

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

1. *What is the purpose of this document?*  
 2. *What are the main findings of the study?*  
 3. *What are the implications of the findings?*  
 4. *What are the limitations of the study?*  
 5. *What are the conclusions of the study?*



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\$3.40.

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 TV 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 2024, AUO restructured its operations and strategic planning around three core operating pillars: "Mobility Solution," "Vertical Solution," and "Display." By structuring its operations into three distinct pillars, AUO focuses on addressing specific challenges and opportunities of each pillar, optimizing operations to achieve the best possible performance. This approach 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 2021, the entire world went through some fluctuations, economically and politically. However, at AUO, our transformation efforts gradually bore fruits. We started to include BHTC in our revenue in Q2, and our revenue for the full year reached NT\$280 billion, up by 13% YoY. We also entered the tier 1 segment as an automotive solution provider, expanding our manufacturing and sales presence around the world. We also became more complementary with BHTC by leveraging our advantages and strengthening the benefits derived 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

in line with the amendment of Article 14, Paragraph 6 of the Securities Exchange Act and to further align the goal of sharing the Company's operational results with non-executive employees, we proposed to establish a share incentive plan for non-executive employees. The plan aims to recognize and reward the contributions of non-executive employees to the Company's performance and to enhance their sense of ownership and commitment to the Company's long-term development.



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:





Director, AUO Optoelectronics Corporation (unrelated industry)  
 Independent Director and Member of Audit Committee  
 of AUO Optoelectronics Corporation (unrelated industry)

Mr. Chen is also an independent director of the following companies:  
 (1) AUO Optoelectronics Corporation (unrelated industry)  
 (2) AUO Optoelectronics Corporation (unrelated industry)  
 (3) AUO Optoelectronics Corporation (unrelated industry)  
 (4) AUO Optoelectronics Corporation (unrelated industry)  
 (5) AUO Optoelectronics Corporation (unrelated industry)

Mr. Chen is also an independent director of the following companies:  
 (1) AUO Optoelectronics Corporation (unrelated industry)  
 (2) AUO Optoelectronics Corporation (unrelated industry)  
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 (4) AUO Optoelectronics Corporation (unrelated industry)  
 (5) AUO Optoelectronics Corporation (unrelated industry)

Yours Sincerely,



David Chen  
 Independent Director  
 AUO Optoelectronics Corporation