



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 out of nine directors, including five 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 | ✓ | | ✓ | | ✓ | | | ✓ |



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|----------------------|----------------------|-------|--------|-----------------------------------|------------------------|------------|-----|-----------------|-----------------|----------------------|----------------------|
| | | | | 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.

economic environment faced numerous uncertainties, primarily 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 revenue.

Despite the challenging business environment, AUO's transformation strategy continued to foster the Company's overall growth. Benefited by government stimulus measures in China and the global recovery, revenue of NT\$280.25 billion, representing a 13.0% increase compared to 2023. The Company's net loss also improved from NT\$3.06 billion in 2023, narrowing to NT\$3.06 billion.

In 2024, AUO restructured its operations around three core operating pillars: "Panel Solution," "Mobility Solution," and "Display." By structuring its operations into three distinct pillars, AUO focuses on addressing specific challenges and opportunities of each pillar, optimizing operational performance. This approach aims to reduce the impact of cyclical fluctuations from the panel industry, ensuring stable profitability and long-term sustainable operations.

Looking back on 2024, the global economic environment remained challenging. Despite the challenging business environment, AUO's transformation strategy continued to foster the Company's overall growth. Benefited by government stimulus measures in China and the global recovery, revenue of NT\$280.25 billion, representing a 13.0% increase compared to 2023. The Company's net loss also improved from NT\$3.06 billion in 2023, narrowing to NT\$3.06 billion.

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

2024-01-01

As a result of AUD's comprehensive restructuring, we have been able to focus on our core business, which is the production of high-quality products, and we have been able to improve our financial performance.

We have achieved this by focusing on our core business, which is the production of high-quality products, and we have been able to improve our financial performance. We have also been able to expand our manufacturing and sales presence around the world. We also became more complementary with our customers and suppliers, and we have been able to improve our production and distribution efficiency and consolidation with our IT.

Despite facing significant challenges in the business environment, AUD has decided to distribute 10% of its 2024 profit to its shareholders in cash. This is a significant step towards returning value to our shareholders. Going forward, our shareholder return policy will be characterized by restoring 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)

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[illegible]

| 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) |

| | |
|-----------------------------|---|
| | <p>Mr. Chen, who has been in the industry for more than 20 years, has extensive experience in the field of semiconductor technology and has been a senior executive of several major semiconductor companies in Taiwan. He has been a member of the board of directors of several public companies and has been involved in the development and management of several major semiconductor products. He has also been a member of the board of directors of the National Science and Technology Council and the National Science Foundation.</p> <p>Mr. Chen has been a member of the board of directors of the National Science and Technology Council and the National Science Foundation. He has also been a member of the board of directors of the National Science and Technology Council and the National Science Foundation.</p> |
| <p>Mr. Chen (continued)</p> | <p>Mr. Chen has been a member of the board of directors of the National Science and Technology Council and the National Science Foundation. He has also been a member of the board of directors of the National Science and Technology Council and the National Science Foundation.</p> |

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|-----------------------------|---|
| <p>Mr. Chen (continued)</p> | <p>Mr. Chen has been a member of the board of directors of the National Science and Technology Council and the National Science Foundation. He has also been a member of the board of directors of the National Science and Technology Council and the National Science Foundation.</p> |
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