2045 E. Innovation Circle, Tempe, Arizona, 85284, or at such other address as the Company may hereafter designate in writing.

12. Waivers. Participant acknowledges that a waiver by the Company of breach of any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach by Participant or any other participants.

13. Grant is Not Transferable. Except to the limited extent provided in Section 5, the unvested Shares of Restricted Stock subject to this grant and the rights and privileges conferred hereby will not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) and will not be subject to sale under execution, attachment or similar process. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of any unvested Shares of Restricted Stock subject to this grant, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, this grant and the rights and privileges conferred hereby immediately will become null and void.

14. Binding Agreement. Subject to the limitation on the transferability of this grant contained herein, this Award Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto (provided that neither the Shares of Restricted Stock nor this Award Agreement may be assigned by Participant).

15. Additional Conditions to Release from Escrow. The Company will not be required to issue any certificate or certificates for Shares hereunder or release such Shares from the escrow established pursuant to Section 2 prior to fulfillment of all the following conditions: (a) the admission of such Shares to listing on all stock exchanges on which such class of stock is then listed; (b) the completion of any registration or other qualification of such Shares under any Applicable Laws or under the rulings or regulations of the U.S. Securities and Exchange Commission or any other U.S. or non-U.S. governmental regulatory body, which the Administrator, in its absolute discretion, deems necessary or advisable; (c) the obtaining of any approval or other clearance from any U.S. or non-U.S. state or federal governmental agency, which the Administrator, in its absolute discretion, determines to be necessary or advisable; and (d) the lapse of such reasonable period of time following the date of grant of the Restricted Stock as the Administrator may establish from time to time for reasons of administrative convenience. Participant understands that the Company is under no obligation to register or qualify the Shares subject to the Restricted Stock with any U.S. state or non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, Participant agrees that the Company shall have unilateral authority to amend the Plan and this Award Agreement without Participant's consent to the extent necessary to comply with Applicable Laws.

16. Administrator Authority. The Administrator has the power to interpret the Plan and this Award Agreement and to adopt such rules for the administration, interpretation and application of the Plan and this Award Agreement as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Shares of Restricted Stock have vested). All actions taken and all interpretations and determinations made by the Administrator in good faith will be final and binding upon Participant, the Company and all other interested persons. No member of the Administrator will be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Award Agreement.

17. Electronic Delivery and Acceptance. The Company may, in its sole discretion, decide to deliver any documents related to the Shares of Restricted Stock or the Plan by electronic means or request Participant's consent to participate in the Plan by electronic means. Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company.

18. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Award Agreement.

19. Agreement Severable. In the event that any provision in this Award Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Award Agreement.

20. Modifications to the Award Agreement. The Plan and this Award Agreement constitute the entire understanding of the parties on the subjects covered herein. Participant expressly warrants that he or she is not accepting this Award Agreement in reliance on any promises, representations, or inducements other than those contained herein. Except as otherwise provided herein or in the Plan, modifications to this Award Agreement can be made only in an express written contract executed by Participant and a duly authorized officer of the Company.

21. Code Section 409A. The Award Agreement is intended to comply with, or be exempt from, Code Section 409A and all regulations, guidance, compliance programs and other interpretative authority thereunder, and shall be interpreted in a manner consistent therewith. Notwithstanding anything contained herein to the contrary, in the event the Award Agreement is subject to Code Section 409A, the Company may, in its sole discretion and without Participant's prior consent, amend the Plan and/or the Award Agreement, adopt policies and procedures, or take any other actions as deemed appropriate by the Company to (i) exempt the Plan and/or the Award Agreement from the application of Code Section 409A, (ii) preserve the intended tax treatment of the Award Agreement or (iii) comply with the requirements of Code Section 409A. Notwithstanding anything contained herein to the contrary, in no event shall the Company or any Subsidiary have any liability or obligation to any Participant or any other person in the event that the Plan or the Award Agreement is not exempt from, or compliant with, Code Section 409A.

22. Effect of Plan. By accepting the Restricted Stock, Participant expressly warrants that he or she has received an Award of Restricted Stock under the Plan, and has received, read and understands the Plan. Participant understands that the Plan is discretionary in nature and may be amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan.

23. Governing Law; Venue. This Award Agreement will be governed by the laws of the State of Delaware, without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under this Award or this Award Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Arizona, and agree that such litigation will be conducted solely in the courts of Maricopa County, Arizona, or the federal courts for the United States for the District of Arizona, and no other courts.

24. Insider Trading Restrictions/Market Abuse Laws. By accepting the Restricted Stock, Participant acknowledges that he or she is bound by all the terms and conditions of the Company's insider trading policy as may be in effect from time to time. Participant further acknowledges that, depending on Participant's or his or her broker's country or the country in which the Shares are listed, he or she may be subject to insider trading restrictions and/or market abuse laws which may affect Participant's ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares, or rights linked to the value of Shares during such times as Participant is considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders Participant placed before Participant possessed inside information. Furthermore, Participant could be prohibited from (i) disclosing the inside information to any third party, which may include fellow employees and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under the Company's insider trading policy as may be in effect from time to time. Participant acknowledges that it is Participant's responsibility to comply with any applicable restrictions, and Participant should speak to his or her personal advisor on this matter.

25. Agreement. Participant's acceptance of the Restricted Stock by signing below or by otherwise accepting the Restricted Stock following such procedures as established by the Company (including an online acceptance process) constitute Participant's agreement to be bound by the terms and conditions of this Award Agreement and the Plan. The Company may refuse to allow Participant to vest in the Restricted Stock unless Participant has signed this Award Agreement or otherwise accepted the Restricted Stock following such procedures as established by the Company (including an online acceptance process).

**Participant**

**Amkor Technology, Inc.**

\_\_\_\_\_  
"NAME"

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Date**

**APPENDIX TO  
AMKOR TECHNOLOGY, INC.  
SECOND AMENDED AND RESTATED 2007 EQUITY INCENTIVE PLAN  
GLOBAL RESTRICTED STOCK AWARD AGREEMENT**

Capitalized terms used but not defined in this Appendix shall have the same meanings assigned to them in the Plan and/or the Global Restricted Stock Award Agreement.

***Terms and Conditions***

This Appendix includes general terms and conditions for all non-U.S. Participants and additional terms and conditions that govern the Restricted Stock if Participant works and/or resides in one of the countries listed below. If Participant is a citizen or resident of a country other than the one in which Participant is currently working and/or residing (or is considered as such for local law purposes), or if Participant transfers employment and/or residency to a different country after the Restricted Stock is granted, the Company will, in its discretion, determine the extent to which the terms and conditions contained herein will apply to Participant.

***Notifications***

This Appendix also includes information regarding certain other issues of which Participant should be aware with respect to Participant's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of July 2020. Such laws are often complex and change frequently. As a result, Participant should not rely on the information noted herein as the only source of information relating to the consequences of participation in the Plan because the information may be out-of-date at the time the Restricted Stock vests or Participant sells any Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to Participant's particular situation. As a result, the Company is not in a position to assure Participant of any particular result. Accordingly, Participant should seek appropriate professional advice as to how the relevant laws in Participant's country may apply to Participant's individual situation.

If Participant is a citizen or resident of a country other than the one in which Participant is currently working and/or residing (or is considered as such for local law purposes), or if Participant transfers employment and/or residency to a different country after the Restricted Stock is granted, the information contained in this Appendix may not be applicable to Participant in the same manner.

## GENERAL TERMS AND CONDITIONS APPLICABLE TO ALL NON-U.S. PARTICIPANTS

### 1. Data Privacy Information and Consent.

(a) Data Collection and Usage. The Company and the Service Recipient collect, process and use certain personal information about Participant, including, but not limited to, Participant's name, home address, telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares or directorships held in the Company, details of all awards granted under the Plan or any other entitlement to shares awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor ("Data"), for purposes of implementing, administering and managing the Plan. The legal basis, where required, for the processing of Data is Participant's consent.

(b) Stock Plan Administration Service Providers. The Company transfers Data to E\*TRADE Financial Corporate Services, Inc. and certain of its affiliates ("E\*TRADE"), an independent service provider which is assisting the Company with the implementation, administration and management of the Plan. The Company may select a different service provider or additional service providers and share Data with such other provider serving in a similar manner. Participant may be asked to agree on separate terms and data processing practices with E\*TRADE and such other service providers, with such agreement being a condition to the ability to participate in the Plan.

(c) International Data Transfers. The Company and E\*TRADE are based in the U.S., which means that it will be necessary for Data to be transferred to, and processed in, the U.S. Participant's country or jurisdiction may have different data privacy laws and protections than the U.S. The Company's legal basis for the transfer of Data, where required, is Participant's consent.

(d) Data Retention. The Company will hold and use Data only as long as is necessary to implement, administer and manage Participant's participation in the Plan, or as required to comply with legal or regulatory obligations, including under tax, exchange control, labor and securities laws. This period may extend beyond the Participant's period as a Service Provider. When the Company and/or the Service Recipient no longer need Data for any of the above purposes, they will cease processing it in this context and remove it from all of their systems used for such purposes to the fullest extent practicable.

(e) Voluntariness and Consequences of Consent Denial or Withdrawal. Participation in the Plan is voluntary and Participant is providing the consents herein on a purely voluntary basis. If Participant does not consent, or if Participant later seeks to revoke his or her consent, Participant's salary from or employment or service with the Service Recipient will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to grant the Restricted Stock or other equity awards to Participant under the Plan or administer or maintain such awards.

***(f) Data Subject Rights. Participant may have a number of rights under data privacy laws in his or her jurisdiction. Depending on where Participant is based, such rights may include the right to (i) request access to or copies of Data the Company processes, (ii) rectify incorrect Data, (iii) delete Data, (iv) restrict the processing of Data, (v) restrict the portability of Data, (vi) lodge complaints with competent authorities in Participant's jurisdiction, and/or (vii) receive a list with the names and addresses of any potential recipients of Data. To receive clarification regarding these rights or to exercise these rights, Participant can contact his or her local human resources representative.***

***(g) Other Legal Basis and Additional Consent. Participant understands that the Company may rely on a different legal basis for the collection, processing or transfer of Data in the future and/or request Participant to provide another data privacy consent. If applicable, upon request of the Company or the Service Recipient, Participant will provide a separate executed data privacy agreement (or any other agreements or consents) that the Company and/or the Service Recipient may deem necessary to obtain from Participant for the purpose of administering his or her participation in the Plan in compliance with the data privacy laws in Participant's country, either now or in the future. Participant understands and agrees that Participant will not be able to participate in the Plan if Participant fails to provide any such agreement requested by the Company and/or the Service Recipient.***

2. **Nature of Grant.** By accepting the Restricted Stock, Participant acknowledges, understands, and agrees that:

- (a) the grant of the Restricted Stock is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of restricted stock, or benefits in lieu of restricted stock, even if restricted stock has been granted in the past;
- (b) all decisions with respect to future restricted stock or other grants, if any, will be at the sole discretion of the Company;
- (c) Participant is voluntarily participating in the Plan;
- (d) the Restricted Stock and any Shares subject to the Restricted Stock, and the income from and value of same, are not intended to replace any pension rights or compensation;
- (e) unless otherwise agreed with the Company, the Restricted Stock and the Shares subject to the Restricted Stock, and the income from and value of same, are not granted as consideration for, or in connection with, the service Participant may provide as a director of a Subsidiary;
- (f) the Restricted Stock and any Shares subject to the Restricted Stock, and the income from and value of same, are not part of normal or expected compensation for any purpose, including, without limitation to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service

payments, bonuses, long-service awards, holiday pay, pension or retirement or welfare benefits or similar mandatory payments;

(g) the future value of the Shares underlying the Restricted Stock is unknown, indeterminable, and cannot be predicted with certainty;

(h) no claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock resulting from the termination of Participant's status as a Service Provider (for any reason whatsoever, whether or not later found to be invalid or in breach of labor laws in the jurisdiction where the Participant is providing service or the terms of the Participant's employment or other service agreement, if any);

(i) unless otherwise provided in the Plan or by the Company in its discretion, the Restricted Stock and the benefits evidenced by this Award Agreement do not create any entitlement to have the Restricted Stock or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and

(j) neither the Company, the Service Recipient nor any other Subsidiary shall be liable for any foreign exchange rate fluctuation between Participant's local currency and the U.S. dollar that may affect the value of the Restricted Stock or of any amounts due to Participant pursuant to the Restricted Stock or the subsequent sale of any Shares subject to the Restricted Stock.

3. Language. Participant acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English, so as to allow Participant to understand the terms and conditions of this Award Agreement. If Participant has received this Award Agreement, or any other documents related to the Restricted Stock and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

4. Foreign Asset/Account, Exchange Control and Tax Reporting. Participant may be subject to foreign asset/account, exchange control, tax reporting or other requirements which may affect Participant's ability acquire or hold Restricted Stock, Shares or cash received from participating in the Plan (including dividends and the proceeds arising from the sale of Shares) in a brokerage/bank account outside Participant's country. The applicable laws of Participant's country may require that he or she report such Restricted Stock, Shares, accounts, assets or transactions to the applicable authorities in such country and/or repatriate funds received in connection with the Plan to Participant's country within a certain time period or according to certain procedures. Participant acknowledges that he or she is responsible for ensuring compliance with any applicable requirements and should consult his or her personal legal advisor to ensure compliance with Applicable Laws.

## **ADDITIONAL TERMS AND CONDITIONS FOR CERTAIN COUNTRIES**

### **SINGAPORE**

#### ***Terms and Conditions***

**Restriction on Sale of Shares.** The Restricted Stock is subject to section 257 of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”) and Participant will not be able to make any subsequent offer to sell or sale of the Shares in Singapore, unless such offer or sale is made (1) after six (6) months from the Date of Grant, (2) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA or (3) pursuant to, and in accordance with, the conditions of any other applicable exemptions under the SFA.

#### ***Notifications***

**Securities Law Information.** The offer of the Plan, the grant of the Restricted Stock, and the issuance of the Shares subject to the Restricted Stock are being made pursuant to the “Qualifying Person” exemption under section 273(1)(f) of the SFA. The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore.

**Director Notification.** Participant understands and acknowledges that if Participant is a director, associate director or shadow director of a Singapore Subsidiary, Participant is subject to certain notification requirements under the Singapore Companies Act, regardless of whether Participant is a Singapore resident or providing services in Singapore. Among these requirements is an obligation to notify the Singapore Subsidiary in writing when Participant receives an interest (*e.g.*, Restricted Stock) in the Company. In addition, Participant must notify the Singapore Subsidiary when Participant sells Shares (including when Participant sells Shares acquired under the Plan). These notifications must be made within two days of acquiring or disposing of any interest in the Company. In addition, a notification must be made of Participant’s interests in the Company within two days of becoming a director, associate director or shadow director.



June 24, 2020

Giel Rutten

Dear Giel:

On behalf of Amkor Technology, Inc. (“Amkor”), I am very pleased to extend to you this continuing offer of employment, effective as June 17, 2020, on the following terms:

**Position:** You will serve as President and Chief Executive Officer of Amkor. You will report directly to Amkor’s Board of Directors (the “Board”). You will have such authority, duties and responsibilities as are customarily associated with the positions of President and Chief Executive Officer. In addition, you will provide services to Amkor’s Singapore subsidiary as directed by the Board. Your principal place of employment will be at the offices of Amkor’s subsidiary in Singapore, subject to such travel as may be required in the performance of your duties and responsibilities.

During your employment with Amkor, you agree to devote your full business time and best efforts to the performance of your duties and responsibilities. You further agree that, subject to the approval of the Board, you shall be appointed to or stand for election to the Board and, if so appointed or elected, serve as a member thereof for no additional compensation. You further agree that if your employment with Amkor is terminated for any reason, you shall immediately resign from the Board and all committees thereof, with this letter constituting notice of such resignation.

**Base Salary and Bonus Opportunity:** Your annual base salary (“Base Salary”) will be \$850,000 initially and will be paid to you in accordance with Amkor’s normal payroll practices. Thereafter, your Base Salary shall be subject to review by the Board on at least an annual basis and may be adjusted by the Board in its sole discretion. Subject to the terms and conditions of Amkor’s Amended and Restated Executive Incentive Bonus Plan (or successor), you will be eligible for a cash bonus for 2020 and thereafter with a target amount equal to 135% of your then Base Salary (pro-rated for 2020).

**Equity Awards:** Subject to the terms and conditions of the Amkor Amended and Restated 2007 Equity Incentive Plan (as the same may be modified or replaced from time to time, the “Plan”) and the applicable award agreements, Amkor will grant you 375,000 restricted shares of Amkor common stock and an option to purchase an additional 375,000 shares of Amkor common stock at a purchase price per share equal to the fair market value of such shares on the grant date (the grant date closing sales price of Amkor common stock). Your restricted stock and option awards shall vest quarterly over three years at the rate of 31,250 restricted shares and 31,250 option shares per quarter, such that 100% of each award shall be vested in 2023 on the third anniversary of the grant date. In addition, each award shall vest in full upon

your death or the termination of your employment by the Company due to your disability. Any unvested award will be forfeited in accordance with the standard terms and conditions of the Plan. In the event of a Change in Control (as defined in the Plan), each award will be treated as the plan administrator determines in accordance with the Plan, including, without limitation, assumption or grant of a substitute award by the successor or acquiring company. If the successor or acquiring company does not assume or provide a substitute for the awards, the awards will fully vest in connection with such Change in Control. The grant date will be determined on the date of approval by the Compensation Committee, or, if Amkor is in a blackout period on such date, the first day of the next open trading window following such approval.

**Benefit Plans:** You will be eligible for continued payment for reasonable housing and utilities in Singapore and the provision of the other benefits outlined in your assignment letter dated June 1, 2018. Amkor reserves the right to amend or terminate any such benefits at any time.

**Termination and Severance:** Your employment with Amkor is at-will, meaning that both you and Amkor (by action of the Board or the Compensation Committee) may terminate your employment at any time and for any reason. Upon termination of your employment for any reason, you shall be entitled to payment of the following items: (i) unpaid Base Salary earned prior to your termination date; (ii) unused vacation time accrued prior to your termination date; and (iii) vested benefits earned under any employee benefit plan or program, in accordance with the terms and conditions thereof. In addition, if your employment is terminated by Amkor without Cause (other than due to your death or disability) or by you for Good Reason, then, subject to your execution and non-revocation of a general release of claims in favor of Amkor and its affiliates within 60 days following your termination date and your continued compliance with the Restrictive Covenant Agreement set forth on **Schedule A** and the Confidentiality, Intellectual Property, and Insider Information Obligations agreement set forth on **Schedule B**, you shall be entitled to the following payments and benefits: (i) continuation of your then-current Base Salary for an 18 month period, payable in accordance with Amkor's normal payroll practices beginning with the first payroll period after the release becomes effective or such later date as may be required to comply with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"); (ii) a pro-rata bonus for the year of termination determined based on the actual bonus, if any, you would have been paid for such year absent such termination, payable on the latest of (A) the date on which Amkor pays bonuses for such year generally, (B) the date on which the release becomes effective, and (C) such later date as may be required to comply with Code Section 409A; and (iii) as applicable, *either* payment of the full cost for health insurance coverage in line with Amkor Singapore policy for the duration of the severance period *or* payment of the applicable premiums if you or any of your eligible dependents elect continued coverage under Amkor's group health plans pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1986 ("COBRA") for the 18 month period beginning on your termination date or, if shorter, the maximum period permitted under COBRA.

**Definitions:** For purposes of this letter, "Cause" means: (i) indictment, conviction of, or the entry of a plea of guilty or no contest to (A) a felony or (B) any crime involving moral

turpitude or dishonesty; (ii) any intentional action or an act of fraud, dishonesty, or theft affecting the property, reputation, or business of Amkor or its affiliates; (iii) willful and persistent neglect of your duties and responsibilities; (iv) failure or refusal to carry out the lawful directives of the Board; (v) diverting any business opportunity of Amkor or its affiliates for your own personal gain; (vi) misrepresentation of a significant fact on your employment application and/or resume; or (vii) misuse of alcohol or drugs affecting your work performance. For purposes of this letter, “Good Reason” means: (i) a change in your title as President and CEO or a material reduction in your authority, duties or responsibilities; (ii) a material reduction in your base salary or bonus opportunity (other than a reduction that is imposed proportionately on substantially all executive officers); or (iii) Amkor requires you to report to anyone other than Amkor’s then current Board.

**Section 409A:** This letter is intended to comply with Code Section 409A (to the extent applicable) and the parties hereto agree to interpret, apply and administer this letter in the least restrictive manner necessary to comply therewith and without resulting in any increase in the amounts owed hereunder by Amkor. Notwithstanding any other provision of this letter to the contrary, if you are a “specified employee” within the meaning of Code Section 409A, and a payment or benefit provided for in this letter would be subject to additional tax under Code Section 409A if such payment or benefit is paid within six months after your “separation from service” (within the meaning of Code Section 409A), then such payment or benefit required under this letter shall not be paid (or commence) during the six-month period immediately following your separation from service except as provided in the immediately following sentence. In such an event, any payments or benefits that would otherwise have been made or provided during such six-month period and which would have incurred such additional tax under Code Section 409A shall instead be paid to you in a lump-sum cash payment on the earlier of (i) the first regular payroll date of the seventh month following your separation from service or (ii) the 10th business day following your death. Notwithstanding anything herein to the contrary, neither Amkor nor any of its affiliates shall have any liability to you or to any other person if the payments and benefits provided in this letter that are intended to be exempt from or compliant with Code Section 409A are not so exempt or compliant. Your right to receive installment payments hereunder shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment shall at all times be considered a separate and distinct payment for purposes of Code Section 409A.

**Confidentiality and Restrictive Covenants:** In consideration for your continuing employment by Amkor, and the payments, benefits and other perquisites described herein, you agree to become a party to the Restrictive Covenant Agreement set forth on **Schedule A** and the Confidentiality, Intellectual Property and Insider Information Obligations agreement (the “Confidentiality Agreement”) set forth on **Schedule B** effective as of June 17, 2020. You represent and warrant that you are not subject to any non-compete, non-disclosure, or similar agreement or restrictive covenant that would materially impair your ability to perform the duties of this position. You also acknowledge that: (i) your work for Amkor will give you access to confidential affairs and proprietary information of Amkor and its affiliates; (ii) the restrictive covenants contained in the Restrictive Covenant Agreement and the Confidentiality Agreement are essential to the business and goodwill of Amkor and its affiliates; and (iii) Amkor would not

have made you this continuing offer of employment but for your agreement to become party to the Restrictive Covenant Agreement and the Confidentiality Agreement.

**Ethical Standards:** You will be expected to observe the highest standards of ethical, personal, and professional conduct and to comply with Amkor's policies, including its Code of Business Conduct, a copy of which has been provided to you.

**Additional Terms:** The terms of your employment may in the future be amended, but only by a writing which is signed by both you and, on behalf of Amkor, a duly authorized officer. This letter constitutes the entire agreement between the parties and supersedes all prior agreements and understandings relating to the subject matter of this letter, including without limitation the letter agreement between Amkor and you dated November 16, 2013. If any portion or provision of this letter shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this letter, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this letter shall be valid and enforceable to the fullest extent permitted by law. This letter may be executed in one or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together, when delivered, will constitute one and the same instrument.

**Governing Law:** This letter, including the schedules attached hereto, shall be governed in accordance with the laws of the State of Arizona, without regard to the principles of conflicts of laws thereof. Any legal proceeding arising out of or relating to your employment will be instituted in federal court in the State of Arizona (or, if such proceeding may not be brought in federal court, in the state courts located in Phoenix, Arizona), and you and Amkor hereby consent to the personal and exclusive jurisdiction of such court(s) and hereby waive any objection(s) you or it may have to personal jurisdiction, the laying of venue of any such proceeding and any claim or defense of inconvenient forum.

If these employment terms are satisfactory to you, please indicate your acceptance by signing below and returning one copy of the signed letter to me at your earliest convenience.

Sincerely,

Amkor Technology, Inc.

/s/ Mark N. Rogers  
Mark N. Rogers  
Executive Vice President and General Counsel

Accepted: /s/ Giel Rutten  
Giel Rutten

## Schedule A

### Restrictive Covenant Agreement

As a condition of you becoming employed (or your employment being continued) by Amkor Technology, Inc. or any of its current or future subsidiaries, affiliates, successors or assigns (collectively, "Amkor"), and in consideration for the payments, benefits and other perquisites provided to you pursuant to the continuing offer of employment between you and Amkor effective as of June 17, 2020, and for other good and valuable consideration, you hereby agree to the following:

**1. Non-Competition.** During your employment by Amkor and for 18 months thereafter (the "Restriction Period"), you shall not, without the prior written consent of Amkor, engage in or carry on, directly or indirectly, whether as an advisor, principal, agent, partner, officer, director, employee, stockholder, associate or consultant to any person, partnership, corporation or any other business entity, the business of outsourced semiconductor packaging and test services anywhere in the United States of America, Singapore or any other country in which Amkor conducts business; provided that ownership by you of Amkor securities or of less than a five percent equity interest in a publicly held company shall not be a breach of this paragraph.

**2. Non-Solicitation.** During the Restriction Period, you shall not, without the express prior written consent of Amkor, directly or indirectly, for yourself or on behalf of any other person or entity, (i) solicit or encourage any customer, vendor, client or prospective customer, vendor or client (or anyone who was a customer, vendor or client during the Restriction Period) to cease any relationship with Amkor or its affiliates or (ii) solicit or encourage any employee or consultant of Amkor or its affiliates (or anyone who was an employee or consultant of Amkor or its affiliates during the Restriction Period) to leave the employment of or cease to perform services for Amkor or its affiliates; provided that this paragraph shall not prohibit any general public advertisement or general solicitation for personnel not specifically directed at any employee or consultant of Amkor or its affiliates.

**3. Non-Disparagement.** During your employment by Amkor and at all times thereafter, you shall not publish or otherwise transmit any disparaging, derogatory or defamatory remarks, comments or statements, whether written or oral, regarding Amkor, its affiliates or their respective officers, directors, employees, consultants, reputations, products, operations, procedures, policies or services, which are reasonably likely to (i) damage materially the reputation of Amkor or its affiliates or (ii) interfere materially with the contracts or business relationships of Amkor or its affiliates. This paragraph shall not restrict or prevent you from providing truthful testimony as required by court order or other legal process, or from reporting possible violations of federal law or regulation to any government agency or entity or self-regulatory organization or making disclosures that are protected under the whistleblower provisions of federal law or regulation.

4. **Substitution.** If a court holds that the duration, scope, area or other restrictions stated herein are unreasonable under circumstances then existing, you and Amkor agree that the maximum duration, scope, area or other restrictions reasonable under such circumstances will be substituted for the stated duration, scope, area or other restrictions.

5. **Enforcement.** You agree that in the event of your breach or threatened breach of any provision of this Schedule, Amkor in addition to any other legal remedies which may be available to it, shall be entitled to appropriate injunctive relief and/or specific performance in order to enforce or prevent any violations of such provisions.

6. **Governing Law; Exclusive Jurisdiction.** This Restrictive Covenant Agreement shall be governed in accordance with the laws of the State of Arizona, without regard to the principles of conflicts of laws thereof. Any legal proceeding arising out of or relating to this Restrictive Covenant Agreement will be instituted in federal court in the State of Arizona (or, if such proceeding may not be brought in federal court, in the state courts located in Phoenix, Arizona), and you and Amkor hereby consent to the personal and exclusive jurisdiction of such court(s) and hereby waive any objection(s) you or it may have to personal jurisdiction, the laying of venue of any such proceeding and any claim or defense of inconvenient forum.

**ACKNOWLEDGED AND ACCEPTED:**

/s/ Giel Rutten  
Giel Rutten

June 25, 2020  
Date

## Schedule B

### Amkor Technology, Inc.

#### Confidentiality, Intellectual Property, and Insider Information Obligations

As a condition of you becoming employed (or your employment being continued) by Amkor Technology, Inc. or any of its current or future subsidiaries, affiliates, successors or assigns (collectively, "Amkor"), you hereby agree to the following:

**1. Prior Employment.** You confirm that you are under no restrictions including, without limitation, non-compete agreements or non-disclosure agreements which would restrict your ability to fully comply with your employment obligations with Amkor, or to comply with the confidentiality and intellectual property obligations set forth below.

Under the Uniform Trade Secrets Act (UTSA), you are prohibited from knowingly disclosing confidential information from your former employer to whom you owe continuing obligations of confidentiality ("Former Employer Confidential Information"). Tangible items containing Former Employer Confidential Information, including without limitation documents, files, computer discs and other physical or electronic items, which contain Former Employer Confidential Information, may not be brought to any Amkor site.

**2. Confidential Information.** You shall maintain in strict confidence, during and after your employment with Amkor, any Amkor trade secrets, except as required in the conduct of Amkor's business or as authorized in writing on behalf of Amkor, unless and until the same shall have become generally known. This information includes without limitation, the following: all Amkor trade secrets, confidential reports and communications; customer and prospect lists; the identity or details of Amkor's suppliers, licensors, licensees, distributors and consultants; information concerning Amkor employees; Amkor financial information; non-public details of any Amkor agreements; pending or unannounced deals, agreements, disputes, litigation, settlements, or investigations; production processes; bills of materials; non-public product roadmaps; marketing techniques; purchasing information; price lists; quotation procedures; pending bids; customer information and data; installation and training techniques; maintenance procedures; business methods; concepts; ideas; inventions including the results of research and development activities; processes, formulas; techniques; know-how; designs; drawings; specifications; blueprints; patent disclosures; pending patent applications, including information that you created during your employment with Amkor (whether or not during working hours) and any confidential information and materials that Amkor obtains from third parties pursuant to a non-disclosure agreement. You shall not remove from Amkor's premises or retain without Amkor's express written consent any property belonging to Amkor including, but not limited to, figures, calculations, letters, papers, drawings, blueprints or copies thereof, or any trade secret or financial information of any type except in the conduct of Amkor business. You further agree not to remove from Amkor's premises or retain without Amkor's express written consent any Amkor property or trade secrets, except as required in the conduct of Amkor business.

Upon termination of your employment with Amkor, whether voluntary or involuntary, you agree not to retain any tangible items (including without limitation, any and all devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, laboratory notebooks, materials, flow charts, equipment, other documents or property, or reproductions of any of the aforementioned items developed by you during your employment with Amkor or otherwise containing Amkor Confidential Information or belonging to Amkor) and to promptly return to Amkor any such items in your possession on or before your date of termination.

Notwithstanding the foregoing, (i) nothing herein shall prohibit you from reporting possible violations of federal law or regulation to any government agency or entity or self-regulatory organization or making disclosures that are protected under the whistleblower provisions of federal law or regulation, and (ii) in accordance with the Defend Trade Secrets Act of 2016, you shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (x) is made (I) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (II) solely for the purpose of reporting or investigating a suspected violation of law; or (y) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

### **3. Ownership and Assignment of Intellectual Property.**

**Prior Inventions.** You have attached hereto, as **Exhibit A**, a list describing with particularity all inventions, original works of authorship, developments, improvements, and trade secrets which were made by you prior to the commencement of your employment with Amkor (collectively, "Prior Inventions"), which belong solely to you or belong to you jointly with another party, which relate in any way to any of Amkor's proposed businesses, products or research and development, and which are not assigned to Amkor hereunder; or, if no such list is attached, you represent that there are no such Prior Inventions. If, in the course of your employment with Amkor, you incorporate into a Amkor product, process or machine a Prior Invention owned by you or in which you have an interest, then you hereby grant to Amkor and its affiliates a non-exclusive, royalty-free, irrevocable, perpetual, worldwide license (with the right to sublicense) to make, have made, copy, modify, make derivative works of, use, sell, offer to sell, import, and otherwise distribute such Prior Invention as part of or in connection with such product, process or machine.

**Work Product and Related Intellectual Property.** You agree and acknowledge that all intellectual property and work product developed during your employment with Amkor is the exclusive property of Amkor. This includes, without limitation, confidential or proprietary information, trade secrets, software, inventions, processes, copyrightable materials, patent disclosures, patent applications, issued patents and any counterparts, divisional patents and any and all foreign counterparts and all work product which you conceived, created, developed or participated in the development of while employed by Amkor. You agree to promptly disclose to Amkor any such foregoing intellectual property, and further agree that this disclosure obligation commences upon the date of employment.



**Assignment of Rights.** You agree that you will promptly make full written disclosure to Amkor, will hold in trust for the sole right and benefit of Amkor, and hereby assign to Amkor all my right, title and interest throughout the world in and to any and all intellectual property including, without limitation, inventions, original works of authorship, developments, concepts, know-how, improvements or trade secrets, whether or not patentable or registrable under copyright, patent, or similar laws, which you may solely or jointly conceive or develop or reduce to practice, or cause to be conceived or developed or reduced to practice, during the period of your employment with Amkor (collectively, "Developments"). You hereby further acknowledge that all Developments which you make (solely or jointly with others) within the scope of and during the period of your employment with Amkor are "works made for hire" (to the greatest extent permitted by applicable law) and are compensated by your salary, and you hereby assign to Amkor all your rights related to such Developments including, without limitation, the rights to recover and pursue damages and/or injunctive relief for past, present, and future claims related to the Developments.

**Perfection of Rights.** You agree to assist Amkor at its expense, in every proper way to secure Amkor's rights in the Developments and any copyrights, patents, trademarks, mask work rights, moral rights, or other intellectual property rights relating thereto in any and all countries, including the disclosure to Amkor or its designee of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments, recordations, and all other instruments which Amkor shall deem necessary in order to apply for, obtain, maintain and transfer such rights, or if not transferable, waive such rights, and in order to assign and convey to Amkor and any successors, assigns and nominees the sole and exclusive rights, title and interest in and to all such Developments, and any copyrights, patents, mask work rights or other intellectual property rights relating thereto. You further agree that your obligation to execute or cause to be executed, when it is in your power to do so, any such instrument or papers shall continue after the termination of this Agreement until the expiration of the last such intellectual property right to expire in any country of the world.

**Maintenance of Records.** You agree to keep and maintain adequate and current written records of all Developments you make (solely or jointly with others) during the term of your employment with Amkor. The records may be in the form of notes, sketches, drawings, flow charts, electronic data or recordings, laboratory notebooks, and any other format. The records will be available to and remain the sole property of Amkor at all times. You agree to return all such records (including all copies thereof) to Amkor at the time of termination of your employment with Amkor as provided for in Section 2 above.

**Remedies.** You agree that Amkor will suffer irrevocable harm if you breach your obligations listed in this agreement, and that monetary damage may not be adequate to compensate Amkor for such breach. If you breach or attempt to breach any of the provisions in this agreement, you agree that without limiting any other remedies under law or equity, Amkor is entitled to an immediate temporary restraining order without notice to you, a preliminary injunction and permanent injunction to prevent or restrain any breach or attempted breach of any provision herein, and reimbursement of all costs (including reasonable attorney's fees) incurred in connection with such injunctive relief.

**4. Insider Information.** Any person who possesses material non-public information regarding Amkor is considered to be an Insider, pursuant to securities laws, for as long as the information is treated as confidential by Amkor. Any employee who becomes an Insider at any point in time is subject to Amkor's Insider Trading Policy (as in effect from time to time).

As an Insider, if you become aware of material (as defined below and in the Insider Trading Policy) non-public information relating to Amkor, you will neither participate in any direct or indirect trade in Amkor stock or directly or indirectly disclose such material non-public information to any third party, even other Amkor employees who do not have a need to know. Any information, positive or negative, that might be of significance to an investor as an element in determining whether to purchase, sell, or hold Amkor stock would be material.

You will not discuss confidential information, trade secrets or Amkor's intellectual property with any third party, except as required in the performance of your employment duties, and where appropriate, solely pursuant to a non-disclosure agreement between Amkor and the third party. Questions regarding employee responsibilities under this agreement should be immediately directed to Human Resources or the General Counsel. Amkor expects strict compliance with these procedures by all personnel at every level. Failure of compliance may result in serious legal actions to minimize or address actual or potential repercussions for Amkor.

**ACKNOWLEDGED AND ACCEPTED:**

/s/ Giel Rutten  
Giel Rutten

June 25, 2020  
Date

**Exhibit A**  
**Prior Inventions**

## SEPARATION AND RELEASE AGREEMENT

In connection with the cessation of my service with Amkor Technology, Inc. (“Company”) as a director, officer and employee, and in order to settle as fully as possible all known and unknown claims I, Stephen D. Kelley, might have against the Company and all related parties, the Company and I enter into this Separation and Release Agreement (“Agreement”) as of June 17, 2020 (the “Separation Date”), and (whether I sign this Agreement or not) I will be paid my accrued, unpaid salary, any accrued, unused paid time off, and any unreimbursed business expenses through such date.

**a. Separation Payments and Benefits:** The payments that constitute the entire monetary consideration for this Agreement are as follows:

**i. Salary Continuation:** Starting on the first payroll date following the Effective Date (as defined below), the Company will make separation payments by direct deposit to my designated account in accordance with the Company’s regular payroll practices of the bi-weekly amount of \$36,153.85 (which annualizes to \$940,000), less all relevant taxes and other withholdings, for a period of thirty months (30) months (such period, the “Payment Period”). In addition, on the first payroll date following the 12 month anniversary of the Effective Date, the Company will make a lump sum payment by direct deposit to my designated account of \$470,000, less all relevant taxes and other withholdings. In the event of my death prior to the end of the Payment Period, any unpaid amount of such payments will be accelerated and will be paid to my estate within 10 business days following the date of my death.

**ii. Pro Rata Bonus:** Within 30 days after the Effective Date, the Company will make a lump sum payment of \$1,062,500, being the prorated amount of the Annual Service Bonus (as defined in the letter from the Company to me, dated February 27, 2017, concerning an offer of continued employment (the “Kelley Offer Letter”)) that would otherwise have been due to me in January 2021. In addition, the Company will make a lump sum payment of a prorated performance bonus amount for calendar year 2020 to be determined based on the actual performance bonus, if any, that I would have been paid for 2020 absent the termination of my employment, which will be payable on the date on which the Company pays bonuses for 2020 generally. For this purpose, the discretionary component will be deemed to be the average attainment for the executive officers eligible under the same plan. The Company will make these payments to me by direct deposit to my designated account, less all relevant taxes and other withholdings.

**iii. Outplacement Services:** The Company will reimburse me for the actual cost of outplacement services used by me for a period of 6 months following the Separation Date. Such payment will be made promptly upon receipt by the Company of reasonable documentation (as determined in the Company’s sole discretion) evidencing the actual cost of such services, but no later than March 15, 2021.

**iv. COBRA:** Upon my enrollment in COBRA continuation coverage, the Company will pay directly the cost of my COBRA premium for my elected coverage (including eligible dependent coverage) for a period of eighteen (18) months (or if shorter, the maximum period permitted under COBRA) following my Separation Date.

**v. Payments:** I understand and agree that all of the payments referenced in this Paragraph (a) are in place of any payments otherwise due under the Kelley Offer Letter and will not be taken into account in determining my rights or benefits under any benefit program. The Company will deduct applicable federal and state tax withholding and other amounts from these amounts as it determines it is required to do.

**vi. Sufficient Consideration:** I acknowledge that the compensation and benefits described in this Paragraph (a) are good, valuable, and sufficient consideration. I further acknowledge that this consideration exceeds that to which I would be entitled under the Company's policies, procedures, benefit plans, and practices.

**b. Release:**

**i.** I, for myself, my heirs, and my legal representatives and assigns, release (i.e., give up) and forever discharge the Company and its subsidiaries, their current and former, direct and indirect owners, officers, directors, employees, agents, successors, predecessors, assigns and affiliates, as well as the Company's employee benefit plans (and any administrators, insurers, or fiduciaries thereof), and all persons acting by, through, under, or in concert with any of them (collectively, the "Released Parties"), from all known and unknown claims, demands, actions, causes of action, rights, damages, costs, expenses, compensation, wages, vacation pay, sick or paid time off, or commissions, whether arising under common law or statute, whether local, state, or federal, including without limitation Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e, et seq.; Sections 1981 and 1983 of the Civil Rights Act of 1866; the Age Discrimination in Employment Act (ADEA), as amended, 29 U.S.C. § 621, et seq.; the Employee Retirement Income Security Act of 1974 (ERISA), as amended, 29 U.S.C. § 1001, et seq.; the Americans with Disabilities Act of 1990 (ADA), 42 U.S.C. § 12101, et seq.; the Family and Medical Leave Act (FMLA), 29 U.S.C. § 2601, et seq.; the Worker Adjustment & Retraining Notification Act (WARN Act); and any similar state or local laws, such as the Arizona Civil Rights Act and the Arizona Equal Pay Law, that I now have, or which were or could have been made, on account of my service with the Company and each of its subsidiaries and affiliates, including my separation therefrom and any transaction or occurrence between me and the Released Parties at any time during such service and after separation up to the time I execute this Agreement. The Company and I agree that I have waived all claims against the Company except (i) in respect of any obligation of the Company arising under this Agreement, (ii) vested benefits under any of the Company's employee benefit plans in which I participate, (iii) in respect of equity awards (including any options, RSUs, restricted stock, or any other form of equity) that I have been granted pursuant to the Company's Second Amended and Restated 2007 Equity Incentive Plan (the "2007 Equity Plan"), (iv) all rights to indemnification, including rights pursuant to the Indemnification Agreement between me and the Company dated May 8, 2013, under the Company's directors' and officers' insurance coverage for acts performed or omissions while I

was a director, employee or officer of the Company, and (v) those claims that as a matter of law are not waivable by an employee against his or her employer. It is my intention that the language relating to the description of claims in this section shall be given the broadest possible interpretation permitted by law. I further agree that the termination of my employment is not due to “Good Reason” as such term is defined in the Kelley Offer Letter.

**ii.** Except as specified in this Agreement, I represent and affirm that I have been paid and received from the Company all leave (paid or unpaid), compensation, wages, bonuses, commissions, incentive pay, and benefits to which I may be entitled, and that no other leave (paid or unpaid), compensation, wages, bonuses, commissions, incentive pay, or benefits are due to me.

**c. Applicable Law and Venue:** This Agreement is governed by Federal law and the laws of Arizona, without regard to the conflicts of law principles of any jurisdiction. I agree that any action to enforce or interpret this Agreement shall be brought exclusively in a court of competent jurisdiction in the State of Arizona, and I hereby waive any challenge to venue or exercise of jurisdiction by such courts.

**d. Effective Date:** The “Effective Date” of this Agreement shall be the date the revocation period described in Section (h)(v) below expires, provided that I have not revoked this Agreement. Notwithstanding my revocation of this Agreement, my service as a director, officer and employee of the Company and its subsidiaries shall still be terminated as of the Separation Date.

**e. Covenant Not to Sue; Challenge to Validity and Communication with Government Agency:**

**i.** I promise that I will not file, cause to be filed, join, or accept any relief in any lawsuit (either individually, with others, or as part of a class) pleading, raising, or asserting any claims released by this Agreement. I agree that if I breach this promise, then I will reimburse each of the Released Parties for his, her, or its attorneys’ fees and costs (or the applicable proportions thereof) incurred in defending against any such released claims.

**ii.** Nothing in this Agreement shall be construed to prohibit me from filing a charge with or participating in an investigation or proceeding conducted by the Equal Employment Opportunity Commission (EEOC), National Labor Relations Board (NLRB), Securities and Exchange Commission (SEC), or any federal, state, or local agency. I understand that I have waived and released any and all claims for money damages and equitable relief that I may recover from the Released Parties pursuant to the filing or prosecution of any administrative charge against the Released Parties by me, or any resulting civil proceeding or lawsuit brought on my behalf for the recovery of such relief, and which arises out of the matters that are and may be released or waived by this Agreement. I also understand, however, that this Agreement does not limit my ability to communicate with any government agencies or otherwise participate in any investigation or proceeding that may be conducted by any government agency, including providing documents or other information, without notice to the Company. This Agreement also

does not limit my right to receive an award for information provided to any government agencies.

**iii.** Nothing in this Agreement shall be interpreted or applied to affect or limit my otherwise lawful ability to challenge, under the Age Discrimination in Employment Act (ADEA) or Older Worker Benefit Protection Act (OWBPA), the knowing and voluntary nature of my release of any age claims in this Agreement before a court, the EEOC, or any other federal, state, or local agency, and I shall not be required to pay the attorneys' fees or costs of any Released Party in connection with such challenge. Notwithstanding the foregoing, unless the release is set aside by a court of law, I understand that the release applies to and covers any claim that I may have under the ADEA and OWBPA.

**iv.** Except as set forth in this Agreement, I understand, acknowledge, and voluntarily agree that this Agreement is a total and complete release by me of any and all claims which I have against the Released Parties as of the date I sign this Agreement, both known or unknown, even though there may be facts or consequences of facts which are unknown to me.

**f. Independent Contractor:**

**i.** As a long-time executive of the Company, I have special knowledge, expertise and experience concerning the business and operations of the Company and the Company desires to have continuing access to such knowledge, expertise and experience. Accordingly, for a period of 12 months after the Separation Date, to the extent expressly requested in writing by the Company's Executive Chairman of the Board of Directors or the Company's Chief Executive Officer, I will provide the Company advice on any issue pertaining to the business or operations of the Company. My service to the Company pursuant to this Section (f)(i) will be as an independent contractor.

**ii.** I agree and acknowledge that with respect to the services that I may provide to the Company pursuant to Section (f)(i), I will not receive any further compensation other than the separation payments pursuant to Section (a)(i) and I will not be eligible to participate in any vacation, group medical or life insurance, disability, profit sharing or retirement benefits, or any other fringe benefits or benefit plans offered by the Company to its employees.

**g. Representations and Promises:** The Company and I acknowledge and agree that:

**i. Separation Date:** As of the Separation Date, my service as a director, officer and employee of the Company and each subsidiary and affiliate of the Company terminated and I ceased to be employed by the Company and each subsidiary and affiliate of the Company in any capacity. However, I will continue to provide services to the Company on an as-needed basis as an independent contractor, pursuant to the terms described in Section (f)(i) above.

**ii. Equity Vesting:** The terms of my outstanding equity awards granted pursuant to the 2007 Equity Plan will remain in effect without modification. For the avoidance of doubt, during the term of my service as an independent contractor to the Company, any equity (including any options, RSUs, restricted stock, or any other form of equity) that has been granted

to me and has not yet vested will continue to vest and be exercisable as provided under the terms of the applicable equity award agreement.

**iii. Complete Agreement:** This Agreement is the entire agreement relating to any claims or future rights that I might have with respect to the Company and the Released Parties, except for my obligations under the Kelley Offer Letter. Once in effect, this Agreement is a legally admissible and binding agreement.

**iv. Amendments; Successors and Assigns:** This Agreement only may be amended by a written agreement that the Company and I both sign. The rights and obligations of the Company under this Agreement shall inure to the benefit of and shall be binding upon the successors and assigns of the Company. I shall not be entitled to assign any of my rights or obligations under this Agreement.

**v. Representations:** When I decided to sign this Agreement, I was not relying on any representations that are not in this Agreement. I have not suffered any job-related wrongs or injuries, such as any type of discrimination, for which I might still be entitled to compensation or relief now or in the future.

**vi. No Wrongdoing:** This Agreement is not an admission of wrongdoing by the Company or any other Released Party; neither this Agreement nor any drafts shall be admissible evidence of wrongdoing.

**vii. Unknown Claims:** I am intentionally releasing claims that I do not know that I might have and that, with hindsight, I might regret having released. I have not assigned or given away any of the claims I am releasing.

**viii. Effect of Void Provision:** If the Company or I successfully assert that any provision in this Agreement is void or otherwise unenforceable, the rest of the Agreement shall remain valid and enforceable to the maximum extent permitted by law, unless the non-asserting party elects to cancel it. If this Agreement is cancelled, I will repay the consideration I received for signing it.

**ix. Consideration of Agreement:** If I initially did not think any representation I am making in this Agreement was true or if I initially was uncomfortable making it, I resolved all my doubts and concerns before signing this Agreement. I have carefully read this Agreement, I fully understand what it means, I am entering into it knowingly and voluntarily, and all my representations in it are true. The Company would not have agreed to pay me the consideration I am getting in exchange for this Agreement but for my representations and promises I am making by signing it.

**x. Confidentiality:** I agree that I will not disclose voluntarily or allow anyone else to disclose the existence, reason for, or contents of this Agreement without the Company's prior written consent, unless required to do so by law. Notwithstanding this provision, I am authorized to disclose this Agreement to my spouse, attorneys, and tax advisors on a "need to know" basis, on the condition that they agree to hold the terms of the Agreement, including the payment



terms, in strictest confidence; provided that I may disclose any information that has been publicly disclosed by the Company. Any disclosure to any third party by my spouse, attorneys, or tax advisors will be treated as a breach by me of the non-disclosure provisions of this paragraph. I am further authorized to make appropriate disclosures as required by law, provided that, unless prohibited by law, I agree to provide the Company with sufficient advance notice prior to disclosure such that the Company may oppose disclosure and to cooperate with the Company in any such efforts. Because it would be difficult or impossible to calculate the actual damages the Company would suffer if I violate my confidentiality obligations, which would be substantial, I agree to pay the Company \$5,000 in damages for each violation. For the avoidance of doubt, nothing in this Agreement shall be construed to prohibit or prevent the Company from disclosing this Agreement or the circumstances relating thereto, including without limitation as required by securities law or stock exchange rule. I further agree and acknowledgment that I remain subject to the confidentiality obligations set forth in the Kelley Offer Letter and my Confidentiality, Intellectual Property and Insider Information Obligations Agreement dated March 2, 2017.

**xi. Return of Property:** I have returned to the Company all files, memoranda, documents, records, copies of the foregoing, Company-provided credit cards, keys, building passes, security passes, access or identification cards, and any other Company property in my possession or control. To the extent I subsequently discover that any property or data identified above is still in my possession, custody or control, I agree to return all such property and data to the Company as soon as practicable, but in no event later than ten (10) days after making such discovery. I have cleared all expense accounts, repaid everything I owe to the Company or any Released Party, paid all amounts I owe on Company-provided credit cards or accounts (such as cell phone accounts), and canceled or personally assumed any such credit cards or accounts. I agree not to incur any expenses, obligations, or liabilities on behalf of the Company.

**xii. Non-Competition:** I agree that beginning on my Separation Date and for eighteen (18) months thereafter (the "Restriction Period"), I will not, without the prior written consent of the Company, engage in or carry on, directly or indirectly, whether as an advisor, principal, agent, partner, officer, director, employee, stockholder, associate or consultant to any person, partnership, corporation or any other business entity, the business of outsourced semiconductor packaging and test services anywhere in the United States or any other country in which the Company conducts business; provided that ownership by me of Company securities or of less than a five percent equity interest in a publicly held company shall not be a breach of this paragraph.

**xiii. Non-Solicitation:** I agree that during the Restriction Period, I will not, without the express prior written consent of the Company, directly or indirectly, for myself or on behalf of any other person or entity, (i) solicit or encourage any customer, vendor, client or prospective customer, vendor or client (or anyone who was a customer, vendor or client during the Restriction Period) to cease any relationship with the Company or its affiliates or (ii) solicit or encourage any employee or consultant of the Company or its affiliates (or anyone who was an employee or consultant of the Company or its affiliates during the Restriction Period) to leave the employment of or cease to perform services for the Company or its affiliates; provided that

this paragraph shall not prohibit any general public advertisement or general solicitation for personnel not specifically directed at any employee or consultant of the Company or its affiliates.

**xiv. Nondisparagement:** I agree that at all times following my Separation Date, I will not make any public statement that are in any way disparaging, derogatory or defamatory regarding the Company, its affiliates, any of the Released Parties or their respective officers, directors, employees, consultants, reputations, products, operations, procedures, policies or services, which are reasonably likely to (i) damage materially the reputation of the Company or its affiliates or any of the Released Parties or (ii) interfere materially with the contracts or business relationships of the Company or its affiliates or any of the Released Parties. "Public statements" mean any statement, whether written or oral, made in any public forum, including in any social media or website. However, nothing in this subsection shall prohibit me from testifying truthfully in any forum or contacting, cooperating with or providing information to any government agency or commission.

**xv. Cooperation:** I agree that following my Separation Date, I will provide reasonable assistance to and cooperate with the Company and its affiliates as to any claims, controversies, disputes, or complaints of which I have knowledge or that may relate to me or my employment or other relationships with the Company or its affiliates. Such cooperation includes but is not limited to providing the Company and its affiliates with all information known to me related to the foregoing, meeting with counsel, and appearing and giving testimony in any forum. The Company will reimburse me for any reasonable out-of-pocket expenses incurred by me in providing assistance under this Agreement.

**xvi. Section 409A:** I acknowledge that I and the Company intend that this Agreement be interpreted and administered so that any amount or benefit paid hereunder shall be exempt from or compliant with Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations thereunder ("Section 409A"). If the period between the date I receive this Agreement and the expiration of the revocation period described in Section (h)(v) below begins in one taxable year and ends in another taxable year, payment shall not be made until the beginning of the second taxable year. Notwithstanding the foregoing, neither the Company nor its affiliates nor any of their respective directors, officers, employees and advisors shall be held liable for any taxes, interest or other amounts owed by me as a result of Section 409A. Notwithstanding anything herein to the contrary (i) any "deferred compensation" (as defined in Section 409A) payable hereunder as a result of my termination of employment shall not be paid unless and until I have undergone a "separation from service" (as defined in Section 409A) and (ii) if I am a "specified employee" within the meaning of Section 409A, and a payment or benefit provided for in this Agreement would be subject to additional tax under Section 409A if such payment or benefit is paid within six months after my separation from service, then such payment or benefit shall not be paid (or commence) during the six-month period immediately following my separation from service except as provided in the immediately following sentence. In such event, any payments or benefits that would otherwise have been made or provided during such six-month period and which would have incurred such additional tax under Section 409A shall instead be paid to me in a lump-sum cash payment on the earlier of (i) the first regular payroll date of the seventh month following my separation from service or (ii) the 10th business day

following my death. If any right to payment hereunder is deemed a right to an installment payment, such right shall be treated as a right to a series of separate payments and, accordingly, each installment payment shall at all times be considered a separate and distinct payment for purposes of Section 409A.

**xvii. Re-employment:** I agree that the Company and its subsidiaries and affiliates are under no obligation to re-employ or engage me in the future in any capacity and that the denial of such re-employment or engagement shall be considered legitimate, proper, and non-discriminatory, as well as an exercise of the Company's, its subsidiaries, or its affiliates' rights under this Agreement.

**xviii. Headings:** I understand that the headings appearing in this Agreement are for convenience only and are not to be considered in interpreting this Agreement.

**h. Acceptance of Agreement:**

**i.** I HAVE CAREFULLY READ AND FULLY UNDERSTAND AND VOLUNTARILY AGREE TO ALL THE TERMS OF THIS AGREEMENT. IN EXCHANGE FOR MY AGREEMENT TO THE TERMS OF THIS AGREEMENT, I WILL RECEIVE BENEFITS TO WHICH I WOULD OTHERWISE NOT BE ENTITLED.

**ii.** THIS IS AN IMPORTANT LEGAL DOCUMENT AND I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE SIGNING IT. I UNDERSTAND THAT I COULD TAKE UP TO TWENTY-ONE (21) DAYS TO CONSIDER THIS AGREEMENT BEFORE DECIDING WHETHER TO SIGN IT AND BY SIGNING IT I UNDERSTAND THAT I WILL BE WAIVING ALL KNOWN AND UNKNOWN CLAIMS. I ACKNOWLEDGE THAT CHANGES MADE TO THIS AGREEMENT, WHETHER MATERIAL OR IMMATERIAL, DO NOT RESTART THE AFOREMENTIONED TWENTY-ONE (21) DAY PERIOD.

**iii.** I ALSO UNDERSTAND THAT I MAY CHOOSE TO VOLUNTARILY SIGN THIS AGREEMENT WITHOUT TAKING THE FULL 21-DAY PERIOD. THE EXPIRATION OF THAT PERIOD IS THE DEADLINE FOR ME TO DELIVER A SIGNED COPY OF THIS AGREEMENT BY E-MAILING A PDF COPY TO LIZZETTE.ZUBEY@AMKOR.COM. IF I FAIL TO DO SO, I UNDERSTAND THAT I WILL NOT RECEIVE THE SEPARATION PAYMENTS OR BENEFITS DESCRIBED IN IT.

**iv.** THE CONSIDERATION PERIOD DESCRIBED IN PARAGRAPH (h)(ii) STARTED WHEN I FIRST WAS GIVEN THIS AGREEMENT.

**v.** I MAY REVOKE THIS AGREEMENT IF I REGRET HAVING SIGNED IT. TO DO SO, I MUST DELIVER A WRITTEN NOTICE OF REVOCATION TO LIZZETTE ZUBEY AT 2045 East Innovation Circle, Tempe, ARIZONA 85284, BEFORE SEVEN (7) DAYS EXPIRE FROM THE TIME I SIGNED IT. IF I REVOKE MY SIGNATURE, THIS AGREEMENT WILL NOT GO INTO EFFECT AND I WILL NOT RECEIVE THE SEPARATION PAYMENTS OR BENEFITS DESCRIBED IN THIS AGREEMENT.

*[signature page follows]*

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the dates set forth below.

/s/ Stephen D. Kelley  
Stephen D. Kelley

Dated: June 25, 2020

Amkor Technology, Inc.:

By: /s/ Mark N. Rogers  
Mark N. Rogers  
Executive Vice President and General Counsel

Dated: June 26, 2020

## SECTION 302 CERTIFICATION

I, Guillaume Marie Jean Rutten, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Amkor Technology, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

/s/ Guillaume Marie Jean Rutten

Guillaume Marie Jean Rutten

President and Chief Executive Officer

July 30, 2020

## SECTION 302 CERTIFICATION

I, Megan Faust, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Amkor Technology, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

/s/ Megan Faust

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Megan Faust

Executive Vice President and  
Chief Financial Officer

July 30, 2020

**CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER  
PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Amkor Technology, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Guillaume Marie Jean Rutten, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Guillaume Marie Jean Rutten

\_\_\_\_\_  
Guillaume Marie Jean Rutten

President and Chief Executive Officer

July 30, 2020

In connection with the Quarterly Report of Amkor Technology, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Megan Faust, Corporate Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Megan Faust

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Megan Faust

Executive Vice President and  
Chief Financial Officer

July 30, 2020