



April 22, 2025

Dear Shareholder,

AUO Corporation (AUO) will convene its Annual General Meeting (AGM) on May 28, 2025. To facilitate timely and convenient participation of shareholders in important corporate decisions, we will continue to employ a hybrid method for the meeting, thereby promoting shareholder engagement and activism.

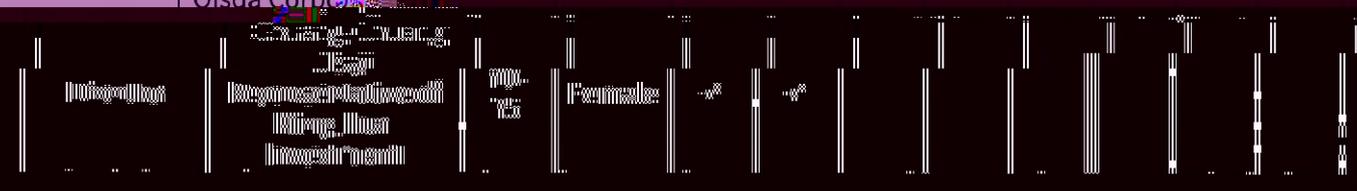
We trust that you have received all the necessary documentation to make independent and informed decisions regarding this year's proposed agenda put forth by the Board of Directors (Board). Below please find AUO's 2025 AGM agenda, along with brief explanations for any items you may wish to inquire about.

Election Item:

The Board has nominated five independent directors; three of whom are female directors. After the election, the majority of the Board will be independent, and the percentage of female board members will increase from 38% to 56%. Additionally, the age range of the directors will cross generations from 50-59, 60-69 and 70-75.

In addition to gender and age diversity, the Board considered the diversity in professional knowledge and skills, including technology industry, research and development, innovation, ESG, risk management, human resources, finance and accounting, and strategic investment. The composition of the Board of Directors, including the diversity of seats and the nominees list, was proposed by the Corporate Governance and Nomination Committee. The Board recommends a vote 'FOR' for the proposal.

Type of Nominee	Name	Age*	Gender	Professional knowledge and skills							
				Technology Industry	Research & Development	Innovation	ESG	Risk Management	Human Resources	Finance & Accounting	Strategic Investment
Director	Shuang-Lang (Paul) Peng	60-69	Male	✓		✓	✓	✓	✓		✓
Director	Frank Ko, Representative of AUO Foundation	50-59	Male	✓	✓	✓		✓			✓
Director	Han-Chou (Joe) Huang, Representative of Oisda Corporation	60-69	Male	✓		✓		✓			✓





Type of Nominee	Name	Age*	Gender	Professional knowledge and skills								
				Technology Industry	Research & Development	Innovation	ESG	Risk Management	Human Resources	Finance & Accounting	Strategic Investment	
	Company Limited											
Independent Director	Jang-Lin (John) Chen	70-75	Male	✓	✓	✓						
Independent Director	Chiu-ling Lu	60-69	Female				✓		✓	✓		
Independent Director	Cathy Han	60-69	Female	✓			✓	✓	✓	✓	✓	✓
Independent Director	Tzu-Ting Huang	60-69	Female	✓		✓		✓				
Independent Director	Yen-Hsi Lin	60-69	Female				✓		✓			

*According to AUO's policy, directors must be under the age of 75 at the time of election.

Recognition and Discuss Item 1: To recognize 2024 Business Report and Financial Statements (proposed by the Board)

For the fiscal year of 2024, AUO reported a net loss of NT\$3.1 billion, attributable to owners of AUO, with a basic loss per share of NT\$0.40.

Looking back on 2024, the global economic environment faced numerous uncertainties, primarily impacted by high interest rates, inflation, and ongoing geopolitical risks. Although global supply chain gradually stabilized, demand recovery remained slow, particularly in the consumer electronics and IT-related markets. Channel inventory adjustments and reductions in corporate capital expenditures further weighed on overall market conditions, making the business landscape highly challenging.

Despite the challenging business environment, AUO's transformation strategy continued to foster the Company's overall growth. Benefiting from the rebound in EV set demand driven by consumer stimulus measures in China and the growth of automotive solution businesses, AUO achieved annual revenue of NT\$280.25 billion, representing a 13.0% increase compared to 2023. The Company's overall net loss also improved from 2023, narrowing to NT\$3.06 billion.

In 2025, AUO maintained its operations and strategic planning around three core strategic pillars: "Product, Market, and Talent." The Company will continue to focus on strengthening its product portfolio, expanding its market presence, and enhancing its talent management to support its long-term growth. Simultaneously, AUO will continue to optimize its operations to achieve the best possible performance. The Company aims to reduce the impact of cyclical fluctuations from the panel industry, ensuring stable profitability and long-term sustainable operations.



Recognition and Discuss Item 2: To recognize the proposal for 2024 loss off-setting (proposed by the Board)

In 2024, the entire world went through some fluctuations, economically and in demand at AUO, and our management had to re-evaluate our strategy. We decided to invest in our core business in IT, and our revenue for the full year reached NT\$290 million, up by 12% YoY. We also entered the time of recession, as an alternative solution provided expansion in manufacturing and sales presence around the world. We also became more complementary with BHTC by leveraging our advantages and strengthening independence achieved through the acquisition and consolidation with BHTC.

Despite facing significant challenges in the business environment, AUO has decided to distribute NT\$0.3 for every common share in order to deliver stable shareholder returns. Going forward, our shareholder return policy will be characterized by assessing our free cash flow and returning some of the cash flow to our shareholders. At the same time, we will continuously seek to adjust our capital structure.

Recognition and Discuss Item 3: to amend the Articles of Incorporation (proposed by the Board)

In order to align the remuneration of our top executives and employees with the Company's strategy and to strengthen the Company's financial health with respect to its employees, we proposed to amend the Company's Articles of Incorporation to stipulate that no less than 20% of employee remuneration shall be allocated to non-executive employees.



Recognition and Discuss Item 4: To lift non-competition restrictions on board members (proposed by the Board)

According to Article 209 of the Company Act of the Republic of China, any Director conducting business for himself/herself/itself or on behalf of other people that is within AUO's business scope, shall provide explanation for the essential contents of such conduct at the shareholders' meeting, and obtain approval therefrom. The following is the list of non-competition restrictions proposed to be lifted at the 2025 AGM:

Name	Released restriction items
	<ul style="list-style-type: none"> - Director, Darfon Electronics Corp. (unrelated industry) - Director, Fong Huang 6 Innovation Corp. (unrelated industry) - Director, TCI Gene Inc. (unrelated industry) - Director, Rapidtek Technologies Inc. (unrelated industry) - Chairman, Norbel Baby Co.,Ltd(subsidiary of major shareholder) - Director, Dunpin NO1. Innovation Investment Corp. (unrelated industry) - Director, Dunpin NO2. Innovation Investment Corp. (unrelated industry)
	<ul style="list-style-type: none"> - Director, Qisda Corp. (a major shareholder) - Chairman, Data Image Corp. (subsidiary of major shareholder) - Chairman, Diva Laboratories, Ltd. (subsidiary of major shareholder)
Han-Chou (Joe) Huang	<ul style="list-style-type: none"> - Chairman, Simula Technology Inc. (subsidiary of major shareholder) - Chairman, Action Star Technology Co., Ltd. (subsidiary of major shareholder) - Chairman, Qisda Optronics Corp. (subsidiary of major shareholder) - Director, Alpha Networks Inc. (subsidiary of major shareholder) - Director, Metaage Corporation (subsidiary of major shareholder) - Director, BenQ Biotech (Shanghai) Co., Ltd (subsidiary of major shareholder) - Director, Shanghai Filter Technology Co.,Ltd (subsidiary of major shareholder)
Chuang-Chuang Tsai	<ul style="list-style-type: none"> - Independent Director and Member of Audit Committee, Remuneration Committee and Sustainability Committee, Elan Microelectronics Corp. (unrelated industry)
Chiu-ling Lu	<ul style="list-style-type: none"> - Independent Director and Member of Audit Committee and Remuneration Committee, Chen Full International Co., Ltd. (unrelated industry) - Independent Director and Member of Audit Committee, Remuneration Committee, Sustainability Committee and HR Policy Committee, Eastern International Bank (unrelated industry)
Cathy Han	<ul style="list-style-type: none"> - Independent Director, Convener of Audit Committee and Member of Nomination Committee, Wiwynn Corporation (unrelated industry) - Independent Director and Member of Audit Committee and Remuneration Committee, Apacer Technology, Inc. (unrelated industry)

