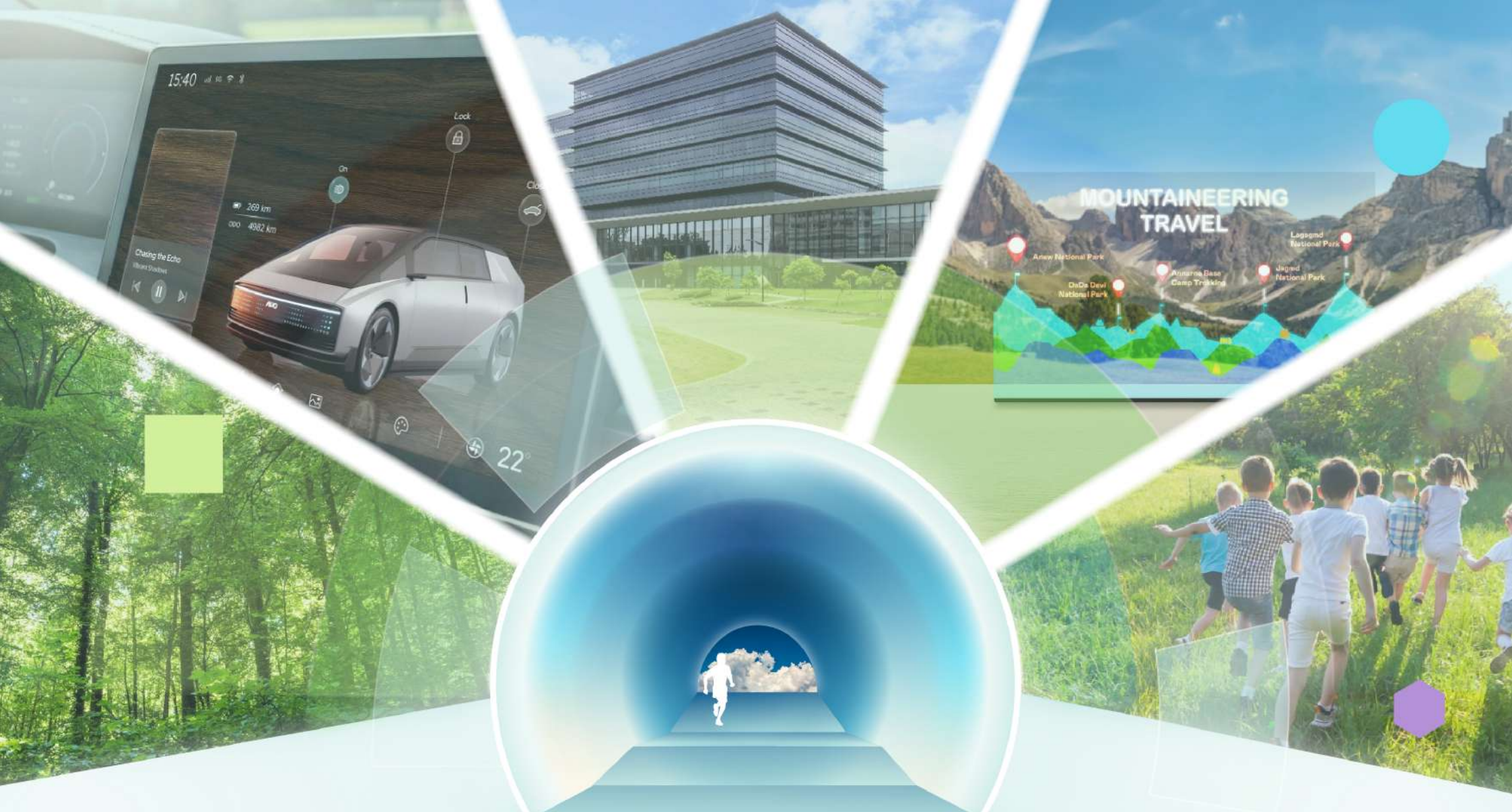




2025 Sustainability Report



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About the Report

■ The Journey of Sustainability Reporting

AUO published its first Environmental Report in 2004, followed by the Environmental, Safety and Health Report in 2005. Since 2006, the Company has issued annual Corporate Social Responsibility (CSR) Reports, systematically disclosing its governance, environmental, and social objectives and performance. To comprehensively present its sustainability performance and stakeholder engagement outcomes, AUO has adopted internationally recognized reporting frameworks since 2007, starting with the Global Reporting Initiative (GRI) G3 Guidelines as the basis for its CSR reporting structure. In 2017, the Company fully transitioned to the GRI Standards and prepared its reports in accordance with the Comprehensive option. In 2021, the report was officially renamed the Sustainability Report. This report represents AUO's 20th Sustainability Report.

■ Reporting Standards and Guidelines

AUO identifies key economic, environmental, and social issues through a review of global trends and conducts materiality assessments to determine topics of concern to stakeholders. The progress and performance related to these material topics are disclosed in this report. This report has been prepared in accordance with the GRI Universal Standards (2021). It also references and aligns with industry-specific metrics issued by the Sustainability Accounting Standards Board (SASB) for the Hardware industry, as well as the "Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE/TPEX Listed Companies." Through these frameworks, the Company communicates its strategies, initiatives, performance outcomes, and management approaches across economic, environmental, and social dimensions. In addition, in March 2025, AUO published the ["Sustainability-related Financial Information Section"](#) in its 2025 Annual Report in accordance with IFRS Standards, further strengthening the integration of financial and sustainability information, enhancing transparency, and aligning with international practices.

■ Scope of the Report

The information disclosed in this report covers AUO's global sustainability performance from January 1, 2025 to December 31, 2025, which is consistent with the financial reporting period. The reporting boundary includes the parent company and its subsidiaries across major operational and manufacturing sites in Taiwan, China, other regions in Asia, the Americas, and Europe. It also incorporates key information from subsidiaries, including AUO Crystal Corporation, AUO Display Plus, AET SustainTek, and AUO Mobility Solutions Germany GmbH. In terms of revenue coverage, the calculation is based on the standalone revenue of the parent company. The operations included within this report account for approximately 91% of the Group's consolidated revenue.

■ Information Credibility

○ Internal Audit

In accordance with the "Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE/TPEX Listed Companies," AUO has established standard procedures for the preparation and assurance of its Sustainability Report, which are incorporated into the Company's internal control system. All information disclosed in this report has been reviewed for accuracy by responsible department heads and the Sustainability and ERM Committee. The Internal Audit function further verifies the implementation of reporting and assurance procedures.

Report Publication

AUO publishes its Sustainability Report on an annual basis.

- Current Issue: Aug 2026
- Previous Issue: June 2025
- Next Issue: Expected in Aug 2027

Contact Us

For any suggestions or inquiries, please contact us via the email below or through the ["Contact Us"](#) section on the AUO website.

Corporate Sustainability Strategy Division

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Tel: +886-3-500-8800 ext. 501890

Email: CSR@auo.com

AUO Sustainability Website: csr.auo.com

○ External Assurance and verification

All relevant data for 2025 have been verified by independent third-party assurance providers and are presented in accordance with internationally recognized standards. Where estimations are applied, such assumptions are disclosed in the respective sections of this report.

- Financial data were audited and verified by KPMG
- Greenhouse gas emissions were verified by DNV in accordance with ISO 14064
- The Company's ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System, and ISO 50001 Energy Management System were verified by SGS Taiwan Ltd.
- The Company's ISO 27001 Information Security Management System was verified by AFNOR
- The Company's ISO 9001 Quality Management System was verified by DQS
- Disclosures related to GRI, SASB, sustainability indicators, and the materiality assessment process were assured by KPMG in accordance with ISAE 3000



For external assurance statements and certificates, please refer to the AUO Sustainability website – Download Certificates

Message from the Chairman

Dear Valued Partners,

In 2025, the global sustainability agenda continued to evolve alongside a rapidly changing geopolitical and economic landscape. Amid geopolitical tensions and shifts in international trade dynamics, governments and industries adjusted their policies and development strategies accordingly. Factors such as tariffs and currency fluctuations further reshaped the operating environment and business conditions for enterprises worldwide. In this context, companies must not only address environmental and social challenges, but also strengthen business resilience to navigate uncertainty and capture emerging opportunities through sustainable and steady development.

Following years of strategic transformation and disciplined investment, AUO's global operational and manufacturing footprint has increasingly demonstrated its value amid a changing external environment. Our diversified presence enables us to flexibly align production and supply deployment with evolving market demands, enhancing overall operational stability and responsiveness. The results of our three core operating pillars, Display, Mobility Solutions, and Vertical Solutions, have become increasingly evident. In particular, the combined revenue contribution of Mobility Solutions and Vertical Solutions increased to 43%, progressing toward our goal of 70% by 2030 and reflecting the effectiveness of our transformation strategy in reshaping AUO's business portfolio.

In **Display**, Micro LED technology was successfully incorporated into commercial products launched by leading brand customers, marking the official commercialization of a next-generation display technology cultivated through years of dedicated investment. Compared with conventional display technologies, Micro LED offers advantages such as superior brightness and lower power consumption, creating new possibilities for next-generation energy-efficient display applications. In **Mobility Solutions**, AUO strengthened its global automotive service and supply capabilities through coordinated operations across Germany, Mexico, and Asia. By integrating smart cockpit technologies and advanced human-machine interfaces, we continue to enhance driving safety and user experience. In **Vertical Solutions**, we combine hardware and software capabilities to extend display technologies into diverse applications, including retail, healthcare, enterprise, and education. Through digitalization and intelligent solutions, we help customers improve operational efficiency while generating broader social value. These achievements are reflected not only in our business performance, but also in our ability to integrate innovation and transformation with environmental and societal value creation.

At AUO, we believe that corporate value extends beyond financial performance. Equally important is our commitment to creating lasting positive impact for the environment and society. We continue to advance carbon, energy, and resource management initiatives to reduce our environmental footprint while incorporating nature-positive considerations into our business strategy. Meaningful progress has been achieved in improving energy efficiency, expanding renewable energy adoption, advancing water conservation, and strengthening circular resource management. At the same time, sustainability principles are embedded throughout our operations, from corporate management to product development. We actively share our experience and best practices on international platforms, demonstrating the role and influence of enterprises in driving the global green transition. Through the transformation of the AUO Foundation, we have further connected partners and stakeholders to advance environmental sustainability and sustainability education. These efforts have earned broad international recognition, including inclusion in the S&P Global Sustainability Yearbook, an MSCI ESG Rating of AA, and double-A ratings in CDP Climate Change and Water Security. Years of commitment have also enabled us to successfully achieve the EPS 2025 goals established in 2018, covering Environment, People, and Society. Building on this foundation, AUO is launching its EPS 2030 vision to further strengthen climate resilience and foster inclusive growth through technological innovation and cross-sector collaboration.

Looking ahead, while challenges remain, new opportunities continue to emerge. AUO will further strengthen the competitiveness of its three business pillars while advancing its AI four strategies, transforming years of technological expertise into the next wave of growth momentum. We sincerely thank our stakeholders for their continued support and trust, which enable us to move forward with confidence and create greater value and positive impact together.

Note: AUO's AI four strategies include AI products and smart services, optical communications, Low-Earth Orbit Satellite (LEOS), AR glasses Waveguides.



Chairman and Chief Executive Officer

A stylized, handwritten signature in dark ink, appearing to read 'pmf' followed by a long, sweeping horizontal stroke.

Message From the Chief Sustainability Officer

In 2025, the pace of global sustainability advancement moderated, providing companies with an opportunity to reassess their foundations and future direction. However, the influence of environmental and social issues on business operations has not diminished. Amid change and uncertainty, organizations must further strengthen resilience and proactively seize future opportunities. I would like to share AUO's sustainability journey and key achievements over the past year.

Q. Strengthening the Link Between Sustainability and Financial Performance

Sustainability disclosure is evolving rapidly, with increasing emphasis not only on transparency but also on the decision-usefulness of information. In 2025, AUO prepared a sustainability statement in accordance with the IFRS Sustainability Disclosure Standards on a pilot basis and disclosed sustainable economic activities with reference to the Sustainable Economic Activities Reference Guidelines. At the same time, we continued to apply the Impact Measurement and Valuation (IMV) methodology to monetize the impacts and value generated through our business operations. By aligning with internationally recognized disclosure frameworks and measurement methodologies, AUO is progressively strengthening the connection between sustainability information and financial performance. This foundation supports decision-making, risk management, and stakeholder communication, while enabling sustainability considerations to be more effectively integrated into corporate strategy and business operations.

Q. Fostering an Environment That Empowers Talent Growth in the Era of Talent Shortages and AI

At AUO, we believe that employees' growth and development are critical drivers of the Company's long-term success, particularly in a rapidly evolving talent landscape. We therefore remain committed to building an environment that empowers learning, innovation, and career development. Through AUO University, cross-disciplinary learning programs, and career development mechanisms, we help employees adapt to changing competency requirements while continuing to strengthen AI empowerment initiatives to enhance digital capabilities and innovation skills. Beyond talent development, we provide employee benefits and family support programs that exceed regulatory requirements. We also cultivate a safe, healthy, and inclusive workplace through a variety of innovative practices and engagement platforms. These efforts have received external recognition, including the Family-Friendly Workplace Award presented by Parenting Magazine and the recognition of AUO's Suzhou site by the World Economic Forum (WEF) as the display industry's first Global Lighthouse Network (GLN) Lighthouse in the Talent category. These achievements demonstrate AUO's ability to advance digital transformation while fostering talent development.

Q. Deepening Decarbonization Efforts as Low-Carbon Competitiveness Becomes Increasingly Important

As low-carbon development becomes an increasingly important source of competitive advantage, companies must look beyond reducing their own emissions and identify decarbonization opportunities across the value chain and throughout the product life cycle. In addition to continuously improving energy efficiency and collaborating with supply chain partners to reduce emissions, AUO has extended its decarbonization efforts to product management by establishing a comprehensive product carbon management framework. In 2025, we presented our achievements at SID Display Week for the first time, including our product carbon footprint methodology, product carbon management framework, and green product identification mechanism, enhancing transparency of product carbon information. Looking ahead, we will continue to strengthen our low-carbon strategy from manufacturing to products, and from the supply chain to the marketplace, working closely with customers to meet the growing demands of the green transition.

Q. Building the Next Sustainability Roadmap Following the Achievement of EPS 2025

AUO has successfully achieved all targets under its EPS 2025 framework, established in 2018 and built upon the three pillars of Environment, People, and Society. Looking back on our accomplishments, under the Environment pillar, we advanced decarbonization and water stewardship initiatives while creating more than NT\$100 billion in circular economy value. Under the People pillar, our science education programs, industry-academia collaborations, and talent development initiatives have generated a cumulative impact on more than 600,000 individuals. Under the Society pillar, we have leveraged display technologies to improve the daily lives of more than 13 million people while supporting the low-carbon transformation of industries through manufacturing efficiency improvements and renewable energy investments. Building on these achievements, AUO has established its EPS 2030 goals for the period from 2026 to 2030, guided by the vision of "Driving Change Through Technological Innovation to Build a Sustainable Future with Climate Resilience and Human-Centric Inclusion." Through this next-phase roadmap, we will continue responding to stakeholder expectations while setting more ambitious goals to drive ongoing organizational progress and sustainable value creation.



Chief Sustainability Officer

A handwritten signature in black ink that reads "Amy Kuo".

Award and Recognition



Governance

- Supply Chain Excellence Awards – Supply Chain Transparency Award
- Global Corporate Sustainability Awards – Gold Award
- Clarivate Top 100 Global Innovators
- Top 5% in TWSE Corporate Governance Evaluation
- Taiwan Corporate Sustainability Awards (TCSA): Platinum Award (Sustainability Report), Top 100 Sustainability Company, Sustainable Supply Chain Leadership Award
- Business Weekly – Top 100 AI Innovators
- World Economic Forum – Global Lighthouse Network (Suzhou Site)
- GF60 Annual Best Sustainable Development Enterprise (Xiamen Site)
- Fujian Top 100 Enterprises (Xiamen Site)
- Fortune China ESG Impact List (Suzhou Site)



Environment

- Green World Awards – Gold and Silver Awards for Sustainability Innovation
- Outstanding Organization in Waste Reduction and Resource Recycling (Technology Sector)
- Ministry of Economic Affairs Energy Saving Benchmark Award – Silver Award (Longtan Site)
- Ministry of Environment National Environmental Protection Award – Silver Award (Taichung Site)
- Ministry of Environment Resource Circulation Award – Gold Award (Taichung Site)
- Taiwan Corporate Sustainability Awards (TCSA): Climate Leadership Award, Water Resources Management Leadership Award, Circular Economy Leadership Award
- Taiwan Circular Economy Awards – Model Enterprise of the Year
- Taiwan Sustainable Architecture Awards – Gold Award
- SGS Sustainability Environment Award and Environmental Target Management Excellence Award
- Xiamen Top 10 Green Enterprises (Xiamen Site)



Society

- Parenting Magazine – Family-Friendly Workplace Award
- Taiwan Corporate Sustainability Awards (TCSA) – Social Inclusion Leadership Award
- Best Employer Brand for Global Enterprises (Suzhou Site)



Innovation

- iF Design Award
- Taiwan Excellence Awards – Two Silver Awards
- Central Taiwan Science Park Innovative Product Award
- Display Component Award
- Smart Display Application Awards



Selected among Top 10% in the S&P Global Sustainability Yearbook 2026

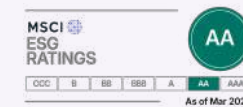


Business Weekly – Top 100 Carbon Competitiveness Companies



ISS ESG (ISS Oekom) – Prime Status

Constituent of the Dow Jones Best-in-Class (Formerly DJSI) for the 15th consecutive year



[MSCI ESG Rating AA](#)



EcoVadis – Silver Rating



CDP Climate Change A Water Security A



FTSE4Good Emerging Index Constituent

Note: Achievements as of Q1 of 2026.

Sustainability Vision and Goals

CSR EPS 2025

AUO aligns with nine United Nations Sustainable Development Goals (SDGs) and, in 2018, established its three sustainability pillars—Environment, People, and Society (EPS)—focusing on environmental sustainability, inclusive growth, and agile innovation. These pillars were developed to address increasingly critical environmental challenges and evolving social inclusion trends. The EPS framework has been further translated into ten specific focus areas, under which AUO has committed to achieving short-, medium-, and long-term sustainability targets by 2025. Each of the ten focus areas is supported by annual targets. In 2025, AUO successfully achieved all 10 targets, resulting in an achievement rate of 100%.



Environment				6 CLEAN WATER AND SANITATION	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	17 PARTNERSHIPS FOR THE GOALS
Climate Adaptation	Increase the resilience of climate adaptation and continue to reduce the risk of financial impact from climate change issues.	A total of 38 projects	Continue to manage the financial risks				
Energy Optimization	Set reduction targets based on life cycle and reduce carbon emissions by up to 6.5 million tonnes CO ₂ e cumulatively.	Accumulated reduction of 17.47 million metric tons of carbon emissions	Cumulative achievement rate ^{Note 1} over 100%				
Water Optimization	Work with the value chain to combat the threat of water resource shortages and conserve up to 100,000 CMD ^{Note 2} in tap water cumulatively.	Accumulated water savings of 350,000 CMD ^{Note 2}	Cumulative achievement rate: over 100%				
Circular Production	Spearhead the development of the circular value chain, expand its economic performance and achieve a growth rate of 135%.	AUO generated economic benefits of NTD 103.1 billion	Cumulative achievement rate: over 100%				
People				4 QUALITY EDUCATION	8 DECENT WORK AND ECONOMIC GROWTH	17 PARTNERSHIPS FOR THE GOALS	
Inclusive Growth	Support the disadvantaged and ally with industry chain partners to grow inclusive employment and learning opportunities more than eight-fold.	Accumulated creation of 73,000 job and learning opportunities	Cumulative achievement rate: over 100%				
Enjoyable Workplace	Become the preferred enterprise and reach 80% in employee identification with the four dimensions in Primary demand, Management support, Teamwork and Learning and growth. (The survey covers indirect employees.)	81% of employees identify with the company	Achieved for 5 consecutive years				
Quality Education	Provide diversified educational opportunities to more than 600,000 people and increase employee participation in AUO quality education by 20% each year.	Promoting popular science education, employee competency, and industry-university collaboration with 730,000 participants	Cumulative achievement rate: over 100%				
Society				7 AFFORDABLE AND CLEAN ENERGY	9 INDUSTRY INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	17 PARTNERSHIPS FOR THE GOALS
Intelligent Life	Develop products and integrated services to expand the cumulative reach of education, health, finance, shopping, lifestyle, transport, and other smart-city applications to one billion people.	Diversified display products have reached a cumulative total of 1,666 million people	Cumulative achievement rate: over 100%				
Smart Manufacturing	Boost industry competitiveness and overall performance by 50% through intelligent manufacturing and technology integration.	Achieved an overall performance improvement of 157%	Cumulative achievement rate: over 100%				
Affordable and Clean Energy	Improve capability in renewable technology, expand the installed capacity of renewable energy around the world and double the cumulative growth rate. (100% cumulative growth)	The total installed capacity of renewable energy has reached 3,224 KW	Cumulative achievement rate: over 100%				

Note 1: Cumulative progress toward CSR EPS 2025 goals is measured from the 2018 baseline, with results reported through 2025.

Note 2: CMD refers to cubic meters per day (m³/day).

■ Advancing to the Next Phase: EPS 2030

To ensure alignment between its sustainability strategy and mid- to long-term corporate development, AUO initiated the formulation of EPS 2030 in 2024. Led by the Corporate Sustainability function and senior management, this initiative was carried out through cross-functional collaboration. It involved a comprehensive review of key environmental, social, and governance (ESG) issues and risks, along with alignment to international sustainability trends and the Company's transformation strategy.

The EPS 2030 framework was formally approved by the Board of Directors in July 2025, establishing it as the guiding direction for AUO's sustainability development over the next five years (2026–2030).

○ Vision and Framework of EPS 2030

The vision of EPS 2030 is:

"Driving transformation through technological innovation to build a climate-resilient, inclusive, and sustainable future."

Building upon its three core pillars—Environment, People, and Society—AUO has redefined its strategic focus to better align with its corporate transformation and global sustainability trends.

- Environment emphasizes reducing the environmental impact of operations
- People focuses on fostering inclusive, equitable, and harmonious stakeholder development
- Society centers on leveraging display technologies and innovative applications to create new possibilities for industries, communities, and daily life

The EPS 2030 framework comprises 10 key dimensions and 31 sustainability goals, serving as a comprehensive foundation for AUO's sustainability initiatives.

AUO EPS 2030



EPS 2030 Goals

Environment		7 AFFORDABLE AND CLEAN ENERGY	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	15 LIFE ON LAND
Dimension	2030 Goal				
Environmental Impact	SBTi Absolute Carbon Reduction				
	• In response to SBTi, AUO aims to achieve a 42% absolute reduction in Scope 1 and Scope 2 emissions by 2030. • Reduce value-chain Scope 3 emissions by 25% by 2030 (including employee travel, key suppliers, product energy use, downstream transportation).				
	<i>Note:</i> Includes SBT commitments, employee commuting, key supplier decarbonization initiatives, product energy consumption, and downstream transportation emissions.				
	Energy Transition				
	• Align with global targets, reduce production energy use by 30%, and adopt 30% renewable energy.				
	Environmental Impact				
	• Reduce annual production pollution load by 50% and strengthen environmental management.				



Environment	
Dimension	2030 Goal
Climate Resilience Reducing financial impacts from diverse climate risks and strengthening climate adaptation capabilities	Value Chain Adaptation Strengthen supply chain climate and ESG capabilities through a comprehensive review system, achieving a 35% improvement in environmental assessments and a 12% improvement in governance assessments.
	Financial Monitoring Using the IFRS sustainability framework, keep climate-risk impacts below 3% of annual revenue and climate opportunities above 2% of annual revenue.
	Net Zero Solutions - Utilize carbon credits to drive climate transition - Develop green technologies toward net-zero
Circular Innovation Enhancing resource efficiency and economic value creation while safeguarding the planet's finite resources	Sustainable Materials Expand use of recycled materials, aiming for 25% of total procurement; target all new products each year to contain recycled materials (type and proportion unrestricted). <i>Note:</i> No restrictions apply to the type or percentage of recycled materials used.
	Plastic Neutrality Achieve 100% plastic neutrality.
	Circular Economy Lead circular value chain development, expanding circular economy benefits by 200% compared to 2017.
Ecological Stewardship Collaborating across the value chain to create nature-positive outcomes and promote harmonious coexistence	Water Resources Protect water resources, reduce dependency; process water recycling rate at 95% with daily water savings of 25,000 tons (9.13 million tons/year).
	Coexistence with Nature Drive actions aligned with TNFD framework and biodiversity policies to reduce ecological threats; utilize tools and resources to facilitate stakeholder collaboration and impact.

People	
Dimension	2030 Goal
Inclusive Diversity Fostering an inclusive and equitable workplace, safeguarding employee rights, and enhancing stakeholder well-being	Human Rights Due Diligence Become the best employer, with a global employee engagement score of 80% in the annual Q12 survey.
	Sustainable Culture Promote a friendly workplace culture and become an industry leader, with 80% of global employees recognizing the company's diversity and inclusion policies annually.
	Equality Leadership By 2030, 30% of management positions will be held by women.
	Diverse Employment Promote diversity and support disadvantaged groups, creating 40,000 jobs over five years.
Stakeholder Co-creation Building co-creation platforms to collaborate with experts across diverse fields, developing a sustainable ecosystem, and expanding environmental and social impact	Green Talent Train and partner with supply chain allies to cultivate green talents and sustainable solutions, engaging 70,000 participants over five years.
	Industry-academia Bridging, Industry-academia Innovation Collaborate with partners to develop industry-academia innovation cooperation, with a total of 200,000 participants over five years.
	Cross-sector Collaboration Collaborate with stakeholders to promote sustainable actions, creating a sustainable ecosystem, with a total of 5,000 collaborations over five years.
Sustainable Citizenship Cultivating responsible global citizens through sustainability education, deepening social impact, and creating a virtuous cycle of shared value	Social Care, Science Education, Culture Preservation, Sustainability Literacy - By promoting environmental, scientific, cultural, and sustainable courses, as well as encouraging volunteer participation and advocacy actions, we aim to cultivate sustainable citizens, aiming to impact 2 million individuals over five years. - Invest more than NTD 150 million by 2030 to support social welfare, promote sustainability education, and continue to create a positive impact on society.

Note: The five-year cumulative total covers the period from 2026 to 2030.



Society	
Dimension	2030 Goal
Shared Resources Enhancing products and services through innovative technologies to optimize value chain resource efficiency and create shared value	Energy Saving & Generation By delivering innovative energy-saving products and services, over five years, the accumulated energy savings are equivalent to the annual energy consumption of more than 270,000 four-person households.
	Water Saving Service Leveraging core technological advancements to promote shared water resource benefits, with five-year cumulative water savings equivalent to the annual consumption of over 120,000 four-person households.
Sustainable Life Delivering intelligent, safe, efficient, and high-quality environments in display interaction and scenario-based applications, fostering a sustainable and user-friendly living experience	Smart Cities By providing diverse intelligent products and solutions through the group, we aim to reach a cumulative global population of over 1.2 billion people within five years, across smart city application fields such as education, healthcare, transportation, and retail.
	Industrial Smart Manufacturing Provide smart manufacturing solutions and services, generating over 20,000 labor-equivalent productivity in five years to drive economic growth.
	Smart Mobility Driving global EV development with contribution doubled over five years.
	Smart Healthcare Supporting precision medicine — penetration among the top 20 medical equipment brands grew by 15% over five years.
Innovated Transformation Partnering with brands and strengthening technological capabilities to empower diverse stakeholders in advancing sustainable transformation together	Smart Retail Providing low-carbon solutions — penetration among the top 50 retail brands increased 5 times over five years.
	Education& Enterprise Digital education and smart office services achieved 20% growth in deployment over five years.
	Green Services Enabling low-carbon digital transformation across industries — new customer growth increased 5 times over five years.

Expanding Sustainability Impact

EPS 2030 marks a new phase in AUO's sustainability journey. Looking ahead, AUO will continue to strengthen the execution of its sustainability strategy through robust governance mechanisms, cross-functional collaboration, and active stakeholder engagement. By leveraging its technological innovation capabilities, the Company will further advance toward a climate-resilient and people-centric sustainable future.



1 CORPORATE GOVERNANCE

Chapter Highlights

Under its Biaxial Transformation strategy, AUO is advancing **three major operating pillars**—Display, Mobility Solutions, and Vertical Solutions—to transform into a solutions company centered on display technologies.

Established **AUO Mobility Solutions** as a subsidiary, which will officially commence operations in 2026 to strengthen its presence in the automotive sector.

Ranked in the **top 5%** of the TWSE Corporate Governance Evaluation for 11 consecutive years, demonstrating long-term excellence in corporate governance.

Female directors account for more than half of the Board, enhancing governance quality and diversifying perspectives.

Adopted a third-party risk management platform to assess overall information security risks, achieving a score of **95** in 2025, significantly above the industry average of 80.

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1.1 Company Profile

About AUO

AUO Vision — Playing a key role in achieving the human race's vision for the future



youtube



linkedin



facebook



AUO Intro Video

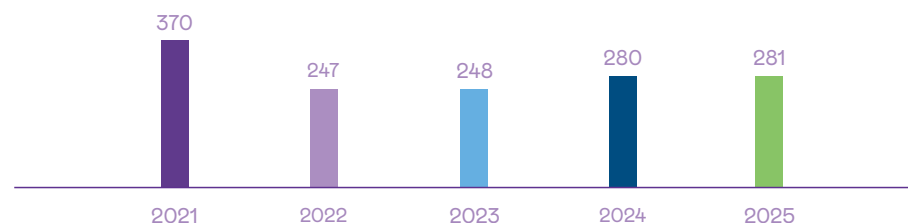


Company Name	AUO Corporation
Founded	August 12, 1996
Number of Employees	35,644
Core Products and Services	• Display Solutions: Micro LED, Thin-Film-Transistor Liquid-Crystal Displays (TFT-LCD), Low-Temperature Polysilicon (LTPS), touch solutions and sensing technology • Mobility Solutions: human-centered mobility experience, automotive computing platforms, and smart Vehicle-to-Everything (V2X) • Vertical Solutions: Display solutions for smart retail, healthcare, education, transportation, and other fields; green services such as solar modules, power plant construction, and green solutions
Chairman and Group Chief Executive Officer	Shuang-Lang (Paul) Peng
President and Group Chief Operating Officer	Frank Ko
Headquarters	No. 1, Li-Hsin Road 2, Hsinchu Science Park, Hsinchu, Taiwan, R.O.C.

Market Value
(as of December 31, 2025)
NTD **92.45** billion

Shares Issued
(as of December 31, 2025)
7,547,098,972 shares

Annual Revenue (NTD 100 million)



■ Tap into the Possibilities - Smart Living Through Advanced Display Technology

Founded in 1996, AUO focuses on the research, development, and manufacture of display technologies. We have also continued to promote innovative applications. We strive to play a key role in achieving the human race's vision for the future amid the trend toward Display Everywhere.

AUO leverages our extensive R&D capabilities to combine our core expertise in display technology with AIoT and develop integrated software, hardware, cloud, and service platforms. Through fields such as mobility solutions, healthcare, education, retail, smart service, and green energy, we supply a variety of smart living solutions and services that elevate people's quality of life and experiences, and contribute to a sustainable, better life.

In recent years, under our "Biaxial Transformation" strategy, AUO has focused on enhancing the added value of display technologies (Go Premium) and deepening applications in vertical markets (Go Vertical) to become a solutions company built on display technology.

■ The Three Pillars of Sustainable Business

AUO has defined "Display," "Mobility Solutions," and "Vertical Solutions" as our three business pillars. By working together to optimize the integration and execution of resources, the Group companies can respond rapidly to challenges and opportunities in the market, alleviate the impact of industry cycles, and transition to consistent profits and sustainable operations.

The Three Pillars of Sustainable Business



Display

AUO is drawing on our many years of experience in the research, development, and manufacture of panels to drive innovation in display technologies and their applications. Technologies such as 8K Ultra HD, ultra-high refresh rate, high dynamic range, and curved displays have been adopted by leading brands and put into mass production. A complete ecosystem has been constructed for the Micro LED, a pioneering display technology. AUO now leads the industry in its application and actual implementation. We are also investing in Mini LED, sensor integration, and eye care display technologies to improve display performance and the interactive experience.

Advanced Display



Micro LED



Mini LED Backlight



Power Saving

High-quality Image



Ultra-high Resolution



High FrameRate



Advanced Reflectionless Technology

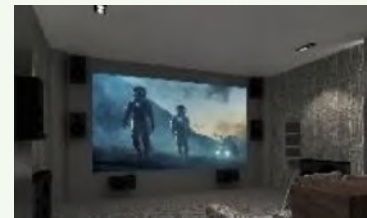
Multi-form and Size



Free-form



Super Narrow Bezel



Seamless Tiling

Value-added Application



Sensing Technology



Active Privacy



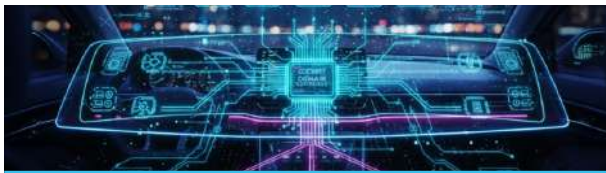
Touch Solutions

Mobility Solutions

AUO has more than twenty years of experience in the automotive field and is a leader in the global Central Information Display (CID) market. The recent acquisition of Behr-Hella Thermocontrol GmbH (BHTC) in Germany combines AUO's strong foundation in display technology R&D and integration with BHTC's expertise in temperature control and human-machine interaction design. A new subsidiary, AUO Mobility Solutions, was officially established in 2026 to focus on the three core areas of display human-machine interface, automotive computing, and Vehicle-to-Everything (V2X). AUO Mobility Solutions will supply high-value, integrated mobility solutions that meet the diverse requirements of global OEM customers and users.



Visual Defining the in-vehicle experience



Computing Flexible architecture and system integration



Connectivity Supporting software-defined vehicle

Vertical Solutions

AUO extended innovative displays, smart technology, and green technology to a wide range of vertical fields to promote smart living and sustainable development. The AUO Display Plus subsidiary, in particular, inherited more than twenty years of display technologies and expertise to supply custom industrial-commercial smart display solutions in business, education, healthcare, and transportation, creating new value for displays.

AUO Energy Business supplies integrated smart energy solutions, while the AET SusTainTek subsidiary offers smart sustainability services that help improve customer efficiency and support their low-carbon transformation.



Smart Retail



Smart Healthcare



Smart Education and Enterprise



Intelligent Service

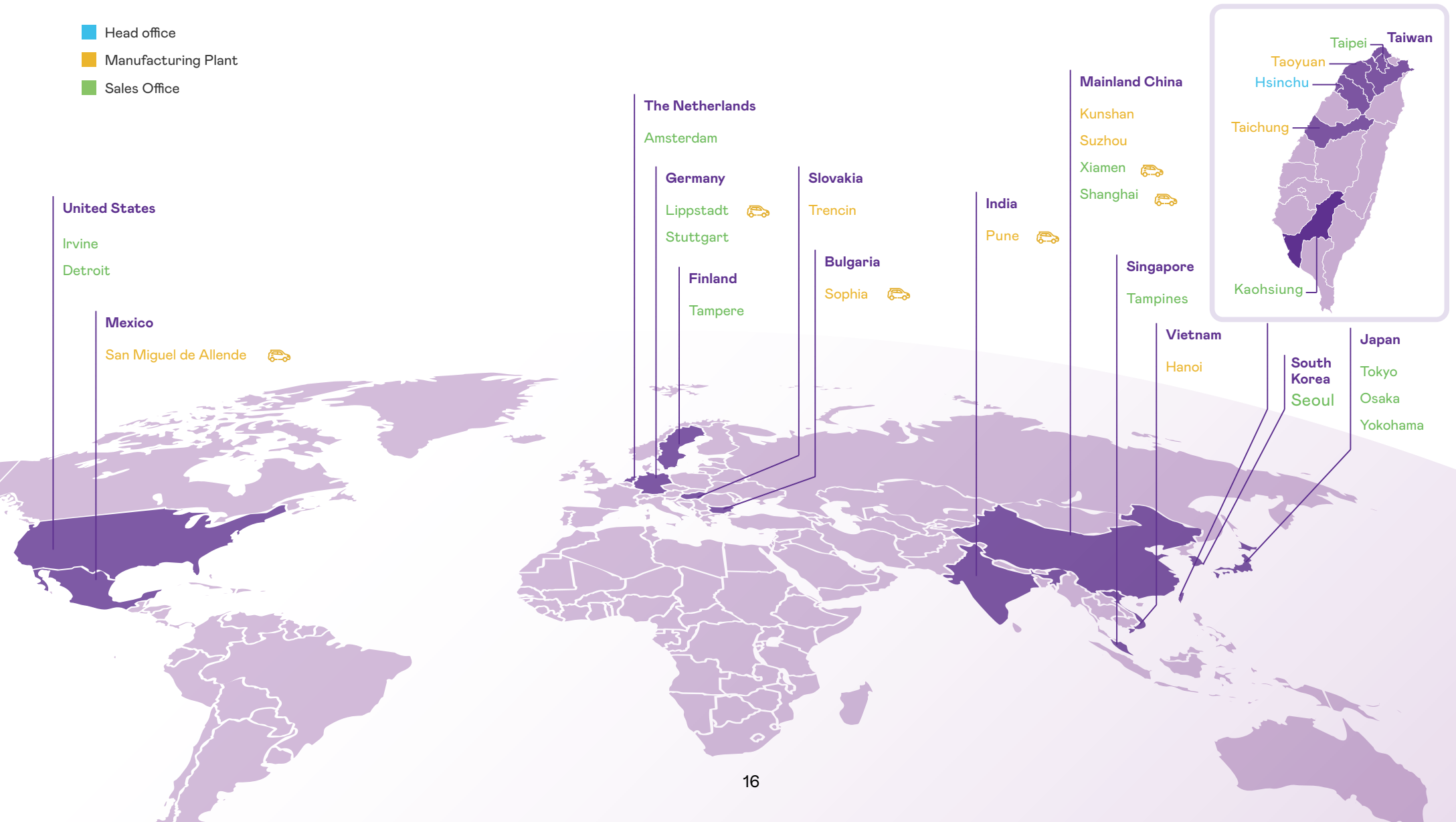


Green Energy

Global Operations

AUO has established a global network of manufacturing, R&D, and business locations. Our presence has also been expanded into Germany, Mexico, India, Bulgaria, and other regions through strategic acquisitions in recent years as part of ongoing efforts in market development and to build a complete industry chain.

- Head office
- Manufacturing Plant
- Sales Office



1.2 Economic Performance

1.2.1 Financial Performance

The AUO Group strives to improve the transparency of its business operations. In addition to monthly revenue reports, AUO also holds quarterly investor conferences and annual shareholders' meetings. The "Investor Relations" section set up on the AUO website is regularly updated with financial statements and presentations from investor conferences. Material announcements and information are also disclosed on the Market Observation Post System (MOPS) of the Taiwan Stock Exchange (TWSE). The provision of timely information keeps shareholders and investors up to date on company operations.

Financial Strategy

AUO's investment in biaxial transformation in recent years has begun bearing fruit. The three pillars are now defined in our business and strategic planning. The change in revenue structure has resulted in a greater balance among the operations of the AUO Group as a whole. The challenges and opportunities offered by different operating structures will serve to focus and streamline our operations, and optimize our business performance.

Guided by a core philosophy of sustainability, the AUO Group's robust finances and solid R&D capabilities will ensure that resources are allocated in the most effective manner to enhance the value of our core business. In the future, competition will expand beyond individual companies to entire ecosystem chains. The AUO Group has, therefore, adopted complementation, cooperation, and co-creation as our strategic axes. Investments, joint ventures, mergers & acquisitions, and strategic alliances will be used to integrate our upstream and downstream value chains and build a competitive ecosystem. The AUO Group hopes to expand from being a display component maker that mainly produces panels to a "solutions provider based around display technologies" for different application scenarios. We will not only cooperate with international partners on value innovation but also share the rewards with all stakeholders, including shareholders, investors, employees, customers, the government, and society.

Revenue Mix by Business Pillar

In 2025, the three pillars of "Display," "Mobility Solutions," and "Vertical Solutions" at AUO accounted for 52%, 28%, and 15% of the consolidated revenue, respectively. In the future, AUO will continue to transform and invest in the growth of two pillars, namely "Mobility Solutions" and "Vertical Solutions." For "Display," our focus will remain on the development of high-end display technologies (e.g., Micro LED, high-resolution, high-definition, energy-efficient, privacy protection, integrated touch control). We will provide customers with high-value-added products and services, enhancing their product bundles while continuing to push for improvements and consistency in profitability. Reducing our exposure to the boom-bust cycles in the panel industry will help us realize the goals of consistent profits and sustainable operations.

Capital and R&D Expenditure

In terms of R&D expenditure, consistent investments are made every year, no matter how the industry is performing at the time, to maintain AUO's competitive advantage in Displays, Mobility Solutions, and Vertical Solutions. The consolidated R&D expenditure of the AUO Group amounted to NTD1.6 billion in 2025. In addition to upgrading advanced technologies such as Micro LED and improving the efficiency of production processes, we also actively invested in the development of products and technologies related to Mobility Solutions and Vertical Solutions. At the same time, AUO has established a comprehensive layout on the patent map. By increasing the added value of products and production capacity to strengthen our technological leadership, we not only raise the barriers to competition but also support branded customers seeking to expand their global market shares.



Please refer to Section 5.1.1 Intellectual Property

Agile Investment in Sustainable Development

Green Credit

Green credit is when financial institutions provide loans earmarked for the purchase of property, plant, and equipment required for green R&D, manufacturing, or business operations; for obtaining intangible assets such as green certifications or patented techniques; or for investments, starting a new business, acquisitions and mergers, or business operations. AUO obtained green loans in 2022 to support our expanded use of green electricity and investment in the construction of a solar power plant by our subsidiary Da Ping Green Energy. The project is still active in 2025 with no new credit added.

Green Deposits

Green deposits are special-purpose deposits collected by banks that will all be used for green financing projects and programs focused on topics such as the development of renewable and energy technologies, improving and energy efficiency and conservation, pollution prevention and control, water conservation or remediation, or recycling and reuse. Once the deposits are received, the bank must periodically report on how the special-purpose funds were used and have the reports verified by an independent third-party. The bank may offer a bonus interest rate on the deposit to encourage participation from corporate clients. For corporate clients, it represents a substantive way of demonstrating their positive effect and long-term benefits on the environment and society. Green deposits were made with DBS, Chang Hwa Bank, and KGI Bank in 2022, the Land Bank in 2023, and the Bank of Kaohsiung in 2024. AUO has partnered with banks to promote green transformation and make sustainable operations a reality. In the future, AUO will continue to join forces with the banking sector to not only provide financial support for the sustainable and environmentally-friendly project targets set by AUO but also to use innovative green financing products offered by banks to build a more appropriate financial portfolio. This will not only reduce costs and improve investment returns but also provide a sustainable environment for eco-friendly development projects.

Sustainability-Linked Loans

A sustainability-linked loan is where a sustainability performance index published by an impartial third-party body is used as the basis for periodic assessment of the borrowing enterprise's performance in economic development, environmental protection, and social impact. The bank will then actively lower the loan interest rate if a certain level of growth in the indicators mentioned above is achieved by the enterprise. Businesses that deliver sustainability value can, therefore, also enjoy more friendly and flexible financing. AUO has negotiated and contracted with several banks for sustainability-linked loans since 2019, aimed at supporting sustainable development and protecting the environment.

In 2021, for example, AUO signed a syndicated loan linked to sustainability indices with Taiwan Bank and 25 other banks. A sustainability-linked loan was also signed with DBS Bank. In 2023, AUO signed a syndicated loan linked to sustainability indices with Taiwan Bank and 18 other banks. A sustainability-linked loan was also signed with DBS Bank. In 2024, AUO signed another sustainability-linked syndicated loan agreement with 18 banks, including Bank of Taiwan and First Bank. The new package included the purchasing of renewable energy and related certificates. A sustainability-linked loan with Mega Bank was renewed in 2025. Our accomplishments above reflect the banking sector's support and acknowledgment of AUO's business philosophy and sustainability strategy, as well as how it has provided material support for the growth of AUO.

Blue Loan

A blue loan is where a financial institution provides a loan that must be invested in blue initiatives or projects such as water resource sustainability, ocean resource sustainability, the supply of clean water resources, ocean-friendly products, or ocean ecological conservation. The use of funds and project outcomes are subject to regular review. Blue loans were provided by the DBS Bank in 2022 to support AUO's investment in water recycling and purification equipment. The expansion of financing channels will help with the development of more diverse blue initiatives. The project is still active in 2025 with no new credit added.

Progress

The expansion of production capacity at the Kunshan site ran into difficulties due to insufficient pure water and wastewater processing capacity. System upgrades were, therefore, urgently needed. Blue loans provided by the DBS Bank were used by AUO to invest in engineering improvement projects such as the expansion of the pure water, wastewater, and recovery systems, as well as headstream diversion. Once the expansion project and recycling unit upgrade were completed using these funds, an additional 8,100 CMD of water could be recovered for use in the production process when running at full capacity^{Note}. A water recovery rate of over 90% could also be maintained for the entire fab.

Note: The Kunshan site did not operate at full capacity in 2025.

1.2.2 Tax Governance

■ Tax Management Policy and Approach

AUO Group have established and rigorously enforce the Tax Policy to ensure the effective management of tax risks. A tax management unit has been set up by the AUO Group with the chief accountant being responsible for the administration and management of routine taxation affairs. The chief accountant is assisted by qualified and experienced tax specialists in fulfilling the Group's tax obligations. The Chief Financial Officer takes ultimate responsibility for tax management. The Group has adopted suitable response strategies in the face of ever-changing tax regulations in Taiwan and overseas. The professional services of external taxation advice institutions are also used to reinforce our professional knowledge.

■ Tax Risk Management

AUO Group has investments in multiple countries, so we closely monitor changes in national taxation policies and assess the taxation risks that may arise from local business developments.

Region	Tax Type	Risk Content
Taiwan China and Asia Europe United States	Income Tax Indirect Tax Other	- Taxation disputes arising from uncertainties in tax legislation - Each country varies in its implementation schedule regarding the Base Erosion and Profit Shifting (BEPS) policy interpretation and legislation procedures as promoted by the Organization for Economic Cooperation and Development (OECD). This increases the cost of tax compliance. - Changes in tax regulations or incentive measures may affect the Company's original tax planning. - Failure to implement tax management policies; failure to evaluate and respond to the taxation costs generated by changes in tax laws or transaction models in a timely manner.

AUO satisfies the criteria for Article 39 of the Income Tax Act, so it is able to use losses from the preceding ten years to offset profits from the current year. AUO can also apply for tax credits on investments under the Industrial Innovation Statute. The remaining subsidiaries also apply for suitable tax waivers, incentives and subsidies based on their mode of business.

Note: BEPS (Base Erosion and Profit Shifting) is an international taxation reform spearheaded by the OECD aimed at building an international taxation system that is conducive to global economic growth.

1.3 Governance Organization

1.3.1 Board of Directors

Board Operations

The AUO Board of Directors is responsible for advising on company strategies, supervising the management, and overseeing all the operations and arrangements of corporate governance systems, and it reports to the Company and the Shareholders' Meeting. The Board exercises its powers under the law, the Articles of Incorporation, and resolutions passed by Shareholders' Meetings. There are currently 9 directors on the AUO Board of Directors. Directors are elected using a nomination system, where shareholders vote from a list of director candidates during Shareholders' Meetings. The sitting directors not only possess extensive experience in the tech industry, risk management, human resources, finance and accounting, and strategic investment, but they also have backgrounds in sustainable development. The Board is convened at least once every quarter and a total of 7 meetings were held in 2025.

Sustainability-Related Resolutions at Meetings in 2025

Meeting Date	Meeting Type	Contents of Report and Resolutions
February 13	Board of Directors	- Progress report on Greenhouse Gas Inventory - Report on the preparation of the Sustainability Report, as well as the competence of the sustainability information verification organization and personnel - IFRS Sustainability Disclosure Standards implementation planning and progress report - Report on the implementation of CSR Principles and Business Integrity Principles - Report on the implementation of Corporate Governance Principles and Directors and Managers' Ethical Code of Conduct - Risk management report
February 19	Strategy meeting	Implementation of low-carbon transformation
April 30	Board of Directors	- Progress report on Greenhouse Gas Inventory - IFRS Sustainability Disclosure Standards implementation planning and progress report
May 28	Board of Directors	- Appointment of the Company's 2nd Sustainability and ERM Committee - Approval of the Sustainability Report
July 31	Board of Directors	- Progress report on Greenhouse Gas Inventory - IFRS Sustainability Disclosure Standards implementation planning and progress report - Report on the amendment of the AUO Sustainability Policy - Report on the AUO EPS 2030 sustainable development goals - Progress report on green electricity procurement - Approval for amendment of the Risk Management Policy and procedures, and approval of the Risk Appetite Statement
October 30	Board of Directors	- IFRS Sustainability Disclosure Standards implementation planning and progress report - Progress report on Greenhouse Gas Inventory

Performance evaluation of the Board of Directors and functional committees

In accordance with its Board Performance Evaluation Guidelines, AUO conducts internal performance evaluations in the fourth quarter of each year, and engages an external independent institution or a team of external experts and scholars to perform such evaluations at least once every three years.

Internal Performance Evaluation

In 2025, the Board of Directors, functional committees, and the Board secretariat conducted a performance evaluation for the "Board of Directors, Board members, Audit Committee, Remuneration Committee, Corporate Governance and Nomination Committee, and Sustainability and ERM Committee." The evaluation encompassed five dimensions, including Society, Environment, and Corporate Governance. The evaluation results were given one of three grades: Above Average, Acceptable, or Improvement Needed. For 2025, AUO was ranked Above Average in all five dimensions in the self-assessment, with no major improvements needed. The evaluation results were reported to the Board of Directors, as well as the Corporate Governance and Nomination Committee, in February 2026 and will be used as a reference for determining the performance, remuneration, and re-appointment of the Board and functional committee members.

External Performance Evaluation

The Taiwan Corporate Governance Association (TCGA) was commissioned to conduct an external performance evaluation of the Board of Directors in 2024. The evaluation examined 5 dimensions, namely the Board's composition and division of labor, guidance and supervision, delegation and risk management, communication and collaboration, and self-discipline and improvement. The results of the evaluation were submitted to the Corporate Governance and Nomination Committee in February 2025. The recommendations of the Taiwan Corporate Governance Association (TWGA) were used by the Board as reference for improving the Company's information transparency. These included enhancing the Stakeholders section and the Audit Committee's e-mail address. A review of the title for the Company's chief consultant on anti-trust compliance was also suggested, so that it can be expanded to cover the complex regulatory environment of today.

Continuing Education for Directors

The "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies" states that it is advisable for newly appointed persons to complete a minimum of 12 continuing professional education (CPE) hours in the year they are appointed, and a minimum of 6 hours per year in each following year. Re-appointed persons should also complete 6 hours each year. All Company directors satisfied this criteria in 2025.

Position	Name	Newly Appointed or Reappointed	CPE Hours
Chairman	Shuang-Lang (Paul) Peng	Reappointed	6 hours
Director	Frank Ko	Reappointed	6 hours
Director	Chuang-Chuang Tsai	Reappointed	6 hours
Director	Hang-Chou (Joe) Huang	Reappointed	6 hours
Independent Director	Jang-Lin (John) Cheng	Reappointed	6 hours
Independent Director	Chiu-Ling Chiu	Reappointed	6 hours
Independent Director	Cathy Han	Reappointed	9 hours
Independent Director	Tzu-Ting Huang	Newly appointed	6 hours
Independent Director	Yen-Hsi Lin	Newly appointed	6 hours

Board Diversification

The current Board of Directors all possess extensive and diverse industry, academic, and management experience. The "AUO Corporate Governance Principles" call for diversity in the Board of Directors. In addition to capping the number of directors who are also company officers to no more than one-third of the Board, diversification guidelines were also drawn up, which include but are not limited to standards in the following two dimensions: (1) Basic criteria and values, including gender, age, nationality, and culture; (2) Professional knowledge and skills, such as professional background, professional skills, and industry experience.

Management Objectives and Progress of the Board Diversity Policy^{Note1}

Category	Management Objectives	Progress
Composition	• The number of independent directors should account for at least one-half of all directors	✓
Gender	• Directors of either gender should account for one-third or more of the Board	✓
Term	• Independent directors may not serve for more than 3 consecutive terms • A director's age at the time of election should be under 75	✓
Concurrency Situation	• The number of directors that are also company officers should not exceed one-third of the Board • An independent director should not concurrently be an independent director at more than 3 other public companies • An independent director should not concurrently be a director (including independent director) or supervisor at more than 5 TWSE/TPEX-listed companies • A non-independent director should not concurrently be a director at more than 5 TWSE/TPEX-listed companies ^{Note2}	✓
Diverse Professional Skills	• Includes technology industry, technology R&D, industry innovation, corporate sustainability, risk management, human resources management, financial accounting, and strategic investment	✓
Participation	• The Board of Directors' attendance rate must be no less than 80%	✓

Note 1: The management objectives of the Board Diversity Policy were amended by the Corporate Governance and Nomination Committee in February 2026.

Note 2: If a director or supervisor serves at merged companies, then this counts as one company.

Board Diversity Profile (as of December 31, 2025)

Name	Position	Gender	Age	Nationality	Term of office			Professional knowledge and skills							Independence situation	No. of other public companies at which the person concurrently serves as an independent director	Concurrent managerial position	
					3 years below	3 ~ 9 years	9 years above	Technology industry	Technology R&D	Industry innovation	Corporate sustainability	Risk management	Human resources	Financial accounting				Strategic investment
Shuang-Lang (Paul) Peng	Chairman	Male	60-69	ROC			✓	✓		✓	✓	✓			✓	N/A	0	✓
Frank Ko	Director	Male	50-59	ROC		✓		✓	✓	✓		✓			✓	N/A	0	✓
Chuang-Chuang Tsai	Director	Female	70-79	ROC		✓		✓	✓							N/A	1	
Hang-Chou (Joe) Huang	Director	Male	60-69	ROC		✓		✓		✓		✓			✓	N/A	0	
Jang-Lin (John) Cheng	Independent Director	Male	70-79	ROC		✓		✓	✓	✓						Note	0	
Chiu-Ling Chiu	Independent Director	Female	60-69	ROC		✓					✓		✓	✓		Note	2	
Cathy Han	Independent Director	Female	60-69	ROC		✓		✓			✓	✓	✓	✓	✓	Note	2	
Tzu-Ting Huang	Independent Director	Female	60-69	ROC	✓			✓			✓	✓			✓	Note	2	
Yen-Hsi Lin	Independent Director	Female	60-69	ROC	✓						✓		✓			Note	2	

Note: 5 of the 9 directors on the current Board are independent directors, accounting for more than one-half of all seats. All independent directors satisfy the requirements for independence specified in Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."



For information on the Board members' backgrounds and qualifications, please refer to the Investor Relations section of the AUO website.

Director Liability Insurance

AUO purchases liability insurance for directors and managers. The level of coverage is evaluated every year, and the renewal of director liability insurance is reported to the Board of Directors.

Mechanism to Prevent Conflicts of Interest

AUO has set down conflict of interest prevention provisions for the Board of Directors in the Management Guidelines for Board of Director Meetings and the Audit Committee Charter. If a director or their legal representative (the same applies to a director's spouse, relatives within the second degree of kinship, or a company with which the director has a relationship of control or subordination) has an interest in any agenda item, the director shall explain the material content of the interest. If such personal interest is likely to prejudice the interest of the Company, the director may not participate in the discussion or voting, must recuse himself or herself from the discussion and voting, and may not exercise voting rights as a proxy for other directors. Independent directors appointed by AUO will take an objective and fair position and make suggestions based on their professional capacity and experience. The Board of Directors should fully consider the independent directors' opinions during the discussion of any proposal. The reasons for their agreement or objection, and their opinions, should be recorded in the meeting minutes. Preventing conflicts of interest serves to effectively protect the interests of the Company. In addition, there was no cross-shareholding with key suppliers among members of the Board.



For information on the implementation of directors' prevention from matters involving conflicts of interest, please refer to Section II, Corporate Governance Report, of AUO Corporation's 2025 Annual Report.

Audit Committee

The Audit Committee is responsible for helping the Board of Directors supervise the Company's operations and exercise authorities vested in it by the Securities and Exchange Act, the Company Act, and other relevant laws. The Audit Committee communicates with the Company's financial statement auditors on a regular basis, and is responsible for the appointment of financial statement auditors as well as conducting independence and performance reviews. At the same time, internal auditors are required to submit regular audit summary reports to the Audit Committee in accordance with the annual audit plan, as well as reports on submissions made to the Audit Committee via e-mail. The Audit Committee also conducts regular evaluations of the Company's internal control system, internal auditors, and their work performance.

The AUO Audit Committee is made up of all independent directors, with independent director Chiu-Ling Chiu as the convener. All 5 independent directors satisfy the criteria for professionalism, independence, and the number of concurrent independent directorships set out under the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies."



For the responsibilities of the Audit Committee and attendance records of its meetings, please refer to Section II, Corporate Governance Report, of AUO Corporation's 2025 Annual Report.

Corporate Governance and Nomination Committee

According to the organic charter, the Committee is to be made up of at least 3 directors nominated by the Board of Directors, with the majority being independent directors. For the 3rd Committee, the Chairperson served as the Convener and the membership consisted of all independent directors. In accordance with the Corporate Governance and Nomination Committee Charter, the Committee is to meet at least once a year, and meetings may be convened at any time as necessary. Key responsibilities include:

1

Stipulate the criteria for the background diversity and independence of Board directors, such as expertise, skills, experience, and gender. These criteria are then used as the basis for finding, reviewing, and nominating director candidates;

2

Establish and develop the organizational structure of the Board of Directors and all committees; evaluate the performance of the Board of Directors, committees, and directors; and evaluate the independence of independent directors;

3

Stipulate and regularly review the continuing education plan for directors;

4

Review the succession plan for senior executives at or above the grade of president (or equivalent);

5

Provide newly appointed directors with an appropriate introduction to their role, so that they become familiar with their responsibilities, as well as the Company's operations and environment;

6

Stipulate the AUO Corporate Governance Best Practice Principles;

7

Other matters as directed by the Board of Directors.

Corporate Governance Officer

The Corporate Governance Officer (CGO) is responsible for the supervision and planning of corporate governance. The relevant qualifications are outlined in Article 3-1 of the Corporate Governance Best Practice Principles for TWSE/TPEX-Listed Companies governing personnel responsible for corporate governance affairs. The responsibilities of the CGO include providing directors and the Audit Committee with the information they need to conduct company business and the latest regulatory developments in business management, assisting the directors and Audit Committee with compliance, and producing annual reports on corporate governance activities for the Corporate Governance Committee and Board of Directors. The CGO is also responsible for organizing the Board of Directors and Shareholders' Meetings in accordance with the law, preparing the meeting minutes for the Board of Directors and Shareholders' Meetings, as well as assisting with the appointment and continuing education of directors and functional committee members. Implementation is handled through the Board of Directors secretariat. Official duties were all performed in an effective and independent manner with no conflicts of interest or violations of internal control systems.

Implementing Governance

To ensure the integrity and transparency of its corporate governance procedures, AUO continues to participate in the Corporate Governance Evaluation conducted by the TWSE. To date, AUO has achieved the distinction of being ranked in the top 5% on 11 occasions. The outcomes of AUO integrity initiatives were also promoted through the Board, Corporate Governance and Nomination Committee, Sustainability and Risk Management Committee, and Human Resources department. The principle of full disclosure was upheld by having dedicated units file reports with the TWSE Market Observation Post System in accordance with the "Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities," "Procedures for Press Conferences Concerning Material Information of Listed Companies," "Taipei Exchange Rules Governing Information Reporting by Companies with TPEx Listed Securities," "Regulations Governing Establishment of Internal Control Systems by Public Companies," "Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies," the four major company laws, and other regulations. In 2025, the annual shareholders' meeting was convened with video conferencing used in an auxiliary role to allow non-shareholders to view in the live stream.



Shareholders' Meeting Video

Remuneration Committee

AUO set up the Remuneration Committee in 2011 in accordance with the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee Whose Stock is Listed on the Taiwan Stock Exchange of Taipei Exchange." Members of the Committee are appointed by the Board of Directors. New elections were held in 2025 when the previous term expired. The current Committee is made up of independent directors Jang-Lin Cheng, Cathy Han, and Yen-Hsi Lin, as well as independent expert Philip Peng. Independent director Jang-Lin Cheng became the convener. A total of 2 regular meetings were held in 2025. Key responsibilities include:

1

Stipulate and periodically review the performance evaluations of directors and managers, as well as their remuneration policies, systems, standards, and structures.

2

Periodically review and stipulate the remuneration packages for directors and managers.

3

The selection and employment of managers, as well as the periodic review of management development and training plans.

Remuneration Policy of the Board of Directors and Senior Managers

Director Remuneration

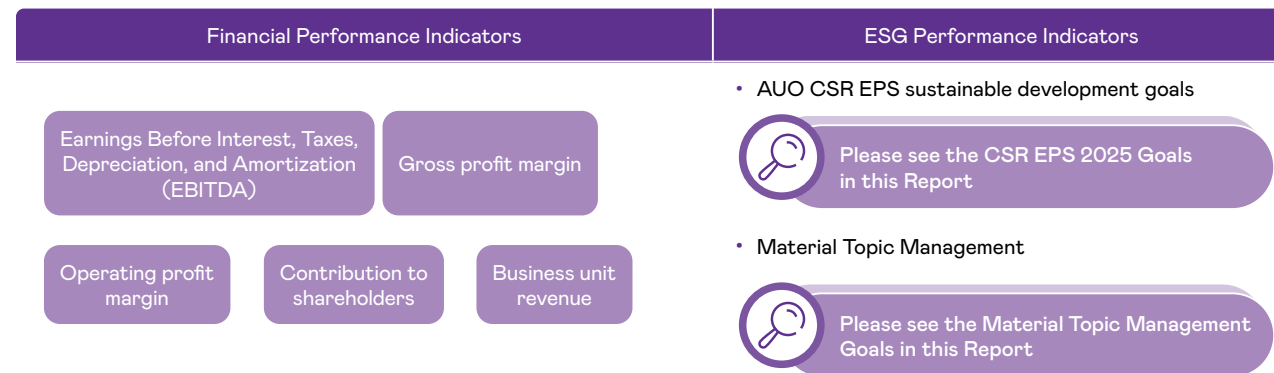
AUO regulations on directors' remuneration adhere to the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange." Recommendations are made by the Remuneration Committee to the Board for approval prior to implementation. The AUO Articles of Incorporation stipulate that no more than 1% of company profits in any given year may be set aside as directors' compensation. If there are any accumulated losses from past years however then funds should be set aside for their repayment first.

Remuneration Policy of Senior Management

For senior AUO managers, their performance evaluation and remuneration are based on the "Management Remuneration Policy" set by the Remuneration Committee and the Board of Directors. The proposed remuneration each year is reviewed by the Remuneration Committee and then submitted to the Board for confirmation. We also work with professional outside remuneration consultants to ensure competitive remuneration for senior managers and to improve the linkage between remuneration policy, market trends, and environmental developments.

To strengthen the alignment between executive compensation and company performance, total remuneration comprises base salary, short- and long-term variable bonuses, and employee profit-sharing incentives, accounting for 70% to 90% of total compensation based on position and performance. A long-term incentive plan is in place for senior executives (including the Chairman, CEO, CSO, and C-level officers) with performance evaluation metrics covering (1) business performance goals and (2) ESG sustainability performance and key thematic management objectives. The weighting for sustainability (environmental-related) incentives is set as 20%. The weighting of ESG-related performance metrics ranges from 10% to 70%, based on each executive's responsibilities, ensuring strong integration between corporate climate (sustainability) transition strategies and compensation. This configuration ensures that the senior management remains focused on their respective management goals during the promotion of sustainability initiatives. The long-term incentive plan follows a three-year performance evaluation period, with stock-based rewards comprising over 50% of total compensation. A clawback clause is also in place to strengthen alignment with shareholder interests and reinforce senior executives' commitment to sustainable business operations.

Senior Management (including the CEO) Performance Indicators



Note 1: The performance metrics for senior managers not in sales roles only include "Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)" and "Contribution to Shareholders."

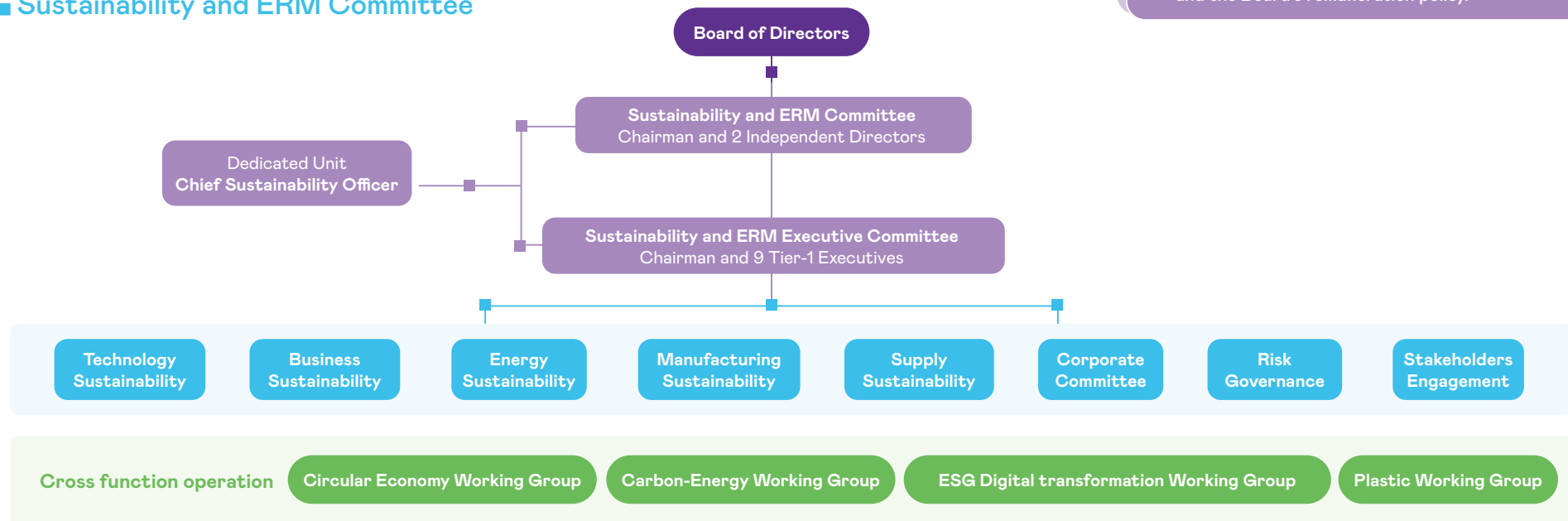
Note 2: Approved by the Remuneration Committee in 2026.

Executive Stock Ownership Guidelines

Part of the executive compensation at AUO is issued in the form of stock. The "Executive Stock Ownership Guidelines" also stipulate that the value of stock held by executives must be a certain multiple of their annual base salary. For the Chairman and CEO, who are concurrently company officers, this multiple is 10, and for other managers, this multiple is 5. Executives are required to meet the stock ownership target within 5 years of their appointment and maintain the aforementioned stock value during their tenure to strengthen corporate governance and their commitment to corporate sustainability.

Please refer to the "High-level Compensation Policy" subsection in the Data Overview section of this Report for information on employee compensation (excluding managerial personnel) and the Board's remuneration policy.

Sustainability and ERM Committee



The Sustainability and ERM Committee reports directly to the Board of Directors. The Committee assists the Board with the promotion of sustainable corporate development and risk governance in order to realize the goal of sustainable management, strengthening and integrating risk management operations to provide directors with a better understanding of the operations. Adequate and appropriate resources are also distributed and assigned by the Committee to ensure the effective operation of corporate risk management. A suitable risk management regime and the formation of a risk management culture are used to supervise and ensure the effective operation of the overall corporate risk management regime. The committee charter provides for 3 committee members, with at least 2 independent directors in a supervisory role. The committee is also to meet at least 2 times a year. The main roles and responsibilities of the Sustainability and ERM Committee include:

Sustainable Development

1

Formulating the Sustainable Development Principles, supervising their implementation, reviewing and tracking their performance, making amendments, and producing annual reports for the Board.

2

Supervising the proposal and outcomes of sustainable development policies, systems, or related management approaches and substantive action plans; presiding over material Company decisions on sustainability issues, including technology applications, product value, energy development, green manufacturing, value chain management, citizenship (including people and human rights), risk management, circular economy, and carbon energy operations.

3

Strengthening engagement with all stakeholders and monitoring issues of stakeholder concern.

4

Ensuring the timeliness and accuracy of disclosures related to sustainable development.

5

Supervising other tasks related to sustainable development approved by the Board of Directors.

Risk Governance

1

Review of risk management policy, procedure, and framework, and examining the effectiveness of the risk strategy.

2

Determining qualitative and quantitative risk capacity, as well as optimizing the allocation of resources.

3

Implementing the Board's risk management decisions, supervising the risk management mechanism of the Company, and reviewing the risk management priorities.

4

Reviewing the implementation of risk management, making recommendations on necessary improvements, and producing annual reports for the Board of Directors.

○ 2025 Meeting History

The Sustainability and ERM Committee was convened twice in 2025. Topics reported or discussed included: Amendment of the Sustainability Policy and Risk Policy, progress on sustainability goals, implementation of GHG inventory, planning on introduction of the Sustainability Disclosure Standards, and preparation of the Sustainability Report.

Position	Name	Actual Attendance	Attendance by Proxy	Actual Attendance Rate ^{Note} (%)
Chairperson (Convener)	Shuang-Lang (Paul) Peng	2	0	100
Independent Director	Chiu-Ling Chiu	2	0	100
Independent Director	Jang-Lin (John) Cheng	2	0	100

Note: Actual Attendance Rate = Actual Attendance / No. of times Sustainability and ERM Committee meetings were convened * 100%

Sustainability and ERM Executive Committee

Organizational Structure

- The Chairman serves as the Chair of the Committee, while tier-1 executives serve as the chairs of each working group. The Committee facilitates the trans-departmental integration of strategic approaches and resources under the overall leadership of the CSO.
- Establishment of cross-function working groups: Circular Economy Working Group, Carbon Energy Working Group, ESG Digital Transformation Working Group, Plastic Neutrality Working Group

Goals and Vision

- Implementation of the CSR EPS goals corresponding to the UN Sustainable Development Goals and setting AUO's sustainability direction
- Monitor and govern business risks to identify business opportunities, accelerating biaxial transformation and value transformation
- Invest in climate adaptation/mitigation actions and biodiversity to construct a low-carbon value chain that will realize the goals of the Net Zero and Nature Positive visions

Implementation

- Meetings are convened quarterly to study long-term visions and policies, review goals and progress, and implement corporate sustainability. A total of 4 meetings were convened in 2025.
- A dialogue is generally held by each working group monthly to discuss ESG project plans, track new trends and issues, and carry out regular progress follow-ups.

1.4 Business Integrity

1.4.1 Integrity Culture

Integrity defines the foundations on which AUO engages in the promotion of integrity and honesty in compliance with the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies. Directors, employees, suppliers, contractors, and other stakeholders are targeted to raise awareness on the seven prohibited behaviors: bribery and corruption, illegal political donations, inappropriate charity, illegal benefits, intellectual property infringement, unfair competition, and rights infringement. A comprehensive corporate governance and risk management system has been put in place. Group HR is responsible for policy formulation and supervision. Implementation outcomes are reported to the Board of Directors every year. A business culture of integrity is fostered through a four-pronged approach based on prevention, detection, containment, and tracking.

■ Prevention

○ Establishment of Integrity Policy and Guidelines

- **Corporate Integrity Principles:** A Corporate Integrity section has been set up on the internal platform to remind managers and colleagues to practice integrity.
- **Intellectual property protection measures:** Intellectual property management training is carried out to partner with employees in the advocacy of intellectual property responsibilities and duties. Confidentiality agreements and measures are employed to protect intellectual property.
- **Information security management measures:** Ensure the security of the Company's information systems as well as the availability of software/hardware assurances.
- **Compliance with insider trading laws:** Maintain the fairness of market order through strict prohibitions against insider trading, which gives an unethical or illegal advantage to certain investors. Management regulations for the prevention of insider trading have also been stipulated.
- **Anti-money laundering:** The Company complies with all laws that prohibit money laundering or financing for illegal or improper purposes.
- **Anti-trust compliance principles:** The Company is committed to ensuring that all business activities are in compliance with the anti-trust regulations.
- **Employee Code of Ethical Conduct:** Established an internal code of ethics to lower the risk of unethical behavior.

Integrity and honesty define the core values and corporate DNA of AUO, so they are listed as key components of employee performance metrics. All new employees must complete the ethics course and sign the declaration. In 2025, the training completion and signing rates were both 100%. In addition, AUO also carries out annual integrity compliance training courses for directors and employees through an educational training mechanism to explanation of the seven preventive actions and examples, along with inclusion of whistle-blowing channel. Furthermore, the education and training completion rate for directors was 100%, while more than 34,000 employees underwent education and training rotations with a completion rate of 99.37%. In addition, three internal public announcements, e-mails, and monthly meetings are used every year for the ongoing promotion of integrity case studies to strengthen the overall integrity culture.

■ Detection

Each year, a dedicated department will be in charge of conducting conflict of interest declarations and internal audits, as well as external audits of suppliers to examine possible integrity risks. Global managers and colleagues in integrity-related roles make regular declarations on conflicts of interest. Declarations were made by 3,341 people in 2025. Key suppliers are targeted in compliance audits in accordance with the Responsible Business Alliance (RBA) audit system for the effective prevention of dishonest behaviors.

■ Containment

Internal Controls

Internal Control System

Relevant control mechanisms have been implemented by AUO as required by law while also taking our overall business activities into account. Enforcement rules for internal audits based on the internal control system have been formulated and implemented by audit units as well. The effectiveness and level of compliance with the existing control systems and procedures are assessed on a continuous basis; all AUO operations and subsidiaries fall within the scope of audits.

Organizational Function and Implementation Strategy

- **Independence:** Internal Auditing is an independent unit that reports directly to the Board of Directors. The unit consists of a dedicated Chief Auditor and a number of qualified full-time internal auditors. Auditing personnel continue to hone their professional knowledge and skills by attending audit courses conducted by professional training bodies every year.
- **Risk Assessment:** Risk assessments are conducted every year, and an audit plan is drawn up based on the identified risks. Once the plan is approved by the Board, it is put into action. Special audits are also conducted as necessary.
- **Audits and Follow-Up of Defects and Improvements:** Audits are carried out with recommendations for improvement suggested for all defects or anomalies found during the audits. An e-audit system is used to track progress and monitor improvements to deficiencies until the improvements are complete. The system also provides the management with a picture of internal controls, as well as timely warnings of existing deficiencies or potential risks.
- **Self-Assessment of Internal Controls:** A self-assessment of internal controls is conducted every year. Internal Auditing reviews the outcomes of self-assessments conducted by every unit and subsidiary. The results of the self-assessment are compiled and reported to the Audit Committee and Board of Directors to provide a basis for assessing the overall effectiveness of the internal control system, and for issuing the Statement on Internal Control.

Integrity Role Management

AUO conducts regular inventories of integrity-related roles, such as important decision-making and influential positions that involve imports and exports, prices, and investments, or deal frequently with suppliers, customers, and contractors. Regular rotations and changes of assignments are implemented to prevent corruption. In 2025, 421 people were identified in the inventory of integrity-related roles. Apart from conducting integrity courses on seven prohibited behaviors for employees in integrity-related roles, anti-corruption and prevention courses were also held to strengthen their integrity awareness. A total of 5 people in integrity-related roles were listed for planned changes and all (100%) changes were carried out.

Whistleblowing and Protection

Under the whistleblower system, if ethical violations are discovered during the course of their duties, a whistleblower complaint can be made through internal and external channels.

- **Internal channels:** Direct superior, CEO mailbox, Audit Committee's mailbox
- **External channels:** Professional Ethics Violation Reporting System <http://integrity.ab1.auo.com>

An investigation is launched once a complaint has been raised. The investigation is conducted by dedicated personnel, including the audit unit or a committee established in accordance with the "Management Regulations Governing Investigative Committees for Serious Disciplinary Cases." The "Procedures for Handling Complaints Relating to Accounting, Internal Controls, and Audits" and "Complaint Procedure" were also formulated to define the complaints procedure, the competent unit for handling cases and incident procedures. Personal information is kept confidential and retribution against employees strictly prohibited. If an employee can provide advance warning, report, or prevent illegal, corrupt, or other actions harmful to the interests of the Company, the rules on commendations and disciplinary action at AUO's Taiwan Head Office stipulates an appropriate reward if their complaint is found to be true and helped prevent loss to the Company. If an employee is found to have engaged in improper financial transactions with one of the Company's business partners or violated the AUO "Antitrust Law Compliance Policy" then they will be subjected to appropriate disciplinary action. Such events will also be reflected in employee performance evaluations and serve as an important factor to be considered for raises or promotions.

Improvements and Follow-Ups

Whistleblower Cases

A total of 17 whistleblower complaints were received by AUO in 2025. Reported cases were handled by assigned personnel. AUO remains committed to its integrity principles and takes measures to prevent corrupt behavior.



Please refer to the Fact Sheet - Ethics and Integrity Whistleblower Channel and Confirmed Cases of this Report

Violations

There were no sanctions involving violations of anti-money laundering regulations in 2025.

1.4.2 Compliance

Fair Competition

Integrity is the foundation of the AUO culture. To uphold the spirit of accountability, AUO is committed to adhering to the local laws and regulations of the countries in which it operates. The "Enterprise Integrity Handbook" was compiled to provide employees with a basic code of conduct, and various compliance policies were formulated in order to ensure the effective management of legal risks and the fulfillment of social responsibility.

Compliance Policy

AUO has established the Antitrust Compliance Policy and the Antitrust Compliance Manual. In addition, the Company has strengthened compliance measures across a range of legal areas by formulating policies and guidelines, including the Export Compliance Policy, Anti-Corruption Compliance Manual, Copyright Protection and Anti-Piracy Software Policy, Anti-Economic Espionage and Trade Secret Protection Policy, Conflict Minerals Policy, Anti-Dumping Policy, and Data Protection and Personal Data Privacy Policy.

In response to the General Data Protection Regulation (GDPR) implemented in the European Union in 2018, AUO established its Data Protection Policy in the same year, encompassing a General Data Protection Policy, Data Breach Management Guidelines, Data Protection Impact Assessment Policy, and Personal Data Inventory Implementation Policy. Privacy notices applicable to different operational scenarios have also been developed. In 2019, AUO further updated its Anti-Corruption Compliance Manual. In response to China's Personal Information Protection Law, which came into effect on November 1, 2021, AUO revised its privacy notices and consent forms for data processing by the end of 2021. In alignment with the Uyghur Forced Labor Prevention Act (UFLPA) enacted in the United States, AUO issued a Labor Rights and Human Rights Policy Statement in 2022 and updated its Supplier/Contractor Code of Conduct, reaffirming its commitment to human rights protection and zero tolerance for forced labor. In 2024, AUO conducted a comprehensive regulatory identification of personal data protection requirements and subsequently revised its Privacy Statement and Data Protection and Personal Data Privacy Policy. In response to internal organizational adjustments, the Company also updated its Personal Data Protection Management Procedures in April and December of the same year. Through these revisions, AUO enhanced its personal data protection framework. Updates to the Privacy Statement include the addition of procedures and methods for personal data destruction, revisions to international data transfer regions (including AUO Group's global operational locations), disclosure of potential impacts to data subjects in the event of cybersecurity incidents, and the inclusion of supplementary provisions for specific jurisdictions. The Data Protection and Personal Data Privacy Policy has been expanded to cover the AUO Group as well as its suppliers, service providers, consultants, contractors, and other business partners, and now includes additional provisions on group-level risk management, auditing, and disciplinary measures—demonstrating AUO Group's strong commitment to personal data protection. To support the AUO Group's global expansion and evolving business needs, the Company issued the "Fundamental Principles for Legal Compliance in Intra-Group Information Sharing" in 2025. This document further clarifies the key principles employees should follow when sharing information within the Group, particularly when such information may involve sensitive data. All of the aforementioned policies and guidelines are published on the Company's internal legal compliance portal for employee reference and adherence.

Establishment of Management, Supervision, and Preventive Mechanisms

AUO has pledged to comply with the anti-trust laws of Taiwan and foreign countries. An effective compliance program has been established and a Chief Consultant on Compliance, reporting directly to the Audit Committee, has been appointed. Tasks include the establishment of incentives, systems, and education; a risk assessment mechanism; the verification of outcomes; and the provision of timely responses. Through the year-end risk assessment mechanism, AUO interviews senior executives to identify areas with higher potential risks, so that corresponding supervision and prevention mechanisms can be strengthened. AUO has established a Compliance Committee made up of chosen representatives from AUO's front-line business divisions and related subsidiaries. The Committee is chaired by the Chief Consultant on Compliance, and it meets quarterly to discuss compliance issues, including anti-trust laws, as well as to review and implement compliance measures. In addition, the Chairman issues compliance messages twice a year, basing them on real-life cases in the workplace to remind colleagues of situations that may create a risk of breaking the law.

Compliance Education, Training, and Declarations

AUO has established a multi-tiered training system for compliance. Compliance education includes online tests, classroom courses, large-scale inter-departmental block release training, and advanced courses specifically designed for sales and marketing personnel. All employees must sign the Anti-Trust Declaration once every two years.

- **Anti-trust training for new hires:** With the exception of production line operators, all new AUO employees around the world are required to complete their Anti-Trust Compliance Training within 30 days of commencing their employment.
- All employees worldwide (except for production line operators) are required to sign the Anti-Trust Declaration to ensure that they fully understand the Company's anti-trust compliance policy and build organizational consensus on compliance. In 2025, the Declaration was signed by 10,852 people, with a signing rate of 100%.
- **Advanced courses for specific departments:** Physical workshops and online courses are held for colleagues in the automotive business units and related departments. Course contents include anti-trust principles and guidelines, potential anti-trust risks of business models, and guided discussions of potential real-life scenarios to strengthen compliance awareness. The training was completed by 1,646 people.

Violations

The only outstanding antitrust lawsuit involving AUO during 2025 was a civil litigation case with LG Electronics and its affiliates. The case was concluded in January 2026, and the relevant details are disclosed in AUO's Annual Report.



Please refer to Section V, "Review of Financial Conditions, Operating Result, and Risk Management" of AUO Corporation's 2025 Annual Report for details of other investigation cases.

1.5 Risk Governance

The global environment is changing at a rapid pace. The challenges faced by businesses are now more complex and diverse. Changes in the political-economic situation, climate and energy crises, as well as emerging risks all introduce new variables that test the ability of businesses to adapt flexible strategies, identify trends, and manage risks. AUO uses our sound risk governance organization and management mechanism to actively manage risks that may impact the Company, so that we not only adapt to the changing circumstances but also seek out potential business opportunities.

Risk Governance Policy and Organizational Function

The "AUO Risk Management Policy and Procedure" was formulated based on international risk management guidelines. The document guides the Company on risk governance and culture to ensure the proper implementation of strategic goals and risk control. The "AUO Risk Appetite Policy" was formulated to realize the Company's long-term development goals and sustainability strategy. The policy describes the types and levels of risk that the Company is willing to accept and tolerate during the process of business growth and innovation. Within the risk governance organizational structure, the Sustainability and ERM Committee serves as the highest management and decision-making unit. The responsibilities and duties for risk management are clearly defined in accordance with the Three Lines of Defense mechanism for risk management. These ensure the effective implementation and continuous improvement of risk management operations. Outcomes are also periodically reported to the Board of Directors and the Sustainability and ERM Committee.

AUO also partnered with external consultants to conduct audits based on the TWSE Risk Management Best Practices for TWSE/TPEX Listed Companies, the Enterprise Risk Management framework issued by the U.S. COSO Committee^{Note} and other standards. 20 recommendations were proposed in 2025. Improvement proposals were devised for each recommendation by AUO based on the degree of risk. We now plan to conduct similar external audits once every two years to ensure the continued promotion of risk improvement activities.

Note: Committee of Sponsoring Organizations (COSO)

1.5.1 Risk Identification and Management

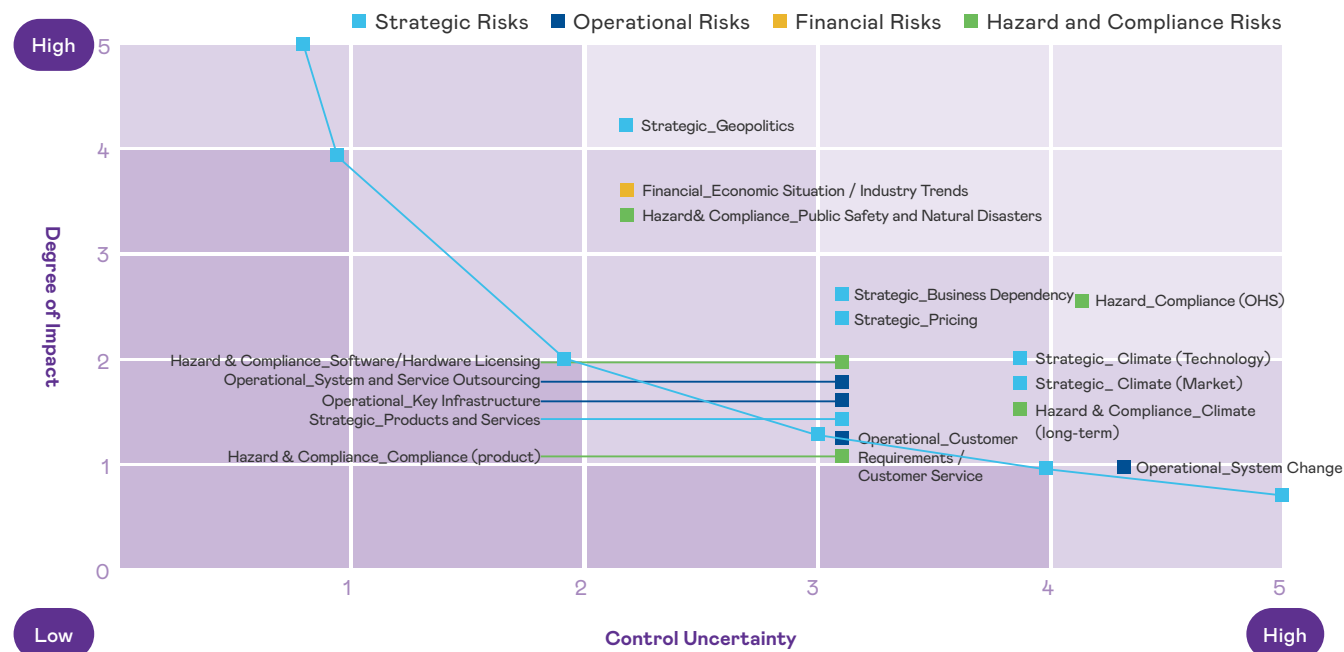
Risk identification and management at AUO combines "bottom-up" and "top-down" analysis and discussions of strategic and operating risks to identify all potential risk events that may hinder the accomplishment of targets, or result in damages or negative consequences for the Company. A variety of general education, basic, and advanced training mechanisms have been set up to enhance the risk awareness of all employees.

Risk identification is carried out by AUO in Q1 each year. In 2025, plant- and division-level managers identified 107 types of risks (including financial, HR, sustainability, IT, manufacturing, R&D, sales, supply chain, legal affairs, etc.) for qualitative and quantitative assessments along three axes: likelihood of occurrence, impact level, and management control level. A risk matrix analysis was also used to sort the risks by priority and ultimately select 16 risks of high concern.

A focused risk meeting is convened by senior managers every year to review the risk identification results and internal and external risk assessments. The focused risks and emerging risks for the year are then selected from these by AUO^{Note}. The responsible units are then required to propose risk countermeasures. The Sustainability and ERM Committee is responsible for tracking, management, and regular reporting to the Sustainability and ERM Committee.

Note: Focused risks refer to significant, short-term risk topics, while emerging risks refer to emerging, medium- to long-term, and external risk topics.

Annual Risk Identification Matrix



Response Strategies for Focused and Emerging Risk Topics

To ensure that risk factors are more closely aligned with changing circumstances, AUO conducts an inventory of focused and emerging risks every year using a combination of risk analysis data from external professional bodies and internal risk identification information. The potential impacts on operations are carefully assessed, and the response strategies are developed. We hope to minimize risk impact through prediction and preparation.

2025 Focused Risks

Category	Risk Description	Impact or Potential Impact	Response & Mitigating Actions
 Financial Dimension	Tariff and Trade Risk Tariff risk due to growing trade protectionism - Changes in transnational trade triggered by tariff policies - Impact of policy changes and greater uncertainty on medium- and long-term investments and production strategy	- Reciprocal tariffs and industry tariffs under Article 232 of the "Trade Expansion Act" impacting profit margins and eroding price resilience - Changes in policy and exemption criteria increase uncertainty for businesses regarding place-of-origin configuration and capacity investment strategies, impacting operational efficiency	- Continued inventory management, optimization of product combinations, expansion of market applications, and accelerated transition are being employed to reduce the business impact of tariff fluctuations - Expansion of e-sports, automotive, medical, and industrial premium products to build up an extensive high-mix, low-volume product portfolio to improve profitability  For AUO business operations, please see 1.1 Company Profile in this Report - Transition to the Company's biaxial transformation strategy to distribute production sites and investments across different regions - Establish a tariff policy tracking and impact assessment mechanism for scenario analysis and cost simulation, and incorporate these into the Business Continuity Plan meetings.
 Business Dimension	Industry Trends Decrease in market demand and industry competition Decrease in market demand: Geopolitical and economic uncertainty undermining global economic confidence Industry competition: The market environment for panels remains highly competitive with relatively high structural pressure	- Effect of the global economy on consumer spending has led to a decline in demand, which impacts the Company's revenue and profits - Chinese panel makers continue to expand their production capacity for ultra-large panels, and this has an effect on the supply and demand within the panel industry	- Continued inventory management, optimization of product combinations, expansion of market applications, an accelerated transition are being employed to reduce the business impact fluctuations in purchase intention - Expansion of e-sports, automotive, medical, and industrial premium products to build up an extensive high-mix, low-volume product portfolio to improve profitability
 Threats	Energy and Carbon Fees Business risks due to energy transformation and carbon fee system - Introduction of government policies on carbon taxes and carbon fees; strengthening of environmental legislation that increases cost of compliance - Faced with the internalization of external costs that result in higher production costs	Government fees and stricter legislation: The push to reduce carbon emissions is burdening businesses with additional costs; non-compliance with stricter legislation may result in fines or litigation - Global promotion of the green economy, energy efficiency, and carbon reduction will increase product costs and impact operating costs	- Responding to the operational challenges of government policies on carbon fees and taxes by promoting carbon reduction measures, such as energy-efficient factory operations and proposals - The ISO 14065 GHG Inventory Standard and ISO 50001 Energy Management System Standard are used to manage and implement carbon emissions/energy consumption, ensure continued compliance with environmental legislation, and support improvements to back-end processing technology for effluent and waste  Please see 3.1 Climate Change in this Report

Emerging Risks

Category	Risk Description	Impact or Potential Impact	Response & Mitigating Actions
 Geopolitical	Risks from geopolitical and geo-economics shifts and retaliatory actions - Regional conflicts remain unresolved, with changes in foreign policy having an effect on US-China relations, the Russo-Ukrainian War, and the Middle-East - Chain reaction from changes in tariff barriers and retaliation by each country - US-China relations, economic sanctions, and tech wars have destabilized global politics and economy	- Protectionism and tariffs are causing a shift from globalization to regionalization (splitting and restructuring of supply chains), which is forcing businesses to engage in globalized and distributed management - Escalation of geopolitics into regional conflicts is impacting operations and causing confusion within the supply chain - Increase in market uncertainty from national tariffs and retaliation may trigger an impact from fluctuations in demand and adjustments to customer strategies	- Transition to the Company's biaxial transformation and acquisition/merger strategy to distribute production sites and investments across different regions - Dynamically assess and track changes in global geopolitical risks, conduct monthly assessments of geopolitical risks that may affect the Company's business and operations, and work with related units to devise response strategies. For example, refine supply chain management and adjust the production strategy to cope with regional conflicts and the impact of tariffs
 Technological	Digital trust and cybersecurity risks arising from AI autonomy Tech companies and national governments are scrambling to respond to challenges of AI-generated misinformation. Such risks included but are not limited to malware, cyber attacks, using disinformation to harm a business' brand image and public trust, and influencing of consumer behavior	Production disruption: Information security incidents may lead to system shutdowns or production disruptions with serious repercussions for business operations Financial loss: Cybercrime may result in serious financial losses such as the cost of ransom payments or system recovery Damage to customer trust and reputation: Cyber-attacks have resulted in serious financial losses such as the cost of ransom payments or system recovery, damage to corporate reputation, and loss of customer trust	- Information security management is promoted and enforced to protect the Company's IP and customer data, as well as to enhance employee awareness of information security, in response to evolving cybercrime and growing information insecurity threats - Implementation of Business Continuity Plan (BCP) drills for cyber security incidents; trans-unit response organization formed in 2025 to prepare for risks through scenario simulations  Please see 1.5.2 Information Security and Privacy Protection of this Report
 Economic	Challenges of green transformation and structural inflation National efforts to promote energy transformation, carbon reduction, sustainability standards, and low-carbon materials are having a flow-on effect on the supply chain, leading to rising structural costs	- Green transformation costs in every link of the supply chain have resulted in a long-term upshifting of costs, which impacts competitiveness - Differing levels of consumer acceptance of green costs are impacting the investment strategy and operating costs	- Actively engage with customers to co-develop green products that satisfy customer and market requirements - Steadily develop and create high-value green solutions - Master critical net-zero strategic opportunities in the public sector, as well as expand and reinforce ecosystem partnerships  Please refer to 3.1.2 Climate Risk Adaptation of this Report.

○ Risk Sensitivity and Scenario Analysis

AUO considers the impact of risks on the company and evaluates the impact of risks when they occur through sensitivity analysis and scenario analysis. These methods enable AUO to conduct more comprehensive analysis and testing, thereby more appropriately evaluating, managing and responding to risks.

	Risk Item	Measurement Method or Tool	Description
 Financial Dimension	Interest Rate Risk	Sensitivity Analysis	Interest rate risk comes mainly from long-term borrowings with floating interest rates. An increase or decrease of 0.25% in variable interest rates translates into a swing of 240 million TWD in pre-tax profits for AUO.
	Exchange Rate Risk		AUO's exchange rate risk mainly comes from exchange losses/gains when prices are denominated in foreign currencies. When the TWD appreciates or depreciates by 1% compared to the USD.
 Business Dimension	Information Security Risk	Scenario Analysis	Information security risk scenario analysis and a stress test were conducted by AUO in 2025. The timing simulation was carried out with hypothetical scenarios, and the information risk was reduced through internal controls, contingency plans, and trans-unit risk response initiatives. The stress testing resulted in the recovery of the PLM ^{Note} system within 3 days, demonstrating the resilience of the AUO response to information security events.

Note: Product Lifecycle Management (PLM)

Incorporation of Risk Criteria in the Development of Products

As part of AUO's biaxial transformation strategy in recent years, international automotive and medical industry standards are now being gradually incorporated into the development of smart products. Risk-related criteria are also being incorporated into the development process. AIAG-VDA Failure Mode and Effect Analysis (AIAG-VDA FMEA) is an example of a risk analysis tool applied during product and process design. The "Interactive Transparent Window" was introduced for the smart cockpit display interface. A Micro LED with high transparency, brightness, and clarity is integrated into the car's side window, as well as touch control and integration with external cameras to improve safety by reminding passengers about oncoming vehicles and the surrounding environment before exiting. The design was recognized with the CES 2024 Innovation Award.



■ Establishing a Risk Culture

Risk culture is considered the foundation of risk management. The establishment of risk culture is critical to improving the ability of the organization to respond to risks as a whole. In 2025, annual participation in risk culture-related activities and courses exceeded 91%.

○ Risk Education and Training

Education and training is an important part of promoting risk culture. AUO conducts comprehensive risk training program for employees at every level to improve the ability of the management and employees to identify, assess, and manage risks.

Board Level

The Company's plan for courses for directors is aimed at improving their risk identification, assessment, and control abilities; the course content is not limited to specific topics and covers specialization, new knowledge, and tools. Risk management courses are scheduled every year.

Internal and external courses covering different risk management topics are organized. In 2025 for example, the AUO University hosted the Internet of Thinking Forum to explore global developments during the year, as well as the related risks and response strategies. Topics included the resetting of global trade and resilience strategies.

Middle/Senior Management and Regular Employees

A variety of risk trend training sessions are held every year on topics such as the basic risk mindset, information security, safety, and compliance. Everyone, from regular employees to senior and middle management, is targeted for training. We hope to build up the risk culture and awareness among all employees. For middle and senior managers, training courses combined with the identification, analysis, response, surveillance, and review processes designed by AUO serve to strength the management's ability to identify and manage risks.

Course Type	Course Implications and Purpose	No. of Trainees (persons)	Duration (hours)	Completion Rate ^{Note}
 Risk Trends and Mindset	Mastery of the latest risk trends and cultivation of the proper risk mindset to help with identifying and responding to risks at work and during decision-making	18,256	3,267	95%
 Information Security	Improve information security awareness	18,059	9,821	94%
 Compliance	Ensures compliance through the promotion of integrity, human rights, and anti-trust laws	13,239	2,683	93%
 Safety and Health	Promotion of safety and compliance in the workplace	10,390	866	99%

Note: Completion rate was the average completion rate for each course.

○ Risk Incentive Scheme

AUO believes that establishing a risk culture is an ongoing process. Through open communication, clearly defined roles and responsibilities, and incentive mechanisms for both management and employees, AUO enhances employees' motivation and proactive participation in risk management activities. For the Board and senior managers, AUO offers enhanced remuneration linked to their sustainability performance; for employees, the proposal scheme is used to encourage AUO personnel to play an active role in risk management activities. In occupational safety, for example, AUO used performance evaluations, promotions, and bonuses to recognize employees for their outstanding promotion and implementation of safety culture.



For the remuneration policy of the Board of Directors and Senior Management, please see 1.3.1 Board of Directors in this Report



For safe workplace measures, please see 4.4.2 Safe Workplace in this Report

1.5.2 Information Security & Privacy Protection

Information Security Governance

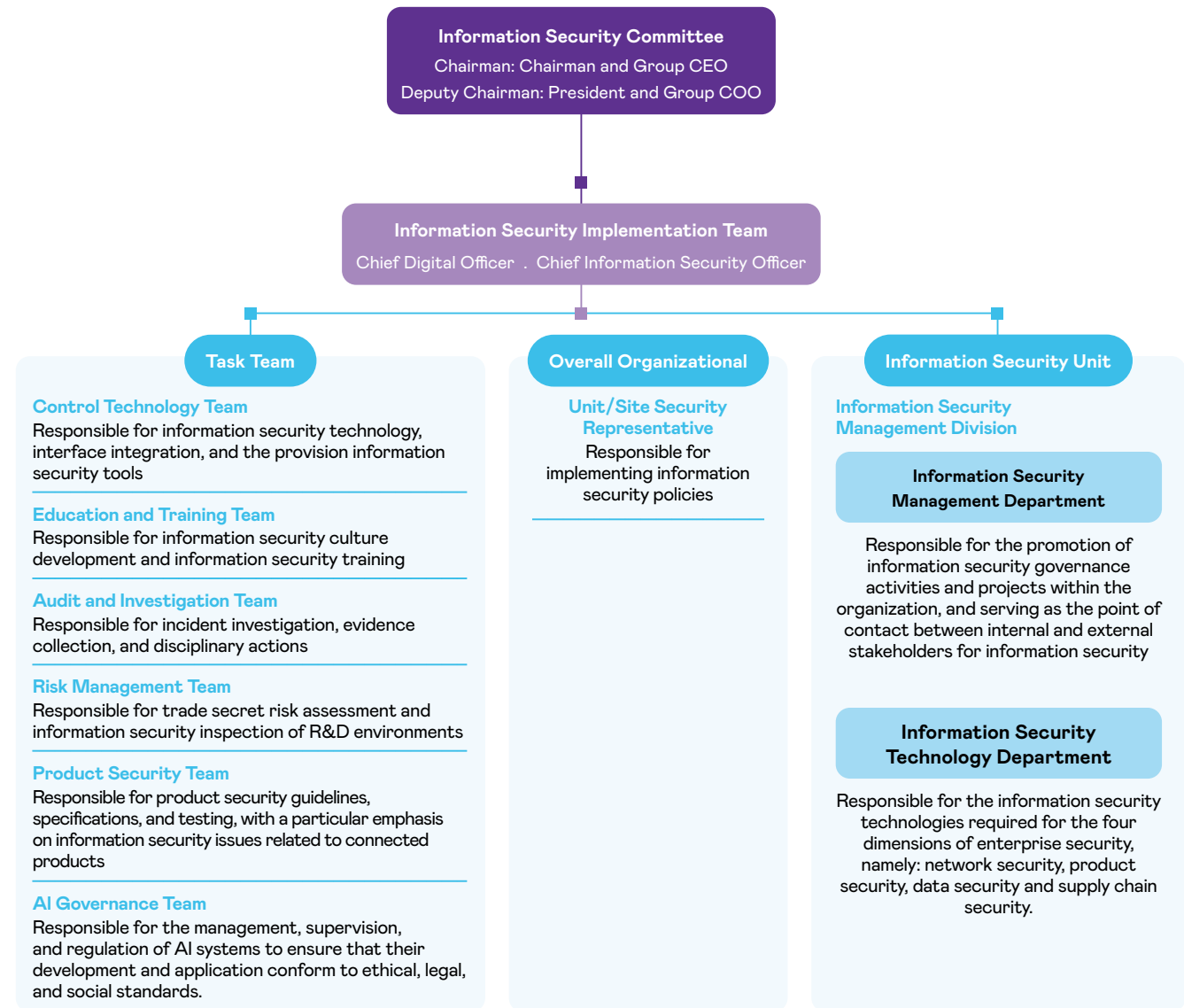
The Sustainability and ERM Committee, which reports to the Board of Directors, is responsible for overseeing information security risks. AUO also ensures that members of the Board possess appropriate backgrounds in information security^{Note 1}.

The "Information Security Committee" was established in 2012 to review information security policies and strategies and supervise their implementation and effectiveness. The Committee was chaired by the Chairman to demonstrate the high importance attached to information security. The Chief Information Security Officer (CISO) was also appointed to head a dedicated information security team (including the Information Security Management Department and Information Security Technology Department), as well as to formulate and maintain the information security vision, strategy, and implementation plan. AUO then continued to invest in upgrading its core information security capabilities^{Note 2} to ensure the security of the information assets and IT environment. Regular reports are made by the CISO directly to the executive management team.

Note 1: Includes experience as the person responsible for information technology or information security.

Note 2: Includes obtaining and maintaining professional information security certifications, such as Certified Information Systems Security Professional (CISSP), Offensive Security Certified Professional (OSCP), Certified Ethical Hacker/Practical/Master (CEH/CEHP/CEH Master), Information Security Management System Lead Auditor, ISO/IEC 27001:2022 LA), etc.

Organization and Functions



Information Security Policy

The AUO "Information Security Policy" is defined to protect the Company's IP, raise overall information security awareness, and create opportunities for mutual wins (profit). AUO pledges the following to internal and external stakeholders:

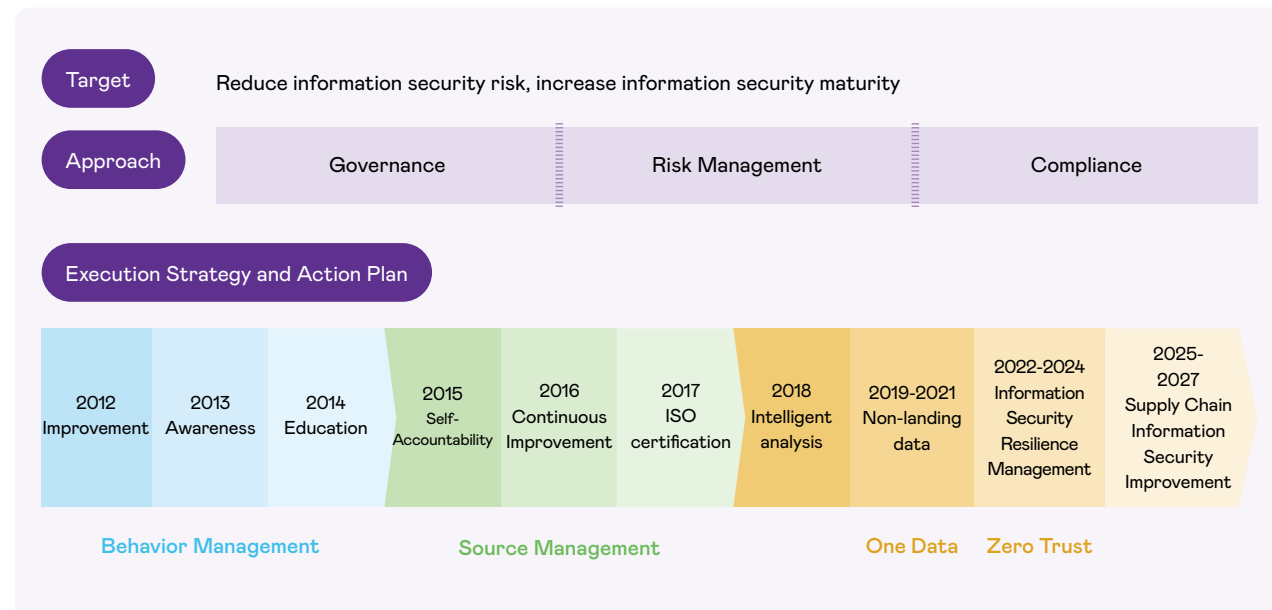


Internal Compliance

The Information Security Management Regulations were formulated by AUO to define an Acceptable Use Policy (AUP) for all employees to follow. The contents cover the protection of the Company's secrets, respect for intellectual property rights, and reasonable use of information resources. If an employees is found to have committed a serious violation of internal information security rules, then appropriate action will be taken in accordance with company regulations, ranging from warnings, minor penalties, major penalties, or termination of employment. There were no major information security violations at AUO in 2025.

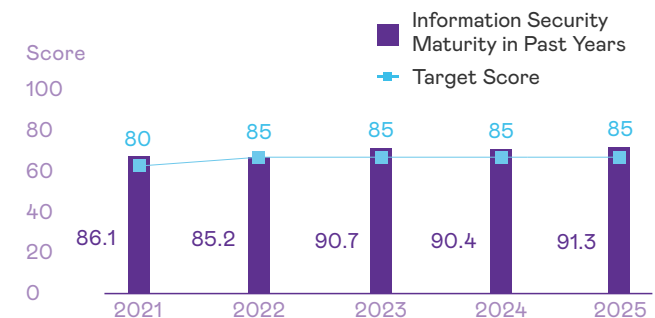
Information Security Goals and Strategy

Annual information security goals are set by AUO. The U.S. National Institute of Standards and Technology Cybersecurity Framework 2.0 (NIST CSF 2.0) and Cyber Defense Matrix (CDM) are also used as the core methodologies for planning the overall information security strategy and action plan.



AUO has long promoted a common information security accountability culture. Information security management and protection metrics are visualized to generate an information security maturity rating. The ratings are provided to unit supervisors every month to serve as a reference for management and improvement. AUO achieved an information security maturity score of 91.3 and met the annual target of scoring over 85.

Information Security Maturity in Past Years



Risk Management and Assurance

Internal and external issues are systematically identified by AUO every year to incorporate information security risks into the Company's risk assessment at the strategic level. Information process and system impact analysis, information asset inventory, and risk assessment are conducted as well.

AUO is continuing to identify and comply with national information security and privacy protection laws and supervisory requirements at all global operating locations. The information security management system and information technology infrastructure also undergo annual internal audits and external audits by independent third parties in accordance with ISO/IEC 27001 and other applicable international standards ^{Note}.

Note: TISAX, IATF16949, ISO13485, TIPS, etc.

Major information security incidents at AUO in 2025: 0 cases

Third-party information security management platform

A third-party risk management platform was used by AUO to examine our overall information security risk. Our score of 95 in 2025 was higher than the industry average of 80.

Cyber Insurance Coverage

To effectively distribute and transfer potential information security risks, AUO continues to protect business continuity by purchasing information security insurance.

Resilience and Technological Protection

Business Continuity and Drills

An information security business continuity plan has been formulated. A multi-layered contingency mechanism—including system redundancy, system backup and recovery, incident response, emergency response, business continuity, and a monitoring dashboard—has been implemented, and multiple drills are conducted every year.

Vulnerability Management and Technological Protection

- Information security vulnerability analysis and management are conducted on a regular basis. A professional third-party information security company was retained in 2025 to conduct penetration testing and to probe AUO's information security defenses and responses. Services and tools, such as third-party vulnerability scans, black box testing, white box testing, and source code review, are also employed by AUO in monthly scans for follow-up and improvement.
- Every effort is made to improve IT infrastructure security through measures such as network segmentation, identity and access management, and backup mechanisms. In 2025, the hybrid cloud architecture and defense-in-depth design underwent ongoing refinements. A cross-domain network partitioning and an independent certification system were established to support the Company's three-pillar business model, ensuring business stability and innovative growth.

Detection and Response

- Ability to detect information security events, vulnerabilities, and suspicious activities was further expanded through the deployment of Network Detection and Response (NDR). The scope of Managed Detection and Response (MDR) was also expanded as well.
- AUO employees can report information security incidents through the internal "AUO Information Security Platform" right away. Sensitive information contained in the reports are safeguarded by AUO. Any form of retaliation against complainants' professional rights are also prohibited.
- External stakeholders can use the contact e-mail on the AUO website to report information security incidents. The Company received no external information security reports in 2025. The "Bug Bounty" program was set up by AUO to collaborate with external information security researchers using the responsible disclosure principle. The active discovery and reporting of vulnerabilities before they can be exploited helps to build a safer and more resilient digital environment.
- Under the AUO "Information Security Incident Management Regulations," AUO must carry out the classification, reporting, processing, and recovery processes for the reported cases and gathered threat intelligence.
- AUO also complies with the Cybersecurity Management Guidelines for TWSE/TPEX Listed Companies. If a designated information security incident takes place, a material announcement will be issued, a press conference will be held, and the Taiwan Computer Emergency Response Team/Coordination Center (TWCERT/CC) will be notified.

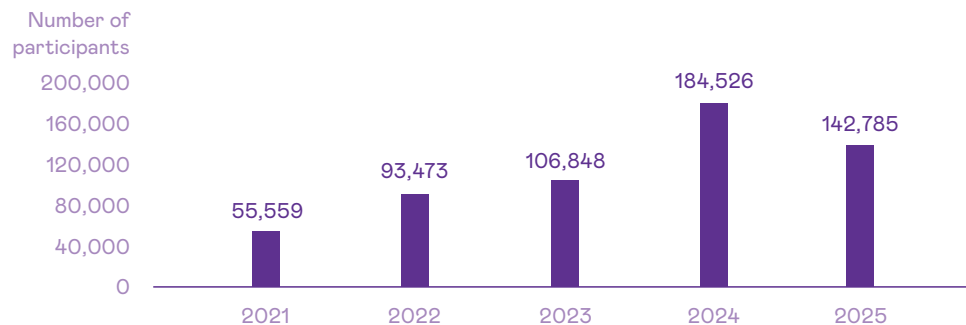
Group Collaborative Defense

- Consolidate group resources and strengthen information security collaboration with a third-party information security trend platform used to monitor group-wide information security risks.
- AUO continued to assist AUO Group companies with information security health checks, vulnerability scans, and penetration testing in 2025.
- Outside information security experts were invited to share insights. Information security experience-sharing sessions were also regularly held within the Group. The Certified Ethical Hacker Master course was conducted as an internal corporate course to cultivate the Group's information security management and technology talent.

Information Security Awareness and Training

AUO hosted the "Need-to-Know+ Information Security Season" series of events. A variety of awareness and educational content was integrated into an event website that encompassed internal information security bulletins, plant-wide PA announcements, promotional short videos, an electronic newsletter, downloads of electronic wallpapers, internal streamed video courses, general knowledge and specialist courses, social engineering drills, interactive learning, a physical information security forum, and so on, to build up the employee consensus and information security culture. A total of 12 social engineering drills were conducted in 2025, with a cumulative participation of 142,785.

Participation in Social Engineering Exercises



Data and Confidential Information Protection

To protect the industry-leading core information assets of the Company, AUO employs a wide variety of technical control measures, including Data Loss Prevention (DLP), hard disk encryption, information device controls, mobile storage device management, two-factor authentication, and remote connection watermarking technologies. These, along with a comprehensive management system, ensure the confidentiality, integrity and availability of digital information throughout its lifecycle.

In 2025, AUO further tightened its verification of document classification, top secret document downgrading and printing reviews, physical environment access controls, and mobile phone camera controls. Targeted audits were conducted for key technology R&D drafting areas.

Customer requests issued through contracts, agreements, surveys, or audits are valued and actively responded to by AUO. The Company has also set up a comprehensive reporting process, so that those affected by the leak of confidential customer or personal information can be notified in a timely manner in accordance with the contract or applicable laws and regulations.

Product Information Security

AUO follows the NIST SSDF (National Institute of Standards and Technology Secure Software Development Framework) in software and system development projects. Processes include the analyses of regulatory standards and customers, risk assessment, secure design and development, validation and deployment, and incident response. The "Software Secure Development Guidelines," "IoT Device Secure Development Guidelines," and "Information System Developing Outsourced Security Guidelines" were formulated by AUO. An in-house information security testing team for IoT devices was also set up to ensure that product security conforms with the requirements of customers, as well as the regulatory and international standards.

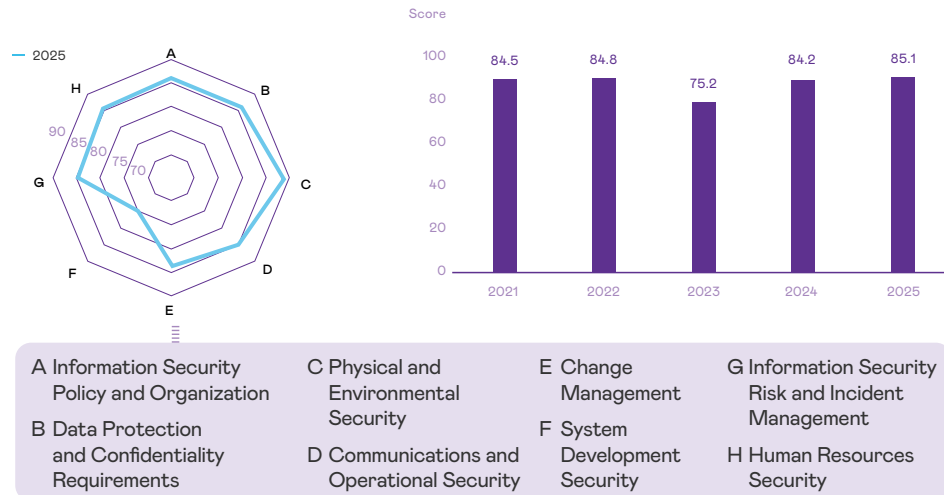
The Information Security Assessment (ISA) process developed by the German Association of the Automotive Industry (VDA) was introduced in 2023, and third-party assessment by Trusted Information Security Assessment Exchange (TISAX) with a rating of AL3 (very high level of protection) was achieved, demonstrating the high level of maturity in the information security management capabilities of AUO in the global automotive market and its ability to meet customer expectations regarding information security.

Supply Chain Information Security

AUO began using information security questionnaire surveys and in-person visits to engage with suppliers on information security topics in 2020. We strive to apply the AUO experience to helping partners refine their information security management organizations and systems. In 2023, AUO formulated and published the "Supply Chain Information Security Policy" on its corporate website. The "Supplier Information Security Guidelines" were also incorporated into purchase order documentation to ensure supplier knowledge and compliance with the guidelines. The "Supply Chain Information Security Improvement" project was launched in 2025. A supplier information security evaluation scheme was set up with risk classification management, third-party information security status evaluation, information security surveys and exchanges, education and training, and other measures to systematically improve the overall information security resilience of the supply chain. A total of 191 information security surveys were completed in 2025.

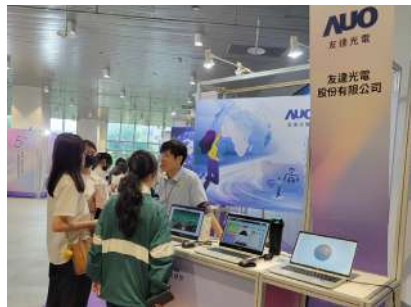
At the same time, AUO invited suppliers to take part in online information security training on topics such as information security governance concepts, basic information security protection, protection of confidential information, and information security incident reporting and drills. The training course was completed by 34 suppliers in 2025. AUO encourages suppliers to actively simulate information security incidents that may impact AUO and use these for response drills and reports. AUO will also cooperate with the suppliers' drills by receiving the related reports and going through the follow-up procedures in order to jointly improve the information security of the overall supply chain.

Average Score of Supplier Information Security Self-assessment



External Collaboration and Industry Resilience

- AUO is a co-founder of the "Taiwan Chief Information Officer Alliance (CISO)" and a member of its Development Committee, the Company plays an ongoing role in CISO activities in order to enhance the information security resilience of Taiwanese industries.
- AUO is a long-term partner of "Girls in Cyber Security (GiCS)"^{Note} and has been a sponsor for 5 consecutive years. The goal of GiCS is to help students learn about proper information security concepts, promote grassroots information security education, and encourage women to choose careers in information security.
- In 2025, AUO collaborated with leading universities for the "A Pro Semester Internship" and "A+ Internship Program." Current undergraduate or graduate students were hired as interns to work in fields such as information security and AI applications. The internships aimed to cultivate their information security skills, as well as their management abilities and horizons.



Note: GiCS is sponsored by the National Science and Technology Council and Ministry of Education, and organized by the Taipei Computer Association and the National Center for High-Performance Computing of the NAR Labs. As the president of Taipei Computer Association, AUO Chairman Paul SL Peng has long supported the cultivation of information security talent through this event.

Privacy Protection

Privacy protection is enforced by AUO for customers, suppliers, employees and all stakeholders as a key component in maintaining the trust of our stakeholders. We adhere to all laws and regulatory requirements on privacy and information security during our collection, storage, processing, dissemination, and sharing of personal information. In terms of information security, the Information Security Policy was formulated to protect stakeholder information. Information security management is promoted and enforced through the information security management system and the Information Security Committee. AUO has integrated and strengthened our information security management system to establish a standardized, documented, and systematic management mechanism for enforcing information security policy, protecting customer data, protecting customer IP, strengthening our information security environment and information security incident response capability, and meeting the target metrics and indicators of our information security policy.

Protection and management of personal information at AUO are governed by the "Personal Information Protection and Management Regulations," "Data Protection and Personal Information Privacy Policy," and "Privacy Statement," which serve as our top guiding principles on the protection of our customers' personal information. We also set up an EU GDPR (General Data Protection Regulation) and China PIPL (Personal Information Protection Law) sections on our internal website to provide employees with references to the related policies and official documents, so they can actively respond to the regulatory requirements. New employees must complete the GDPR course within 30 days of starting at AUO to establish a basic understanding of personal information protection and how it applies during business operations, such as the collection, processing, and use of customers' personal information required for business or other necessary interactions. In 2025, the training was completed by 720 people, achieving a completion rate of 100%.

Auditing units will conduct random audits of personal information management. If personal information is leaked, the head of the department involved should immediately notify the Personal Information Committee for the executive director of the committee to set up a single point of contact. The emergency response center must also be convened and set up. For serious incidents, the Legal Affairs unit will notify the competent authority for an investigation to be launched. Once the incident has been investigated by the Committee, the department involved should use appropriate means to notify the people affected as soon as possible. Once the incident has been resolved, and incident prevention review conference is to be convened to discuss the emergency response measures related to the incident.

AUO further engaged an independent third-party assurance organization to conduct an Agreed-Upon Procedures (AUP) review of its Privacy Protection management framework. The review covered the implementation of privacy policies, accountability mechanisms, risk management, non-compliance disciplinary measures, third-party audits, and internal audits. An AUP report was issued upon completion of the procedures, providing an independent assessment and supporting the continued enhancement of the effectiveness of AUO's Privacy Protection framework.

Sanctions imposed by the competent authority for serious violations by AUO of the protection of customers' personal information in 2025 — 0

Number of substantiated complaints regarding violation of customers' personal information protection received by the AUO privacy mailbox (privacy@auo.com) in 2025 — 0

CPA Letter of Appointment-

The AUO Privacy Statement can be found on the AUO website - Privacy Statement



2 SUSTAINABLE MANAGEMENT

Chapter Highlights

Promoted Stakeholder Cultivation programs, with over 1,700 interactions conducted in 2025, strengthening the foundation of trust.

Established a "Customer ESG Survey Ticket and Assignment System" to standardize and enhance transparency in cross-functional response processes, addressing increasing customer demand for ESG information.

Aligned with EU regulations by including Dechlorane in the hazardous substances management list.

Completed risk assessments and improvement actions for 242 key suppliers, strengthening overall supply chain management.

Continuously assessed the Company's net positive impact through sustainability impact monetized analysis.

Expanded the ESG Scorecard mechanism, achieving continuous improvement in supplier performance (up 13.1% year-over-year) and enhancing sustainable supply chain management.

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2.1 Stakeholders

2.1.1 Stakeholder Cultivation

Stakeholder engagement is considered an important source of corporate resilience and sustainable competitiveness by AUO, enabling more effective promotion of our sustainability strategy. Nine key stakeholders have been identified in accordance with the AA1000 Stakeholder Engagement Standard, based on the attributes of dependency, responsibility, impact, diverse perspective, and tension. The Stakeholders Sub-Committee has been established under the Sustainability and ERM Executive Committee led by the CEO, with meetings convened quarterly. The implementation of material issues, sustainability goals, and policies during the year are dynamically reviewed against three goals of opportunity creation, risk communication, and sustainable brand. Key AUO messages are communicated in a timely manner for two-way interaction in good faith and to meet stakeholder expectations.

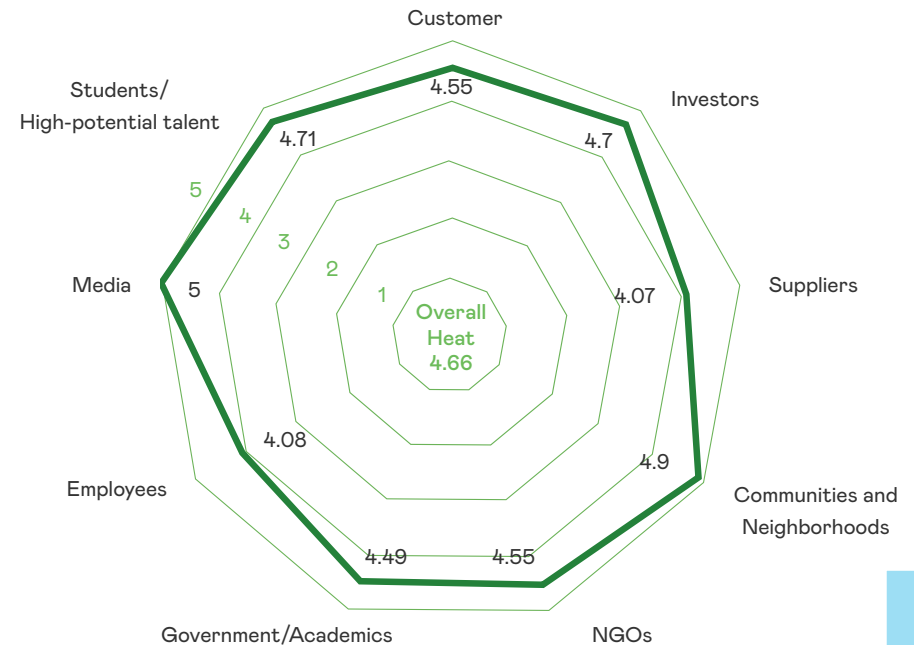


Stakeholder Engagement Outcomes

Maintaining constructive communication and interaction with stakeholders is important to AUO. We listen to stakeholder concerns, opinions, and respond when appropriate. AUO used the nine key stakeholders to define nine stakeholder types^{Note} and a total of 135 targets for cultivation. More than 1,700 interactive sessions were conducted in 2025. An engagement warmth radar map was generated based on the interaction warmth rating to assess the outcomes of stakeholder communication plans. Overall warmth rating was 4.66 (out of 5), ranging between "friendly" and "positive & proactive."

Note: Customers are split into business groups such as Display, Mobility Solutions, Vertical Solutions, and Energy.

2025 Stakeholder Conversation Heat Map



	Material Topics of Concern	Connection with AUO and Engagement Focus	Communication Channels and Frequency	Key Achievements in 2025
 Investors	Sustainability Governance Operations, Risk and Crisis Management, Technological Innovation and Market Strategy, Stakeholder Engagement, and Climate Change	Engage transparently with investors to demonstrate transformation capabilities and sustainability performance. Actively communicate with investors through frequent updates on business status to build confidence. Communication topics: Transformation strategy, sustainability performance, green electricity procurement, risk communication	- Annual Shareholders Meeting (annually) - ESG Roadshow (annually) - Quarterly Investor Conferences (quarterly) - AUO website – investors section (irregularly) - External mailbox (irregularly)	- Ranked in the top 5% of the 10th Taiwan Stock Exchange Corporation Corporate Governance Evaluation - Business achievements of the Three-Pillar transformation strategy - More than 270 engagements were conducted to actively communicate AUO's ESG performance with investors and banks
 Customers	Energy Management, Circular and Clean Production, Sustainable Product, Risk and Crisis Management, Supply Chain Management, and Information Security and Privacy Protection	Continue to supply customers with high- value products and solutions under a business strategy of biaxial transformation while satisfying customer requirements and expectations through communication meetings and satisfaction surveys. Communication topics: Sustainable products, circular economy, green electricity procurement	- Customer satisfaction surveys (annually) - Project meetings (monthly) - Customer service website system (irregularly) - Customer audits (irregularly)	- Customer satisfaction rating of over 94% - Collaborated with customers on the development of product cycles, carbon footprints, and renewable energy strategies through more than 200 engagements - Recognized as the HP "Sustainable Impact Champion," demonstrating our green innovation and cooperation capabilities
 Suppliers	Supply Chain Management, Business Integrity, Technological Innovation and Market Strategy, Information Security and Privacy Protection, and Occupational Safety and Health	Uphold a spirit of co-prosperity and growth by promoting collaborative projects, and share AUO's business experience through audits and co- learning courses to create a robust supply chain. Communication topics: Net-zero emissions, circular economy, business risks, supply chain management	- Co-prosperity courses (quarterly) - Project meetings (irregularly) - Supplier audits (annually/irregularly) - SCM CSR portal (irregularly) - Complaints mailbox (irregularly)	- Hosted the 2025 Creating Shared Value Conference attended by 119 suppliers - Expanded the circular economy supply chain to include 85 vendors - Plastic neutrality rate of 82% in the supply chain - Hosted 7 Creating Shared Value courses
 Media	Technological innovation and market strategy, talent recruitment and retention, diversity and equal opportunity, human rights and labor relations, stakeholders	Actively communicate biaxial transformation and sustainability progress to stakeholders through diverse social media platforms. Communication topics: Business performance, biaxial transformation strategy, ESG brand	- Exhibitions (annually) - Press conferences (irregularly) - Press releases (irregularly) - Social media (irregularly)	- Over 130 ESG-related media reports and news exposures - Diverse external interactions and brand management generated 217 social media interactions - Actively participated in more than 8 exhibitions to communicate product sustainability philosophy and values
 Government/ Academics	Energy management, occupational safety and health, talent recruitment and retention, human rights and labor- management relations, social engagement	Boost R&D capabilities through three-way networking between the industry, government, and academia. Actively consult with experts during topic management and leverage the perspective of outside experts to track topic trends and mount a precise response to outside requirements. Communication topics: Technology R&D, health and safety, industry-university collaboration, policy engagement, human rights issues	- Expert consultation meetings (irregularly) - Conferences (irregularly) - External communications mailbox (irregularly)	- Conducted more than 330 industry- government-academia exchanges - Launched an industry-university collaboration program to promote the cultivation and development of forward-looking talent - Actively collaborated with government units on field education by sharing experiences in fire safety, environmental protection, health and safety, and emergency response

	Material Topics of Concern	Connection with AUO and Engagement Focus	Communication Channels and Frequency	Key Achievements in 2025
 NGOs	Stakeholder Engagement, Sustainability Governance Operations, Technological Innovation and Market Strategy, Circular and Clean Production, and Social Engagement	Actively collaborate with NGOs and social enterprises to promote joint projects, leveraging their expertise and passion to amplify impact. Communication topics: Environmental education promotion, popular science education promotion, corporate philanthropy	- Project meetings (annually) - External conferences (irregularly) - AUO Foundation (irregularly) - External communications mailbox (irregularly)	- Partnered with 12 NGOs to raise NT\$3.54 million for the WISH Foundation - AUO Foundation marks 10th year of support for "Taiwan Science Train"
 Employees	Business integrity, diversity and equal opportunity, human rights and labor-management relations, information security and privacy protection	Care for employees' physical and mental wellbeing; cultivate a friendly workplace. Foster an internal sustainability culture at AUO. Communication topics: Employee welfare, charitable activities, information security management	- Internal publications (semiannually) - Welfare committee (quarterly) - Business briefings (quarterly) - Labor-management meetings (monthly) - Internal communication mailbox/Consultation hotline (irregularly) - Club activities (irregularly) - Questionnaire surveys (irregularly)	- Convened 4 labor-management relations meetings - Convened 4 Welfare Committee meetings - Company club took part in the Wish Program, mountain cleanup, coastal cleanup, and other charitable activities
 Students	Technological innovation and market strategy, talent recruitment and retention, diversity and equal opportunity, human rights and labor relations, stakeholders	Provide students with an early introduction to the workplace through the GOLF alliance and summer internships; actively recruited quality talent through campus recruitment Communication topics: Industry internship, recruitment and welfare, brand image	- A+ Internship (annually) - Campus recruitment (annually) - GOLF platform (irregularly) - Industry-university collaboration (irregularly)	- Campus recruitment and career expos are used to communicate brand image and attract quality talent - A+ Internship enters its 22nd intake - Continued to promote the GOLF program to accelerate student alignment with the industry
 Communities and Neighborhoods	Circular and Clean Production, Water Resource Management, Sustainable Product, Biodiversity, Climate Change, Occupational Safety and Health, and Social Engagement	Actively communicate with and reach out to local communities and neighborhoods to alleviate local concerns; regularly visit community representatives and set up visitor areas within the plants to promote environmental and cultural education in partnership with nearby schools Communication topics: Environmental education promotion, popular science education promotion, field environmental communication	- Project meetings (annually) - Regular on-site compassionate visits (irregularly) - Community engagement events (irregularly) - Factory complaints hotline (irregularly) - External communications mailbox (irregularly)	- Took part in more than 130 community cooperation and communication sessions - Collaborate with local school teachers to develop environmental education courses on water resources, net zero, and other information.

AUO's sustainability website continued to share accomplishments in the "Sustainability Story" section.

AUO will continue to use its corporate sustainability website, social media, and other diverse channels to share the latest developments at AUO with all interested stakeholders. AUO posted 5 Sustainability Story special reports in 2025 covering its sustainability progress and accomplishments, such as AUO's carbon neutral headquarters building, promotion of plastic neutrality transformation, the "Large Leads Small" value chain carbon reduction initiative, sustainable lifestyle and cultural experiences, and stream conservation via water environmental patrols.

A carbon neutral building with more than meets the eye – AUO receives the first ISO 14068-1:2003 building carbon neutrality certification in the global display industry and in Taiwan

A cross-departmental team was mobilized by AUO to integrate energy creation, energy conservation, and smart management to complete the project over nearly four years. The new low-carbon offices house more than a thousand employees, setting a new benchmark for building carbon neutrality.

AUO and PIDC sign MOU to promote 3-way green transformation in the industry to align with global plastic reduction legislation

AUO responded to the Global Plastics Treaty and new EU legislation by promoting reclaimed materials, innovative packaging, and technology R&D. Education/training and industry cooperation were also strengthened to accelerate the realization of the 2030 plastic neutrality target.

How did a 17-year cultural project shape the sustainability activism of 40,000 AUOers? From Green DNA to Green Power for the Earth: The joint journey toward a sustainable culture for AUO and its employees

The AUO "Green Power for Earth" festival integrated a plastic reduction art exhibition, a sustainability salon, and flea markets into everyday life to build a sustainable living circle for employees, demonstrating a commitment to a sustainable culture with Green DNA.

AUO partners with 15 ecosystem partners to cut carbon emissions by over 9,000 tonnes a year, demonstrating its sustainability influence in the value chain

AUO leverages AI for smart carbon reduction in the "Large Leads Small" program

AUO partnered with 15 suppliers to introduce an AI-powered smart carbon reduction and energy conservation management platform to improve energy conservation management and accelerate the realization of the target of a 25% carbon reduction in the supply chain by 2030.

AUO river patrol – you can be Captain Planet too From river patrol to water environment education volunteering

The AUO water environment patrol combines professional river cleanup and investigation to watch over water bodies such as the Xiaoli River. This, along with the promotion of water resource education and removal of invasive species, served to foster a sustainable culture among employees.



Please visit AUO's sustainability website – Sustainability Story section.

AUO "Corporate Disaster Prevention Academy"

AUO collaborated with Taoyuan City to launch the "Corporate Disaster Prevention Program." The introduction of scientific methodologies, such as risk assessments and fire-smoke simulations, helps businesses examine high-risk areas. The "Corporate Disaster Prevention Academy" at the Longke Site was commissioned in 2025 and equipped with high-end computers capable of running fire-disaster simulations to serve as a key corporate training site.



Energy Taiwan

AUO Energy chose the theme of "Energy Storage as Priority × Solar-Storage Synergy" at Energy Taiwan 2025 to showcase energy storage solutions for industrial, commercial, and household applications. Power plant construction, renewable energy investment, and energy management services were also integrated to lay the foundation for a smart energy ecosystem. By reducing electricity costs, providing high energy efficiency, and stabilizing power supplies, a new era in smart energy, based on energy transformation and low-carbon net zero, can be realized. AUO is working with 21 partners to expand the intelligent energy ecosystem and build up leading brands in energy channels. At the same time, the MOEA Top Solar Award for outstanding ground-mounted systems and certification partners, such as TÜV Rheinland, will encourage customers to learn from AUO and exchange ideas.

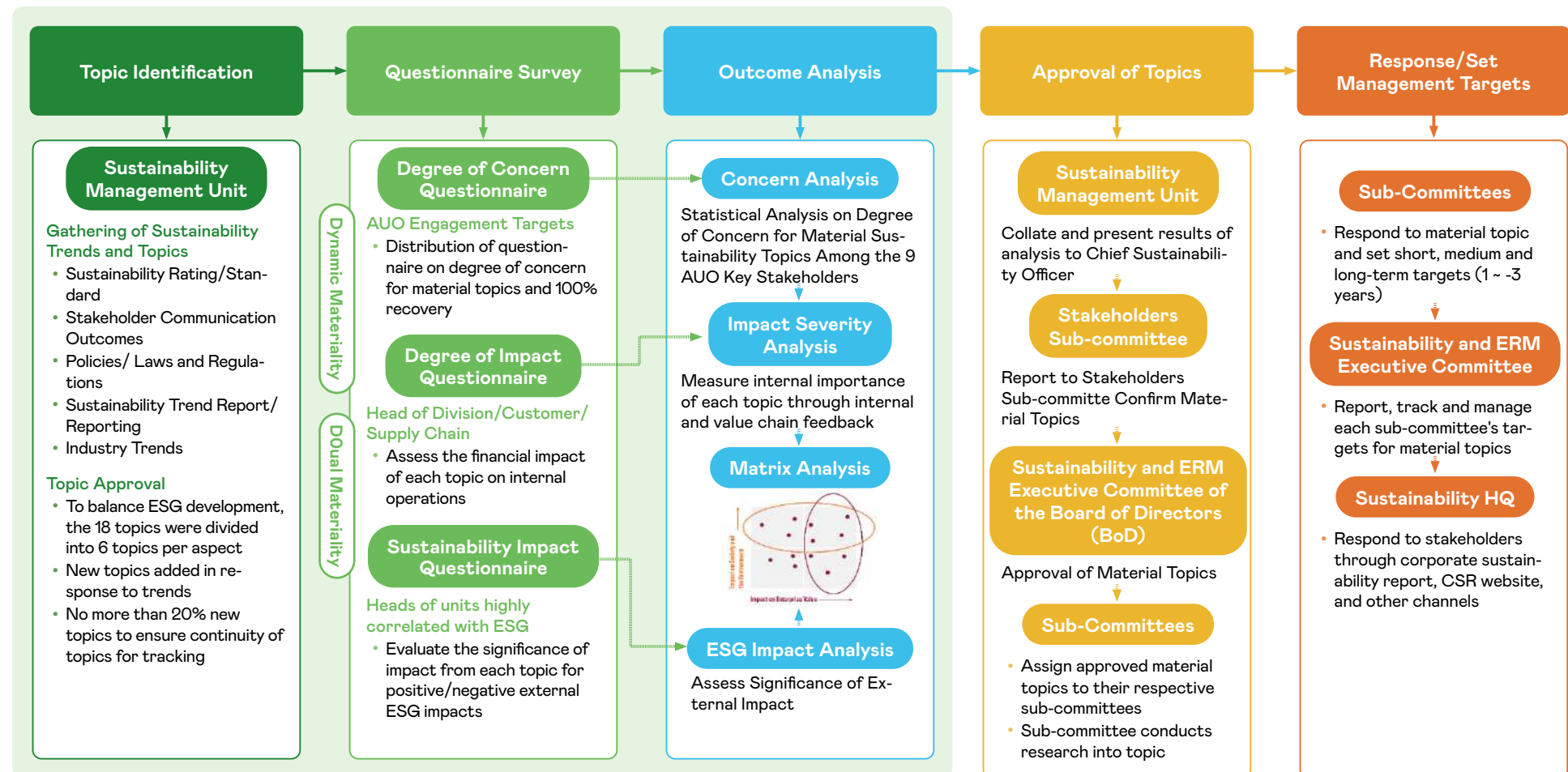


Energy Taiwan 2025 Highlights

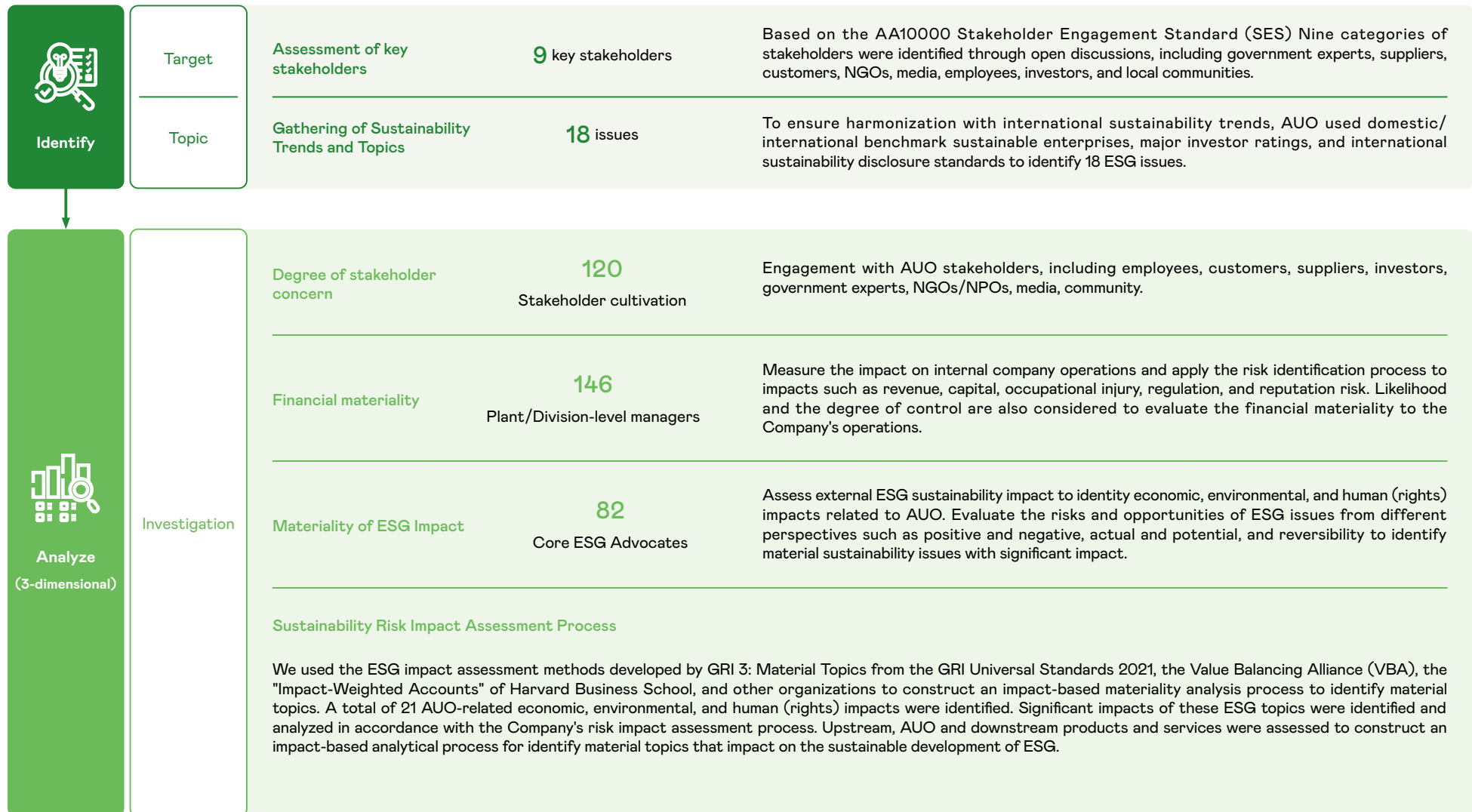
2.1.2 Materiality Analysis

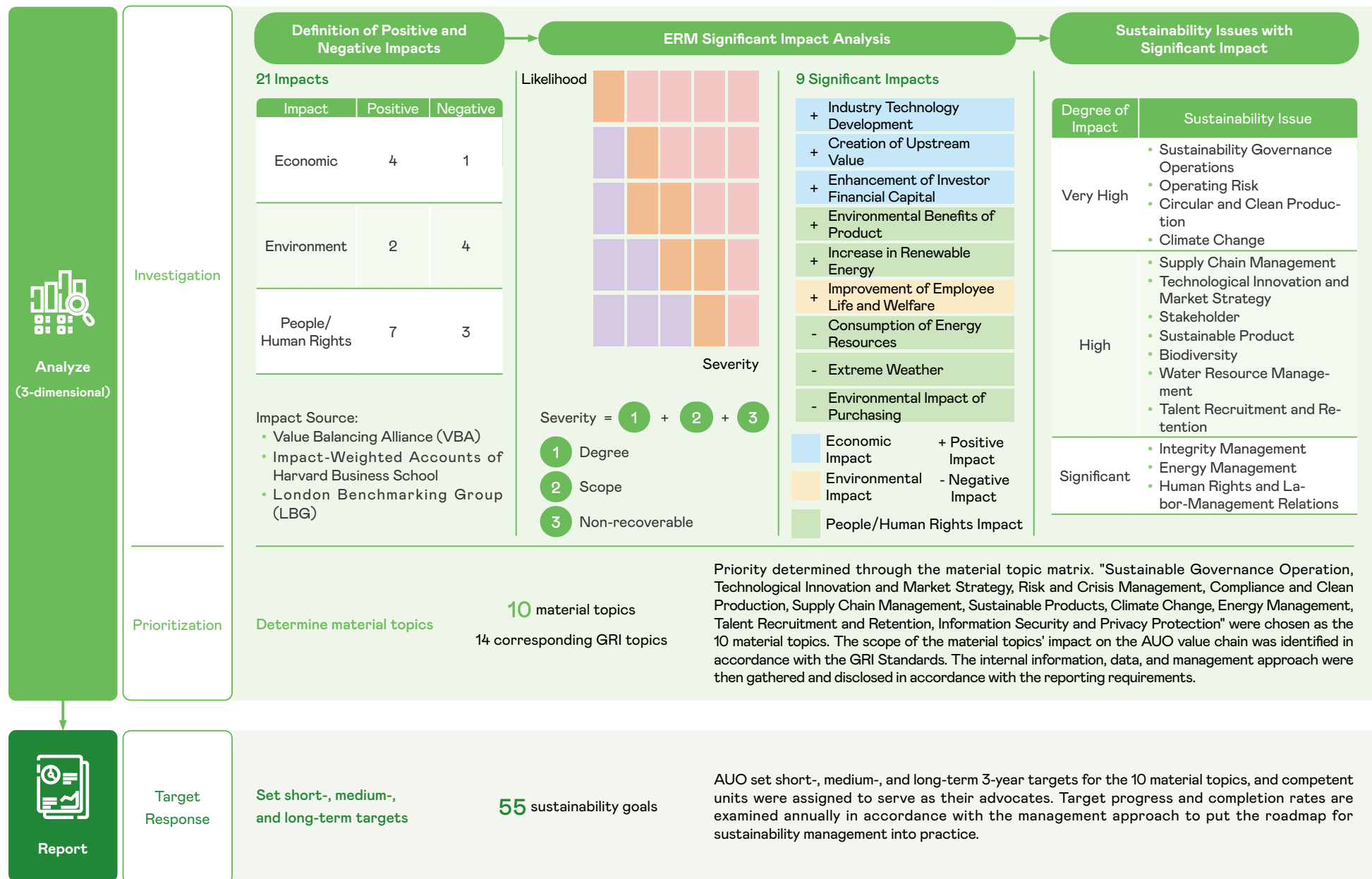
Materiality Assessment Process

Materiality analysis is conducted by AUO every year on stakeholder-oriented issues through economic, environmental, and human (rights) perspectives in accordance with global sustainability trends and the GRI Standards. The European Sustainability Reporting Standards (ESRS) issued under the EU Corporate Sustainability Reporting Directive (CSRD) are also used to construct the analytical process for Double Materiality. The three dimensions of "Degree of Stakeholder Concern", "Impact on Organizational Operations" and "Impact on Sustainable Development" were combined to analyze the materiality and priority of ESG issues. Significant impacts of material topics were determined to identify material sustainability topics. At the same time, the Double Materiality assessment was also developed to assess, through AUO managers and key value chain partners, the degree of impact that ESG issues have on the Company's business. For external ESG impacts on sustainability, we also used the ESG impact assessment methods developed by GRI 3: Material Topics from the GRI Universal Standards 2021, the Value Balancing Alliance (VBA), the "Impact-Weighted Accounts" of Harvard Business School, and other organizations to construct an impact-based materiality analysis process to identify material topics.



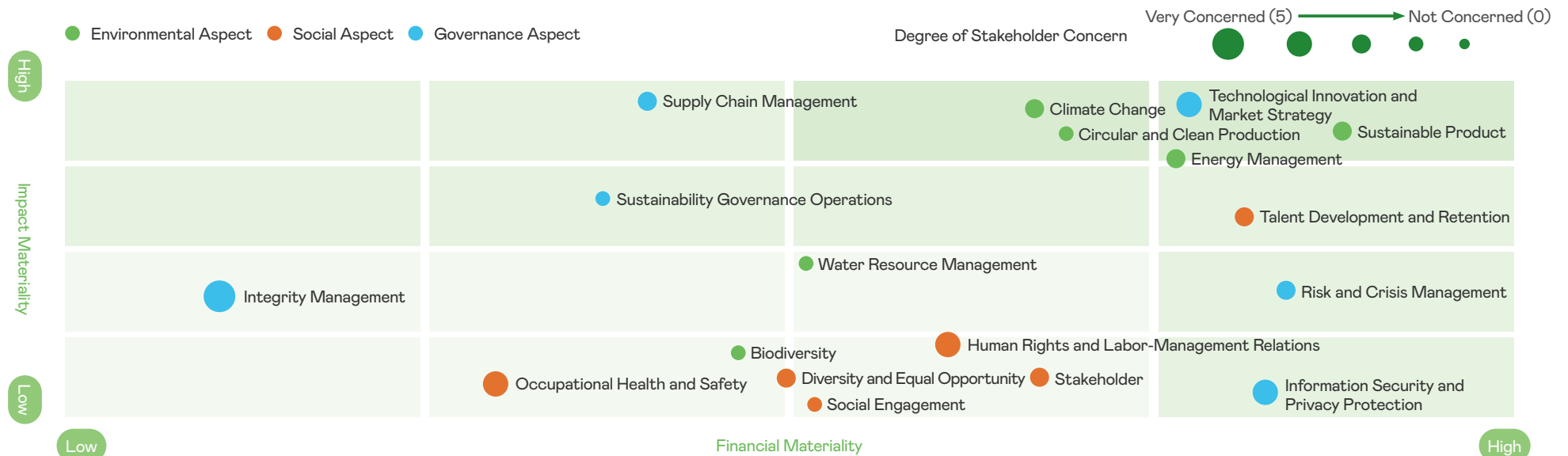
The results of the 2025 materiality analysis were combined with the Company's Enterprise Risk Management (ERM) process to arrive at 10 material sustainability topics. The topics were reviewed by the Sustainability and ERM Executive Committee, with the relevant targets and implementation outcomes submitted to the Board of Directors for approval. These now serve as the core issues in the AUO sustainability road map, as well as in the setting of short-, medium-, and long-term goals.





Double Materiality Analysis (DMA)

The Double Materiality analysis process is used by AUO to sort each topic by priority based on the degree of stakeholder concern for ESG issues, degree of impact from each ESG issue on organizational operations, and degree of impact on external sustainable development in the economy, environment, and human (rights).



	2025 Material Topics	Financial materiality	Degree of stakeholder concern	Impact materiality	Change in Priority (compared to previous year)
1	Technological Innovation and Market Strategy	♦♦	♦♦♦♦	♦♦♦	↑
2	Sustainable Product	♦♦	♦♦	♦♦♦♦	↑
3	Energy Management	♦	♦♦♦	♦♦♦♦	↑
4	Climate Change	♦	♦♦	♦♦♦♦	↑
5	Circular and Clean Production	♦	♦	♦♦♦♦	↓
6	Talent Development and Retention	♦♦	♦♦♦	♦♦	↑
7	Risk and Crisis Management	♦♦	♦♦♦	♦♦♦	↓
8	Supply Chain Management	♦	♦♦♦	♦♦♦	↓
9	Sustainability Governance Operations	♦	♦	♦♦	↓
10	Information Security and Privacy Protection	♦♦♦♦	♦♦♦♦	♦♦	New addition ^{Note}

Note: "Information Security and Privacy Protection" was added as a material topic in 2025.

Material Topic Boundaries and Implications for AUO

Confirmation of Material Topics and Disclosure

Each material topic's scope of impact on the upstream, company operations, and downstream components of the AUO value chain was examined against the outcomes of the materiality analysis. The internal information, data, and management approach were gathered and disclosed in accordance with the reporting requirements of the GRI Standards to ensure the transparency of the value chain and its extended influence. Given the fact that multiple indicators exist for specific issues each covering different scopes and boundaries, this report has taken the approach of presenting the results using the maximum boundary.

Dual Materiality at AUO

○ Indicates that material topic has a significant effect on business impact or sustainability impact

	2025 Material Topics	Business Cases	Business Impact (Company Values)				Sustainability Impact (External Impact)								
			Revenue Growth	Customer Satisfaction	Operating Risk	Employee Cohesion	Industry Technology Development (Positive)	Creation of Upstream Value (Positive)	Enhancement of Investor Financial Capital (Positive)	Environmental Benefits of Product (Positive)	Increase in Renewable Energy (Positive)	Improvement of Employee Life and Welfare	Consumption of Energy Resources (Negative)	Environmental Impact of Purchasing (Negative)	Extreme Weather (Negative)
Governance Aspect	Sustainability Governance Operations	Everyone from the Board and senior management to all employees can effectively implement the goals and vision in a systematic manner to reduce the impact of financial risks, strengthen business resilience, and realize the sustainable management of the Company.	○		○			○	○		○	○	○	○	○
	Technological Innovation and Market Strategy	The definition of strategies for product management, market strategy, and new business development, as well as the introduction of R&D technology and innovative techniques, is essential for improving the competitiveness and revenue growth of the Company.	○	○	○		○	○	○	○					
	Risk and Crisis Management	Effective risk monitoring and management increase the resilience of the Company, prevent loss of revenue, and win market trust.	○	○	○		○	○	○			○		○	○
	Supply Chain Management	Suppliers are important partners. The risk and sustainability management mechanisms must be stabilized to optimize and reduce procurement costs, achieve inclusive growth with supplier partners, and build a resilient supply chain.	○	○	○		○	○		○					○
	Information Security and Privacy Protection	Effective prevention of leaks ensures business continuity and competitiveness, preventing financial loss and brand damage due to security incidents.		○	○		○		○	○					

	2025 Material Topics	Business Cases	Business Impact (Company Values)				Sustainability Impact (External Impact)								
			Revenue Growth	Customer Satisfaction	Operating Risk	Employee Cohesion	Industry Technology Development (Positive)	Creation of Upstream Value (Positive)	Enhancement of Investor Financial Capital (Positive)	Environmental Benefits of Product (Positive)	Increase in Renewable Energy (Positive)	Improvement of Employee Life and Welfare	Consumption of Energy Resources (Negative)	Environmental Impact of Purchasing (Negative)	Extreme Weather (Negative)
Environmental Aspect	Circular and Clean Production	The use of innovative technologies for waste reduction and recycling can help reduce the impact of production, open up new business opportunities, and create revenue.		○	○			○		○	○		○	○	○
	Sustainable Product	Having the design and innovation capability to develop green products and services, along with rigorous green material certification and conflict mineral management mechanisms, will help win customer trust, increase revenue, and reduce environmental impact.	○	○			○	○		○				○	
	Climate Change	Faced with the diverse and complex effects of climate change, engage in suitable mitigation and adaptation behaviors, and think about life cycle management to and identify risks and opportunities.			○					○	○		○	○	○
	Energy Management	Green upgrades in energy prices and renewable energy use will lead to significantly higher manufacturing costs. Low-carbon production and energy management will generate opportunities for intelligent services.			○					○	○		○	○	○
Social Aspect	Talent Development and Retention	Providing employees with fair and comprehensive compensation, benefits, and competency training will reduce turnover, boost recruitment, and increase profitability.				○			○			○			

2025 Material Topic Management Goals

New New Goals in 2025

- Not Defined as a Goal for that Year

 Sub-Committee of Sustainability and
ERM Executive Committee

Governance Aspect							
Material Topic	Key Issue	Goal	2026	2027	2028	Responsible Unit	Business Strategy
Technological Innovation and Market Strategy	Establish strategies for product operations, market strategy, and new business development	Shipment of products with recycled materials	4.5 million pcs	5.6 million pcs	6.7 million pcs	 Sustainable Business Sub-Committee	Collaborate with like-minded partners and continue to increase the sales of green products through the Company's R&D and sales teams
		Shipments of products with energy-saving specifications ^{Note 1}	13.9 million pcs	14.7 million pcs	14.9 million pcs		
	Extension of core technology applications (Go Vertical) and introduction of new technologies (Go Premium)	Production rate of products for selected customers who have pledged to use renewable energy	Satisfaction of customer specified requirements	Satisfaction of customer specified requirements	Satisfaction of customer specified requirements		Progressively increase renewable energy usage with the long-term goal that products for customers with core green values are produced using renewable energy at AUO sites, and continue to track green electricity progress through the management platform
	Product quality management, satisfaction management, and protection of confidential information (customer secrets, business secrets, etc.)	Customer satisfaction rating percentages ^{Note 2}	94%	94%	94%		Maintain a certain level of customer satisfaction through delivery times, services, innovation, quality, introduction of new products, and so on
Sustainability Governance Operations	Sustainability goals and promotion of total culture	Enhance employee engagement and enriching knowledge through diverse and innovative methods	28,000 visitors	30,000 visitors	33,000 visitors	Sustainable Development HQ	Promote employee engagement in diverse activities promoted through the College of Sustainability to foster a total atmosphere of sustainability, knowledge, and skills
Supply Chain Management	Supplier risk management mechanism	Percentage of localized purchasing for LCD ^{Note 3}	82.7%	81%	81%	 Sustainable Supply Chain Sub-Committee	Develop local suppliers and establish priority partnerships to increase the percentage of localized purchasing
		Percentage of localized purchasing by LCM ^{Note 5}	75%	78%	79%		Establish a diversified supply network and reduce risks from sole sources
		Percentage of direct materials with diversified sourcing	97%	97%	97%		Comprehensive supply chain risk management to reduce potential risks and maintain supply chain stability
		Increase the number of key suppliers enforcing risk management every year	60	60	60		Continue to host a variety of topical courses and share the AUO experience to help supplier partners improve their sustainable management
	Development of supplier mentoring/cooperation	Cumulative Supplier Creating Shared Valued course sessions ^{Note 4}	32 sessions	39 sessions	43 sessions		

New

New Goals in 2025

- Not Defined as a Goal for that Year

 Sub-Committee of Sustainability and
ERM Executive Committee

Governance Aspect							
Material Topic	Key Issue	Goal	2026	2027	2028	Responsible Unit	Business Strategy
Supply Chain Management	Promotion of sustainability and assessment of competitiveness for suppliers	Increase the average ESG ratings of key suppliers every year	Increased by 8%	-	-	 Sustainable Supply Chain Sub-Committee	Issue a key supplier ESG rating table and require all suppliers to increase their average ratings every year
		Improvement in the supply chain's environmental management evaluation score using the ESG scorecard	Increased by 8%	Increased by 15%	Increased by 21%		
		Improvement in the supply chain's corporate governance evaluation score using the ESG scorecard	Increased by 3%	Increased by 5%	Increased by 7%		Promote carbon reduction action by suppliers, require key suppliers to disclose climate information, and use international indicators to examine progress
		Cumulative number of key suppliers that have completed the CDP climate change questionnaire	35	48	50		
Risk and Crisis Management	Business risk management and establishment of total risk culture	Increase annual participation in risk-culture-related activities and courses ^{Note 5}	92%	92%	92%	 Risk Governance Sub-committee	Continue to foster a total risk culture through annual risk training courses
	New Business Continuity Plan (BCP) operations	New Number of real-world BCP events or drills	1 session	1 session	1 session		Establish response processes and procedures through BCP scenario drills
	New Monitoring and management mechanisms for emerging risks (geopolitics, generational conflict, poverty gap, etc.)	New Management meetings for monitoring and examining emerging risk issues	12 sessions	12 sessions	12 sessions		The Risk Governance Sub-Committee meets monthly to monitor emerging risks and perform risk traffic light management
New Information Security and Privacy Protection	New Construct an information security organization and strategy to ensure sound information security governance	New Information Security Committee management review meeting	2 sessions	2 sessions	2 sessions	 Risk Governance Sub-committee	Establish and maintain an information security vision, strategy, and plan to ensure the overall security of information assets and the technical environment
		New Information security maturity ^{Note 6}	>85	>85	>85		Establish internal information security management indicators to provide clear guidelines for information security behavior

New New Goals in 2025

- Not Defined as a Goal for that Year

◎ Sub-Committee of Sustainability and
ERM Executive Committee

Governance Aspect							
Material Topic	Key Issue	Goal	2026	2027	2028	Responsible Unit	Business Strategy
New Information Security and Privacy Protection	New Implement risk assessment in accordance with international standards to strengthen information security awareness and protection	New ISO 27001 certification	Passed	Passed	Passed	◎ Risk Governance Sub-committee	Audit and refine the Company's information security management system through ongoing management system certification
	New Actively protect the confidential information of customers, strengthen supply chain information security management, and protect the privacy and rights of stakeholders	New Major information security incidents	0 cases	0 cases	0 cases		Enhance the information security system and controls to prevent major information security risks and maintain operational stability
		New Information security evaluation pass rate in key supply chains ^{Note 7}	≥ 80%	≥ 85%	≥ 85%		Promote a joint information security responsibility culture and establish a supplier information security assessment regime to systematically upgrade the information security resilience of the value chain

Note 1: Products that apply new energy-saving technology from R&D units and production capacity for Low-Temperature Polycrystalline Silicon (LTPS).

Note 2: Survey is targeted at customers of Display products.

Note 3: Excludes Vendor-Managed Inventory (VMI).

Note 4: Cumulative event count since 2019.

Note 5: Block release risk training is conducted for all employees to continue building a corporate risk culture. A target training rate is also set for indirect employees.

Note 6: Information security maturity is a comprehensive indicator calculated from various factors, including IT device compliance, personnel information security awareness, and the information security incident rate.

Note 7: The information security assessment for key suppliers is a comprehensive score based on information security surveys and inspections, information security training, and a third-party information security posture assessment.

New New Goals in 2025

- Not Defined as a Goal for that Year

◎ Sub-Committee of Sustainability and
ERM Executive Committee

Environmental Aspect							
Material Topic	Key Issue	Goal	2026	2027	2028	Responsible Unit	Business Strategy
Sustainable Product	Sustainable product innovation and design	Decrease energy consumption of IT products ^{Note 1} Base year: 2021	35%	36%	37%	◎ Sustainable Technology Sub-Committee	Review and enhance the R&D capacity through the technology platform, so that products can be more energy-efficient than before
		Decrease the energy consumption of car products ^{Note 1} Base year: 2021	35%	36%	37%		

New

New Goals in 2025

- Not Defined as a Goal for that Year

 Sub-Committee of Sustainability and
ERM Executive Committee

Environmental Aspect							
Material Topic	Key Issue	Goal	2026	2027	2028	Responsible Unit	Business Strategy
Sustainable Product	Sustainable product innovation and design	Increase the penetration rate of TV LCD panels ^{Note 1} Base year: 2021	>10%	>20%	>20%	 Sustainable Technology Sub-Committee	Continue to improve the penetration rate of energy-efficient TV LCD panels through the technology platform to address high energy consumption in large screens and high-resolution displays
		The proportion of recycled materials used in special products by weight Base year: 2021	30%	-	-		Continue to evaluate the application of various recycled materials through the operation of the Circular Economy Working Group to improve the general circularity of products and satisfy the requirements of green-brand customers
		New Penetration of products with recycled materials	60%	70%	80%		
	Product green information transparency and communication	The number of products that provide green information (e.g., ratio of recycled materials) ^{Note 2}	40	50	60	 Sustainable Technology Sub-Committee  Sustainable Business Sub-Committee	Increase the application of green technology and recycled materials in new product modules, and provide the related information to customers to improve the product's green performance and competitive differentiation
Circular and Clean Production	Engagement and management promotion of circular and clean production value chain	Continue to expand the circular economy value chain (number of vendors)	86	-	-	 Circular Economy Working Group  Sustainable Supply Chain Sub-Committee	Facilitate close collaboration within the supply chain on circular economy issues through the supply chain platform
		Ratio of recycled material certification in the circular economy value chain	>95%	-	-		
		New Recycled material purchasing rate in the supply chain	19%	20%	21%		
		New Plastic neutrality rate in the supply chain	84%	86%	87%		
	Market application and commercial value creation of circular and clean production technology	Financial benefit growth rate Base year: 2017	145%	155%	170%	 Circular Economy Working Group	The Circular Economy Working Group horizontally integrates resources across various units to generate circular economy growth through raw material reduction and recycling, waste reduction, and the development of high-value green product markets
	Technological innovation in the product life cycle	Re-establish product carbon footprint projects and systems in response to standard trends	Products carbon information service	Products carbon information service	Products carbon information service	 Circular Economy Working Group  Sustainable Development HQ	Respond to product diversity and complexity by re-establishing an appropriate product carbon footprint calculation methodology to be applied to new product development through cross-unit collaboration

New

New Goals in 2025

- Not Defined as a Goal for that Year

 Sub-Committee of Sustainability and
ERM Executive Committee

Environmental Aspect							
Material Topic	Key Issue	Goal	2026	2027	2028	Responsible Unit	Business Strategy
Climate Change	Manage, engage, and operate value chain climate change mitigation and adaptation	Carbon reduction ratio of key suppliers Base Year: 2021	12%	15%	18%	 Sustainable Supply Chain Sub-committee	Promote the carbon reduction actions of suppliers, requiring key suppliers to obtain greenhouse gas (GHG) inventory verification and implement carbon reduction targets
		New Raw material carbon reduction rate of suppliers	17%	19%	21%		Promote carbon footprint reduction in raw material procurement and services to transition to a low-carbon product value chain ecosystem
		Work with supplier partners to support external advocacy or trending issues	90 家	-	-		Share resources through supplier meetings (e.g., high-level exchanges, seminars, and courses) to achieve collective action and growth
	Management of climate change risks and financial impacts	Number of projects that completed the risk assessment management process	3	3	3	 Carbon Energy Working Group	Continue to implement TCFD-aligned operations through cross-functional collaboration to prepare for financial risks caused by different climate scenarios
	Carbon asset management and international initiatives	Signing of international initiative – SBT Base year: 2021	23% reduction in absolute carbon emissions	27% reduction in absolute carbon emissions	32% reduction in absolute carbon emissions	Sustainable Development HQ	Progressively realize existing renewable energy usage, carbon reduction, and carbon credit management targets through the integration of company resources and regular communication.
		Carbon credit management, accumulated amount of legitimate carbon credits	> 500,000 metric tons (carbon offset)	> 500,000 metric tons (carbon offset)	> 500,000 metric tons (carbon offset)		
Energy Management	Renewable energy development, usage, and participation in the REC market	Signing of international initiative – RE100	RE14	RE14	RE20	 Sustainable Energy Sub-Committee Sustainable Development HQ	Continue to strengthen the application of renewable energy and achieve the RE100 goal by 2050 by participating in the green energy market and REC trading
	Improvement of energy management technology and efficiency	Number of proposals submitted to annual energy conservation competition	48 cases	48 cases	48 cases	 Carbon Energy Working Group	Promotion of green manufacturing, continued optimization of the energy management system, and refinement of energy efficiency to boost energy conservation, carbon reduction, and technical service results
		Organizing of annual energy-efficiency and carbon reduction events	2 sessions	2 sessions	2 sessions		
		Annual energy savings	3.3%	3.3%	3.3%		
		Absolute power reduction	195 million kWh	-	-		
		Ratio of absolute power reduction	14%	18%	26%		
	New Value chain energy management policy and promotion	New Increase the ratio of renewable energy use among key suppliers Note 3	6%	7%	8%	 Sustainable Supply Chain Sub-committee	Promote energy management and green energy usage within the supply chain, and assist with improving energy efficiency

Note 1: To establish a more concrete connection with customer products, the target is now based on benchmark products from new projects that enter mass production each year

Note 2: Mainly desktop monitors and notebook displays

Note 3: 29 key suppliers accounted for 90% of the reduction in Scope 2 carbon emissions among 600 suppliers

New

New Goals in 2025

- Not Defined as a Goal for that Year

◎ Sub-Committee of Sustainability and
ERM Executive Committee

Social Aspect							
Material Topic	Key Issue	Goal	2026	2027	2028	Responsible Unit	Business Strategy
Talent Development and Retention	Competitive remuneration and diversity of employee welfare policy	Percentage of employees who experience happiness and are willing to recommend participation to others	79%	75%	75%	◎ Corporate Care Sub-Committee	Conduct post-experience happiness surveys through digital communication platforms to create a smooth and friendly channel for employee communication
		Overall salary level compared to the industry standards ^{Note 1}	Top 25%	Top 25%	Top 25%		Participate in annual international market salary surveys to ensure market competitiveness
	Enhance employee satisfaction and employer brand image	Q12 annual survey on employee engagement with the Company and their work ^{Note 2}	80%	80%	80%		Conduct the Q12 employee survey annually to collect feedback, then design measures to improve employee identification with the Company and their loyalty
		Q12 annual survey employee coverage rate	85%	85%	85%		
	New Employee competency training and outcomes, career development assistance, and other plans	Assignment completion rate for the Learning Passport	>95%	>95%	>95%		Training tasks are assigned to employees by supervisors based on the knowledge and skills required in their role to promote the continued development of employee competency
		Internal promotion rate for managerial and specialist positions	>80%	>80%	>80%		Examine organizational development requirements and determine suitable assignments through quarterly talent review meetings
		IDL rotation rate	>30%	>30%	>30%		Continue to optimize the competition scheme for internal positions, and use employee training to cultivate the skills required for different roles to promote internal talent movement

Note 1: According to the Taiwan Stock Exchange Market Observation Post System, the median salary of full-time employees in non-managerial positions ranks within the top 25% of the industry

Note 2: Refers to the average engagement of employees across four aspects (basic needs, management support, teamwork, and learning and growth).

2.1.3 Sustainability Impact

AUO conducted a thorough review of the impacts our value chain activities have on human life and welfare from an external perspective. Since 2023, we have combined an assessment framework based on the Natural Capital Protocol, Social & Human Capital Protocol, and ISO 14008:2019 with the Impact-Weighted Accounts (IWA) of Harvard Business School and the monetary evaluation methodology developed by the Value Balancing Alliance (VBA). From the upstream supply chain to production operations and downstream products and services, we used the Impact Pathway to analyze the intersections of economic, environmental, and social issues. A Profit and Loss (P&L) management approach was also adopted to incorporate external considerations such as cost (negative) and benefits (positive). How operating activities change or affect the life and welfare of stakeholders was converted into quantifiable monetary values to establish a sustainability influence management framework based on "Triple Bottom Line" (TBL).

Core Concepts of Sustainability Impact Assessment

Monetization

Converting a company's positive and negative impacts on stakeholders and the environment into quantifiable financial values.

Triple Bottom Line Framework

Systematically evaluating the diverse value created by a company across three dimensions: economic, social, and environmental.

Stakeholder-Oriented Approach

Assessing and managing impacts across the upstream supply chain, company operations, and product and service lifecycle, covering stakeholders including employees, customers, suppliers, and local communities.

○ Impact Assessment: Outcome of Monetized Analysis

AUO strives to be net=positive in corporate sustainability through constant innovation and breakthroughs that create a partnership between the enterprise and society based on profit-sharing and co-prosperity. We also aim to foster a positive sustainable cycle throughout the value chain.

Key accomplishments

Upstream Impact

On average, an increase of NT\$100 million in procurement corresponded to the generation of N\$1.6 million in industry value and the creation of **40,000** jobs, forming a positive economic circle.

Return on Innovative Investment

R&D investment accounts for **5.68%** of revenue. Development is focused on low-carbon technology and circular economy solutions to lay the foundation for future sustainability.

Creating Future Earnings Value

By providing diverse training and development resources that enhance employees' skills and capabilities, AUO contributed over NT\$**180** million in future annual earnings growth for employees, creating positive social value.

Sustainable Product Extension

Energy-saving products, the use of renewable materials, power generation with PV modules, and recycling of packaging materials to reduce GHG emissions for customers generated more than NT\$**10** billion in positive environmental impact and created premium potential for products.

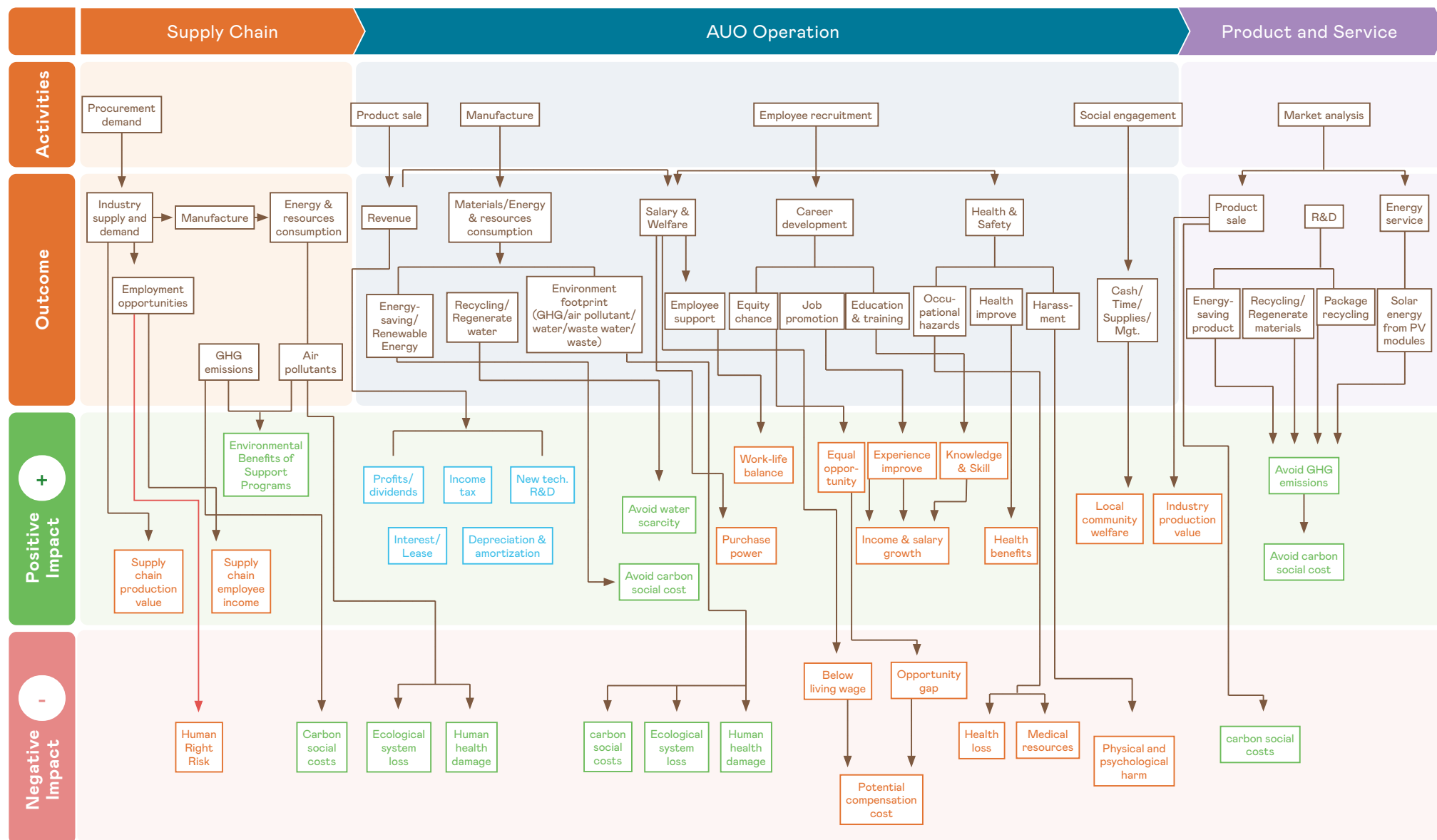
AUO Sustainability Impact Strategy Map

Methodology development in progress

Environmental Externalities

Social Externalities

Gross Value Added (GVA)



Cause of Impact	Material Topic	Input/Output			Outcome	Impact		Valuation	
		Input and Output During the Business Process	IRIS Classification	Coverage Rate		Resultant Impact	Affected Target	Level of Impact	
 Supply Chain	Supply Chain Management	Amount paid to suppliers	PI5478	91%	Industry supply and demand stimulated by procurement requirements	Social externality: Boosting of supply chain value	Society	(+)	●●●●●●
					Employment and income in the value chain created by procurement requirements	Social externality: Boost to buying power of workers	External employees	(+)	●●●●●○
					Supply chain contribution to global warming from GHG emissions	Environmental externality: Creation of carbon social cost	Environment	(-)	●●●●●○
					Increase in concentration of environmental pollutants due to supply chain emissions	Environmental externality: Damage to health and ecosystems	Environment	(-)	●●●●●○
		Outcome of supplier mentoring on energy-efficiency	OI6697	64%	Prevention of GHG emissions and global warming derived from electricity use	Environmental externality: Prevention of carbon social cost	Environment	(+)	●●●●●○
		Outcome of supplier mentoring on water-efficiency	OI4015	32%	Prevent water stress to local communities due to water withdrawal	Environmental externality: Prevention of damage to health	Environment	(+)	●○○○○○
		Recycling of supplier waste packaging	OI7920	78%	Prevention of GHG emissions and global warming derived waste disposal	Environmental externality: Prevention of carbon social cost	Environment	(+)	●●●○○○
 Company Operations	Sustainability Governance Operations	Operating income	FP6510	100%	Return to investors from payment of dividends	Gross Value Added (GVA): Cash dividend	Shareholders/ Investors	(+)	●●●●●○
		Tax payment	FP5261	100%	Support government expansion of infrastructure development and social welfare	Gross Value Added (GVA): Tax payment	Society	(+)	●●●●●○
		Interest and rent	FP1012	100%	Generate income for capital and asset providers	Gross Value Added (GVA): Interest and rent	Society	(+)	●●●●●○
		Depreciation and amortization	FP9573	100%	Stimulate industry technology development through tangible and intangible assets	Gross Value Added (GVA): Depreciation and amortization	Suppliers, Customers	(+)	●●●●●○
	Technological Innovation and Market Strategy	New technology R&D	-	100%	Stimulate industry technology development and application	Gross Value Added (GVA): New technology R&D	Suppliers, Customers	(+)	●●●●●○
		Patent value	-	100%	Help customer products succeed	Gross Value Added (GVA): Interest and rent	Customer	(+)	●●●●●○
	Climate change and energy management	GHG Emissions	OI1479	91%	GHG emissions contribute to global warming	Environmental externality: Creation of carbon social cost	Environment	(-)	●●●●●○
		Use of renewable energy (self-consumption)	OI2496	91%	Prevent GHG emissions and mitigate global warming	Environmental externality: Prevention of carbon social cost	Environment	(+)	●●●●●○
		Use of renewable energy (external purchase)	OI3324	91%			Environment		
		Outcome of promoting energy-saving measures	OI6697	91%	Prevent GHG emissions and mitigate global warming	Environmental externality: Prevention of carbon social cost	Environment	(+)	●●●○○○
	Water resource management	Water resource usage	OI0263	91%	Food shortages and water-borne diseases due to water shortage	Environmental externality: Damage to health	Environment	(-)	●●●●●○
		Use of reclaimed water	OI1927	91%	Prevent water stress to local communities due to water withdrawal	Environmental externality: Prevention of damage to health	Environment	(+)	●●●○○○
		Water recycling and reuse	OI4015	91%	Prevent water stress to local communities due to water withdrawal	Environmental externality: Prevention of damage to health	Environment	(+)	●●●●●○
		Wastewater discharge	OI0386	91%	Increase in concentration of environmental pollutants due to wastewater discharge	Environmental externality: Damage to health	Environment	(-)	●●○○○○

Cause of Impact	Material Topic	Input/Output			Outcome	Impact		Valuation	
		Input and Output During the Business Process	IRIS Classification	Coverage Rate		Resultant Impact	Affected Target	Level of Impact	
 Company Operations	Circular and Clean Production	Emissions	-	91%	Increase in concentration of environmental pollutants due to emissions	Environmental externality: damage to health and ecosystems	Environment	(-)	●●○○○○
		Petrol/diesel usage	-	91%	Increase in concentration of environmental pollutants due to emissions	Environmental externality: damage to health and ecosystems	Environment	(-)	●●●○○○
		Waste disposal	OI6192	91%	Emissions and GHG emissions generated by incineration and landfills	Environmental externality: Creation of carbon social cost, damage to health and ecosystems	Environment	(-)	●●○○○○
	Occupational safety and health	Employee occupational injuries	OI3757	80%	Physical/mental impacts on workers and insurance expenses	Social externality: Damage to health and productivity	Internal employees	(-)	●○○○○○
		Contractor occupational injuries	OI3757	80%	Physical/mental impacts on workers and insurance expenses	Social externality: Damage to health and productivity	External employees	(-)	●●○○○○
		Number of people at risk of cardiovascular disease	-	42%	Potential health risks derived from workload	Social externality: Damage to health and medical expenses	Internal employees	(-)	●●○○○○
		Number of people with improvements through health management	OI4061	42%	Improvement of lifestyle and health through health education	Social externality: Prevent damage to health and medical expenses	Internal employees	(+)	●●○○○○
	Talent development and attraction	Number of people with livable remuneration	OI4724	42%	Happiness in life due to competitive remuneration	Social externality: Boost to buying power of workers	Internal employees	(+)	●●●●●○
					Impact of non-livable wages on quality of life	Social externality: Potential cost of salary compensation	Internal employees	(-)	●○○○○○
		Number of employees	OI3160	78%	Create employment for the community, reduce unemployment	Social externality: Create jobs and increase wages	Internal employees, Society	(+)	●●●○○○
		Employee Support Programs	OI2742	42%	Paid leave and family-friendly support to balance work and quality of life	Social externality: Work-life balance	Internal employees	(+)	●●○○○○
		Filling vacancies from within	OI6995	42%	Increase income from internal promotions and transfer opportunities	Social externality: Income and salary growth	Internal employees	(+)	●●○○○○
		Average hours of employee training per year	OI7877	91%	Specialized skills and employability obtained through training increase future yields	Social externality: Income and salary growth	Internal employees	(+)	●●●○○○
	Human rights and labor- management relations	Sexual harassment in the workplace	OI9077	91%	Medical costs and long-term loss of quality of life due to physical or mental trauma	Social externality: Damage to health and future welfare	Internal employees, Society	(-)	●○○○○○
	Social Engagement	Social investment	OI1619	42%	Enhance local community relations and improve quality of life	Social externality: Local community welfare	Society	(+)	●●○○○○

Cause of Impact	Material Topic	Input/Output			Outcome	Impact		Valuation	
		Input and Output During the Business Process	IRIS Classification	Coverage Rate	Change in Welfare Caused or Promoted	Resultant Impact	Affected Target	Level of Impact	
 Products and Services	Technological Innovation and Market Strategy	Product sales	PI1775	100%	Industry supply and demand stimulated by product sales	Social externality: Boost industry chain output value	Society	(+)	●●●●●●●●
	Sustainable product	Volume of product shipments	PI1263	91%	Generation of GHG Emissions that contribute to global warming	Environmental externality: Creation of carbon social cost	Customers, Environment	(-)	●●●●●●●○
		Energy-saving product design	PI7623	91%	Prevent GHG emissions and mitigate global warming	Environmental externality: Prevention of carbon social cost	Customers, Environment	(+)	●●●●●●○○
		Power generation with PV modules	PI5842	91%	Prevent GHG emissions and mitigate global warming	Environmental externality: Prevention of carbon social cost	Customers, Environment	(+)	●●●●○○○○
		Recycling of customer waste packaging	OI7920	91%	Prevention of GHG emissions and global warming derived waste disposal	Environmental externality: Prevention of carbon social cost	Customers, Environment	(+)	●●○○○○○○
		Introduction of recycled metals and plastics	OI4328	91%	Prevention of GHG emissions and global warming derived from the extraction and production of raw materials	Environmental externality: Prevention of carbon social cost	Customers, Environment	(+)	●●○○○○○○

Monetary Value (NT\$ Millions)	Positive Impact (+)
100,000-1,000,000	●●●●●●●●
10,000-100,000	●●●●●●●○
1,000-10,000	●●●●●○○○
100-1,000	●●●●○○○○
10-100	●●○○○○○○
0-10	●○○○○○○○

Monetary Value (NT\$ Millions)	Negative Impact (-)
100,000-1,000,000	●●●●●●●●
10,000-100,000	●●●●●●●○
1,000-10,000	●●●●●○○○
100-1,000	●●●●○○○○
10-100	●●○○○○○○
0-10	●○○○○○○○

Note 1: Coverage rate refers to how completely the activity data sources for each impact indicator encompass business activities. Coverage rate for data sources using the Company's annual consolidated report was 100%, and for data from the corporate sustainability report, it was 80%. For supply chain mentoring on water efficiency, the coverage rate was calculated as a percentage of the procurement amount, and for packaging recycling, as a percentage of weight. If only data from Taiwan were counted, then the coverage was 42% (based on the number of people). If data sources included Taiwan, China, and Vietnam, then the coverage rate was 78% (by the number of people). Data for the occupational management system of all global production and manufacturing locations showed a coverage of 80% (by the number of people), and this included manufacturing locations in Slovakia, Taiwan, China, and Vietnam.

Note 2: IRIS (Impact Reporting & Investment Standards) is a standardized indicator framework developed by the Global Impact Investing Network (GIIN) for measuring corporate social, environmental, and economic performance to improve the comparability of impact investments.

Note 3: Externality refers to the positive or negative impacts that AUO's business activities – as well as the dependencies/interactions between different types of capital – have on human life and welfare, but from which the Company does not derive direct returns or incur direct costs.

Note 4: Gross Value Added (GVA) assesses the difference between intermediate investment and final output of business processes – as well as the original investment and public expenditure – to determine the benefit that these economic activities provide to different stakeholders.

Note 5: For the impact targets, "Society" refers to interpersonal networks with shared norms, values, and understandings that facilitate cooperation within and among groups (Social & Human Capital Protocol); "Environment" refers to the stock of renewable and non-renewable natural resources (e.g., plants, animals, air, water, soils, minerals) that combine to yield a flow of benefits or services to people (Natural Capital Protocol, 2016); "External employees" are the employees of suppliers or contractors; "Internal employees" refer to AUO's employees.

Note 6: Due to differences in national economic conditions, the monetization coefficient is adjusted using each region's Purchasing Power Parity to gauge their Gross National Income (GNI). The time boundary was aligned to use the monetary values from the base year 2021. The methodology is based on the OECD (2012) and PwC UK (2015).

2.2 Customer Relations

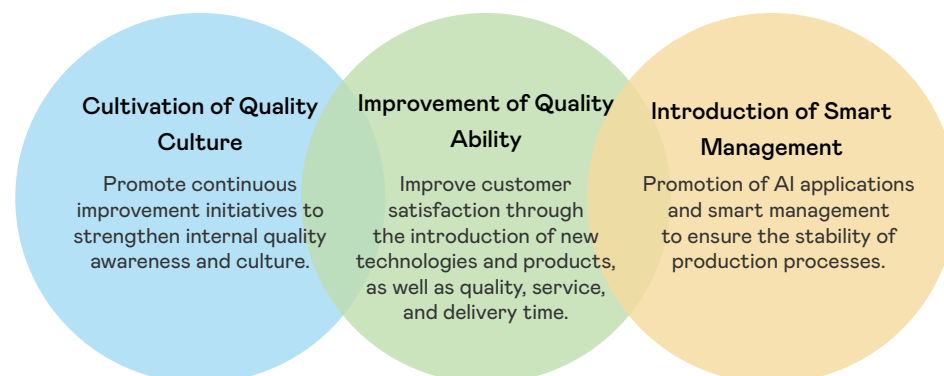
AUO is actively making the transition from "panel supplier" to "solutions provider." Existing technologies are being further refined to maintain global leadership in technology. Work will also continue on the development of products that offer high performance-to-value in order to constantly break new ground and create a win-win outcome with customers. AUO strives to meet customer requirements through innovative technologies and services, and serves our key customers in different fields worldwide through high value-added green products and solutions. At the same time, we will emphasize the application of Go Vertical by leveraging global resources and smart productivity to forge a highly efficient, high-quality, and highly flexible customer service system. Annual satisfaction surveys are employed for continuous review and improvement, so that we can be assured of providing customers with high-quality green products and services.

2.2.1 Product Quality

■ Quality Policy and Management Approach

AUO has established a quality policy with "achieving a win-win outcome for AUO and customers through the on-time delivery of high-quality green products and services" as the core philosophy in quality control. This policy is enforced at every stage – from product design and procurement to manufacture and sales – to develop high-quality green products and services. AUO has already received certification for quality management systems such as ISO 9001 Quality Management System and IATF 16949 Automotive Quality Management System. Our international certifications not only strengthen the effectiveness of quality management at AUO, but they also provide customers with quality products and services to make us their trusted, long-term partner.

The Three Key Quality Management Strategies



Cultivation of quality culture

Cultivation of quality culture

AUO has been actively promoting continuous improvement activities for more than two decades. The number of continuous improvement projects has averaged more than 800 per year for the past three years. The Quality Control Circle (QCC) for production line workers and the Systematic Improvement Program (SIP) competitions for engineers are regularly hosted by AUO to inspire employee participation and enthusiasm. Awards for outstanding projects and the best promotion teams are presented by senior executives. Project experiences are shared for mutual observation and benchmarking in order to further consolidate the continuous improvement culture at AUO. AUO will continue to uphold our philosophy of "continuous improvement" to further enhance our competitive advantage.

Improvement of Quality Ability

AUO has already received certification for quality management systems such as ISO 9001 (Quality Management System), IATF 16949 (Automotive Quality Management System), QC 080000 (Hazardous Substances Process Management System), and ISO 13485 (Medical Devices – Quality Management System). AUO also strives to develop differentiated technology strategies in different fields that comply with and integrate international standards to promote internationalization and compliance in product quality. Risk management best practice principles were also incorporated by AUO into the product development process. Strengthening the design verification mechanism assists with the early identification and mitigation of potential risks. In 2024, AUO won the "National Quality Awards – Comprehensive Excellence – Business Excellence Award," the top honor in enterprise management quality. The award demonstrated the operational resilience and total quality management of our transition process.

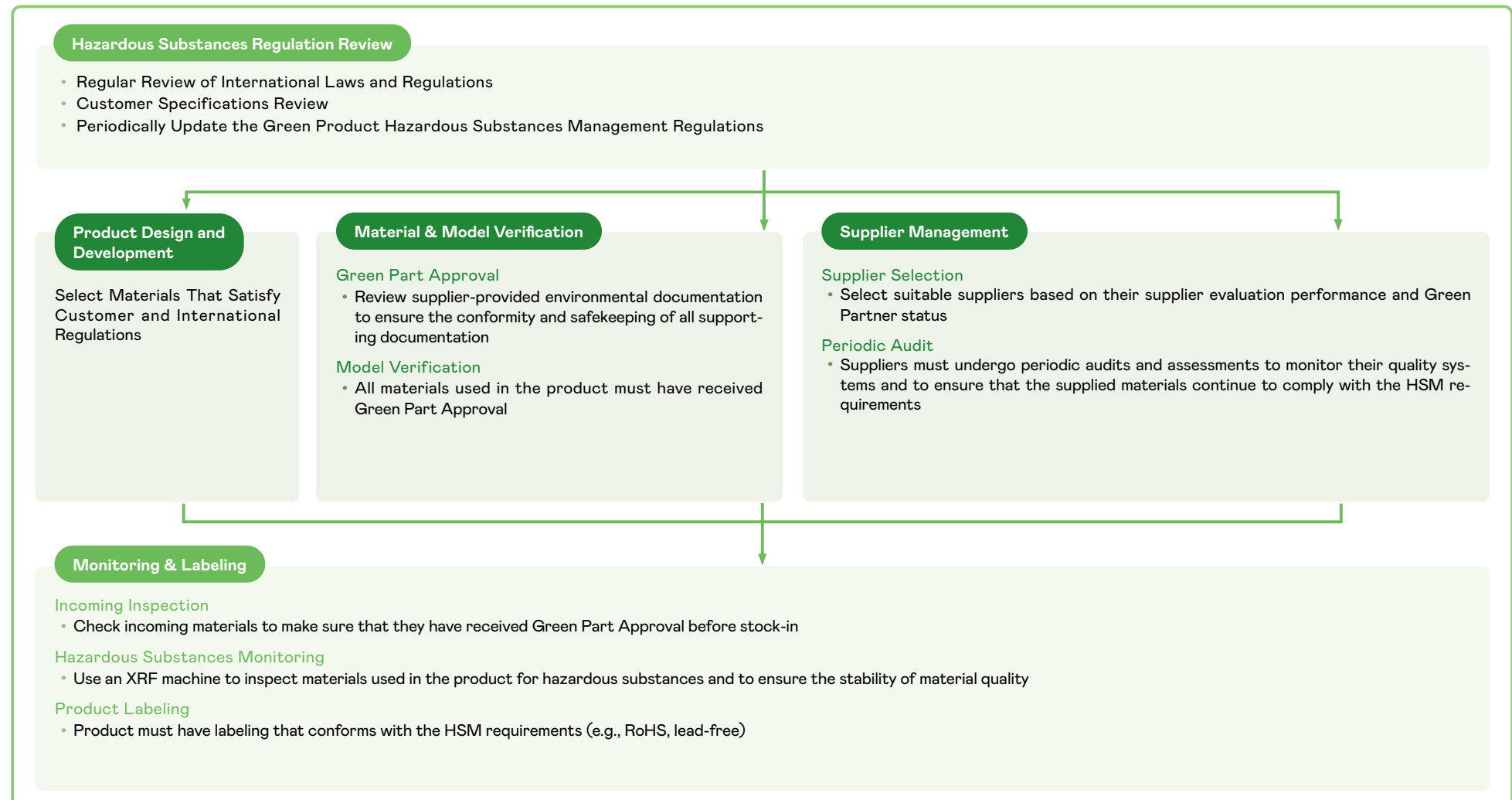
Introduction of Smart Management

AI technology has now been applied by AUO to production line software/hardware. Remote monitoring and predictive equipment maintenance are used to establish smart, automated, and standardized processes that improve production efficiency and consistency in product quality. AUO is also actively promoting the development of AI and digital transformation in all areas, using AI technology to improve the overall level of smart technology throughout the Company. Big data analytics, machine learning, and natural language processing are combined with AI in fields such as customer service, supply chain management, and production line monitoring to provide intelligent support in real time and with high precision, effectively improving operational efficiency and the quality of decision-making. Digital transformation will continue to be promoted in the future to expand the scope of smart manufacturing and smart management, moving closer to realizing the vision of a smart enterprise.

Hazardous Substances Management

Hazardous Substances Management Process

To effectively identify, eliminate, and control hazardous substances and to ensure responsible product manufacturing, AUO has established a hazardous substance management framework. The Company conducts risk assessments of hazardous substances and implements a Green Parts Approval process for product materials, ensuring that 100% of its products comply with hazardous substance regulations. At the same time, AUO ensures that all materials and products meet international regulatory requirements and customer specifications, and has obtained certification under the IECQ QC 080000 Hazardous Substance Process Management System.



○ Hazardous Substances Management Regulations

The AUO "Green Product Hazardous Substances Management Regulations" were established in 2006 to enforce the Hazardous Substances Management Policy, reduce the environmental and ecological impact of the product, comply with international regulations and stakeholder expectations in accordance with the international laws, customer requirements, and environmental trends. The Hazardous Substances Management Policy is reviewed every year, and the contents of the Green Product Hazardous Substances Management Regulations are adjusted if necessary. The 26th revision of the Management Regulations was completed by AUO in accordance with international regulations and the specifications of key customers in 2025, and it took effect in 2026. Up to 157 substances are now controlled and monitored, encompassing all declarable substances listed in the Material Declaration for Products of and for the Electrotechnical Industry IEC 62474).



○ Hazardous Substances Management Organization

The GP Core Team is AUO's cross-functional organization for hazardous substances management (HSM). Competent personnel are assigned by department heads to manage and supervise the implementation of the HSM policy. The HSM policy and resolutions are reviewed every year to ensure their applicability and effectiveness, ensuring that AUO's HSM operations can continue to comply with international regulations and company policy.

GP Core Team (Top decision-maker for the quality system)

Supplier Management	Supplier Management and Audit
Quality System	- Define and communicate the green product management standards, review chemical testing reports, and provide education and training - Evaluate and supervise company operations for compliance with the QC 080000 requirements
Incoming Inspection	Green material stock-in control
Legal Affairs	Assist with contractual and legal problems
Sales	Internal/ external contact for the green product requirements
R&D	Selection of green materials and their green part approval during product design
Environmental Safety	Internal chemical management
Procurement	Selection of qualified green suppliers
Quality Control	Routine inspection to ensure that materials used on production lines have received Green Part Approval
Factory	Green Part Approval and process management for materials used in each area
Warehouse	Quarantine management of non-green materials and products, as well as Green Part Approval for packaging (spacing) materials

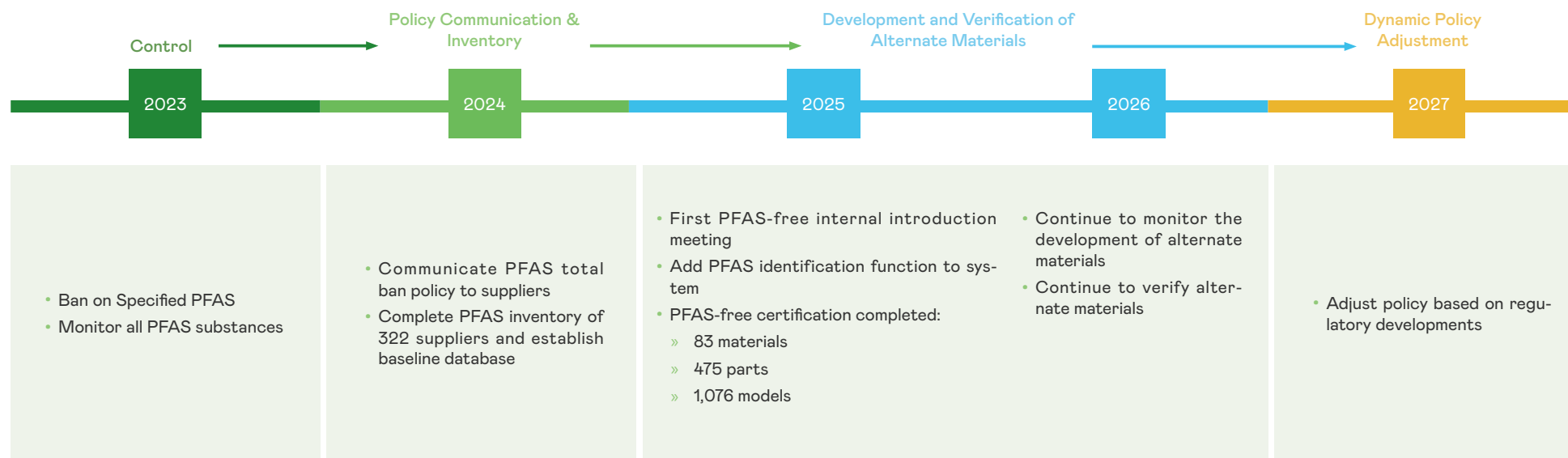
Category	2026		
	Banned Substances	Declarable Substances	Legislative Source
Heavy Metals	12	28	- RoHS(EU Directive 2011/65/EC) - Chemical Substances Control Law, CSCL - China RoHS
Persistent Organic Substances	13	1	- Stockholm Convention - EU POPs - France Arrêté du 13 avril 2022, Decree No 2020-1725, D 543-45-1, D 543-213 - California Proposition 65
Plasticizer Substances	8	3	- RoHS(EU Directive 2011/65/EC) - EU REACH Regulation - TSCA Section 6(h) PBT - Industrial Safety and Health Law - California Proposition 65 - GADSL
Flame-Retardant Substances	13	7	- RoHS(EU Directive 2011/65/EC) - Industrial Safety and Health Law - Canadian environmental protection act, 1999- SOR/2012-285 - California Proposition 65 - TSCA Section 6(h) PBT - GADSL
Others	30	42	AUO Customer
Total	76	81	
	157		

○ PFAS Reduction Plan

In response to the PFAS restriction proposal published by the European Chemicals Agency (ECHA) in 2023, AUO continues to focus on international regulations and proactively implements corresponding measures. The Company convenes regular cross-functional meetings involving relevant units, including Procurement, R&D, Project Management, and Quality Integration, to discuss response strategies and initiate the investigation and validation of alternative materials.

In addition, AUO collaborates with industry associations to explore feasible substitution solutions, ensuring product compliance while maintaining market competitiveness. The specific actions and implementation timeline are as follows:

AUO PFAS Free Timetable



○ Ban on Dechlorane Plus

In addition to the PFAS countermeasures, AUO closely monitors the latest developments in international regulations, especially those relating to Dechlorane Plus (DP) under the Stockholm Convention and in the EU. The "Green Product Hazardous Substances Management Regulations" were amended in 2025 to add DP to the register and explicitly ban its use in all types of materials.

■ Implementing Conflict-Free Minerals Management

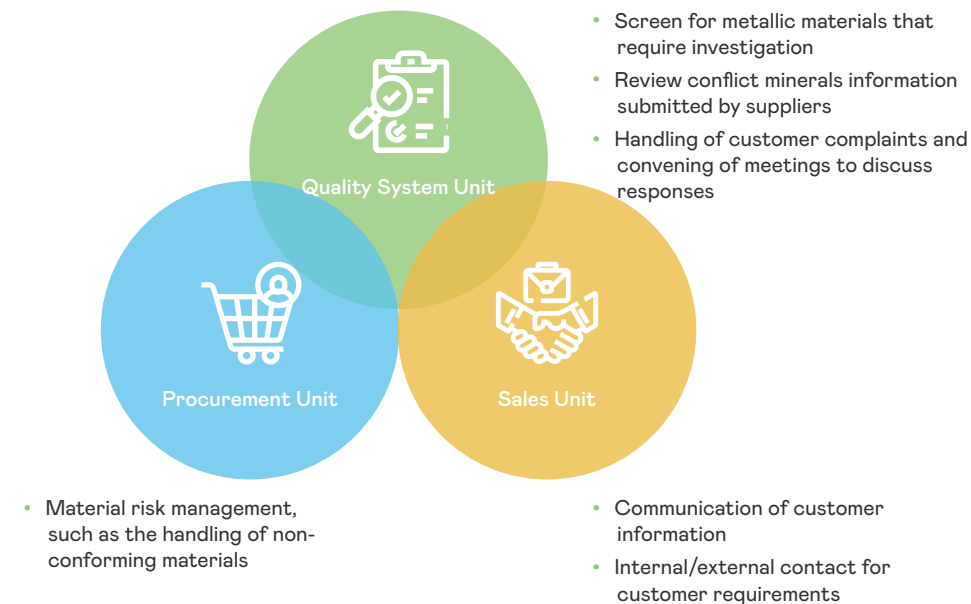
○ Conflict Minerals Policy

AUO is committed to the fulfillment of social responsibility as well as the respect and protection of human rights. A conflict-free minerals policy has been defined in accordance with the OECD Due Diligence Guidance for Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. A "Conflict-Free Minerals Policy" has been established, which suppliers are asked to respect and implement. To uphold the principle of full disclosure of all substances, AUO provides information on the composition of parts and components through our system platform. We can supply conflict minerals due diligence documentation, such as Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT), to customers with such requirements to fulfill our due diligence and full disclosure obligations. AUO continues to strengthen our monitoring mechanisms and engaging fully with our supply chain partners to enforce conflict-free minerals supply chain management.

○ Conflict Minerals Management Framework

AUO has established a conflict minerals management framework based on the Conflict Minerals Policy. The roles and responsibilities are clearly defined to construct comprehensive processes and control mechanisms through close cooperation between departments.

Conflict Minerals Management Framework



○ Due Diligence on Conflict Minerals

AUO has achieved the following in terms of conflict minerals management as of 2025:

01 Due diligence was conducted on a range of key metals and materials, including gold, tin, tungsten, cobalt, mica, graphite, lithium, nickel, and copper.

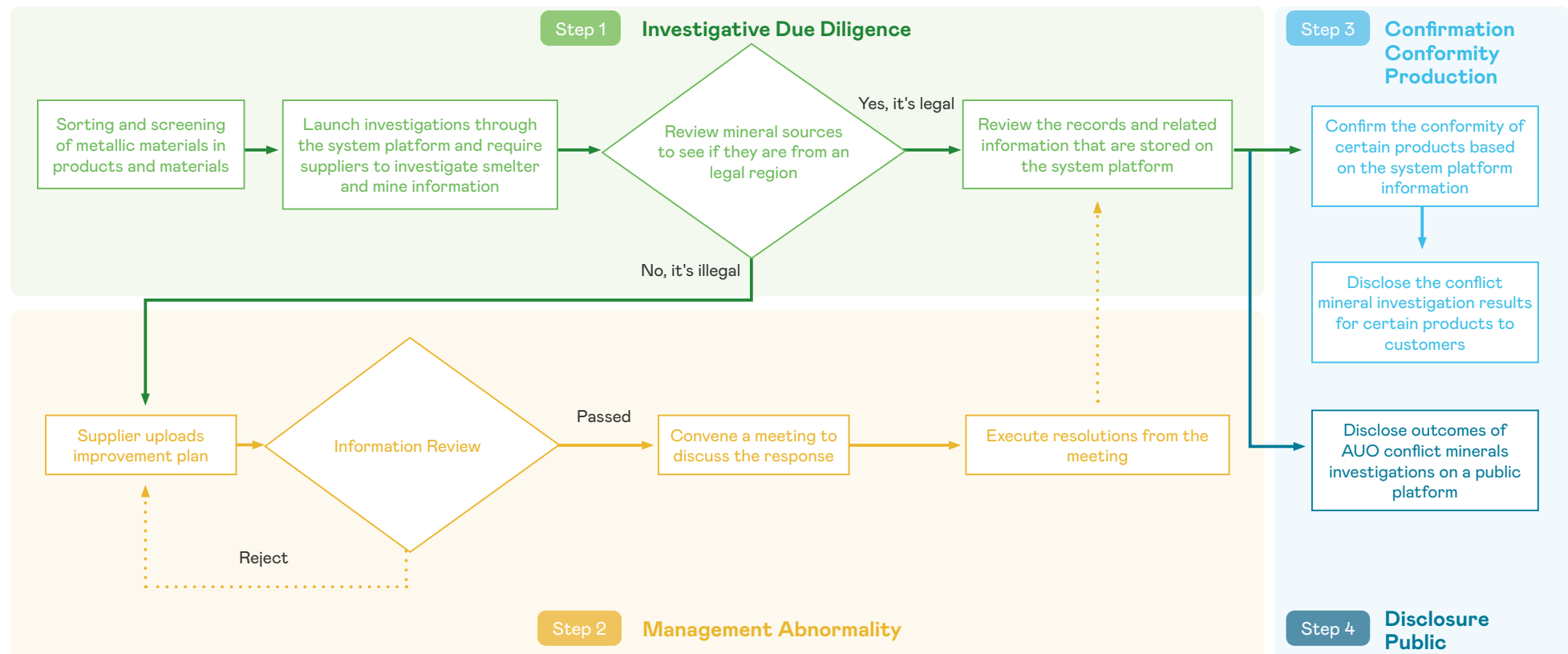
02 Due diligence was completed for 133 suppliers, covering 1,810 parts and components, to ensure compliance with the Conflict Minerals Policy and uphold the commitment to human rights.

03 In response to customer requirements, product-level due diligence was conducted, with a total of 83 customer shipments assessed to date.

04 A total of 389 conflict minerals reporting templates, including CMRT and EMRT, were collected, enhancing supply chain transparency and strengthening risk management of conflict minerals in the supply chain.

○ Conflict Minerals Risk Management

A comprehensive and detailed conflict minerals risk management process has been established by AUO to effectively identify conflict mineral risks in the supply chain. Under this risk management regime, if minerals are sourced from conflict regions – such as the Democratic Republic of the Congo or neighboring countries – AUO will trigger the abnormality management process and suppliers must submit corrective action plans, including proactive measures such as identifying compliant alternative smelters/refineries and transitioning to compliant mineral sources. The requirements for the prevention of conflict minerals and illegal mining are also incorporated into the procurement control provisions. Multi-layered management processes and contractual provisions are employed to effectively manage supply chain risks, ensuring that all purchased minerals comply with international laws and that the conflict-free minerals policy is enforced for all products.



2.2.2 Customer Service

Comprehensive Customer Service Journey

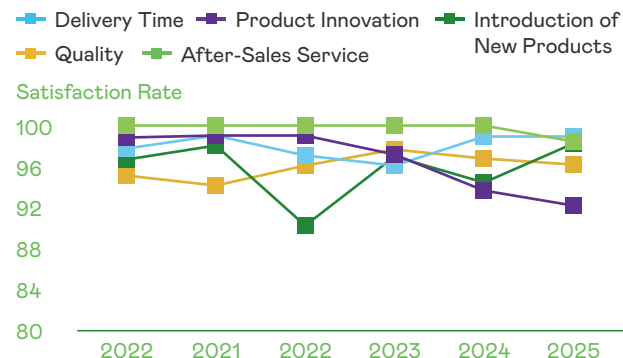
AUO strives to provide customers with a comprehensive product and service experience. Systematic management has been used to build a total and precise customer service mechanism. Continuous improvement is pursued through the three dimensions of Product, Business, and Quality. A multitude of channels, including weekly and monthly meetings, quarterly product technology meetings, quarterly business reviews, quarterly quality meetings, high-level meetings, inviting customers to tour AUO product exhibitions, and other irregular meetings, are employed to maintain two-way interaction with customers. More than 50 communication meetings are on average conducted with key customers each year for example. Maintaining a close working relationship and building of customer trust embodies the AUO customer-centric philosophy.

A full product process management system was developed by AUO to effectively manage the needs of key customers worldwide and to meet their expectations. Once sales personnel enter a vendor into the system, all colleagues worldwide can use, share, and update business information from customers globally in real time. The system can also collate all of the information for further analysis across multiple aspects, including annualized revenue from customer projects, trends in market technology requirements, revenue, and volume. These analyses help managers keep track of the latest developments and assist in decision-making. At the same time, AUO can also use the system to track changes in short-term and future customer demand. Production capacity and material procurement can then be adjusted in a timely manner to prevent delivery issues due to part shortages or excess stock.

Customer Satisfaction

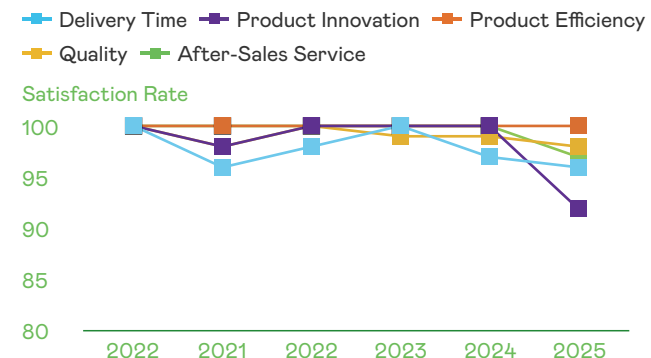
Customer satisfaction surveys are conducted by AUO every year. Areas requiring improvement are personally examined by senior executives during management review meetings before being assigned to the competent units for the proposal and implementation of improvement strategies. The satisfaction trends of the two business groups of Display and Energy have remained consistently above 90% in recent years. Analysis of the 2025 findings also showed that the Display business group has continued to perform well in terms of delivery schedule, introduction of new products, and after-sales service. Active efforts were also made to improve product innovation and after-sales service. At the same time, the Energy business group continued to deliver high satisfaction ratings in product efficiency.

Display Strategy



Note: Includes the Display BG, Mobility Solutions BG, and LED Display business unit

Energy



Quality Targets and Performance

Goal	2022	2023	2024	2025
Continuous Improvement Cases	Target: 450 Result: 763	Target: 450 Result: 879	Target: 450 Result: 1148	Target: 470 Result: 952
SPC Completion Rate ^{Note 1}	Target: 80% Result: 86.37%	Target: 80% Result: 88.49%	Target: 80% Result: 89.02%	Target: 80% Result: 89.87%
Display Business Group Customer Satisfaction ^{Note 2}	Target: 90% Result: 97.13%	Target: 91% Result: 98.14%	Target: 92% Result: 97.5%	Target: 93% Result: 96.45%

Note 1: SPC: Statistical Process Control SPC tools are used by AUO to improve ability to monitor anomalies and stabilize the production process. Calculated as "No. of targets completed/Total number of targets * 100%."

Note 2: Calculated as the weighted average "No. of satisfied customers/Total number of customers in satisfaction survey * 100%" from the five main aspects of satisfaction. Data coverage for customer satisfaction was 100%.

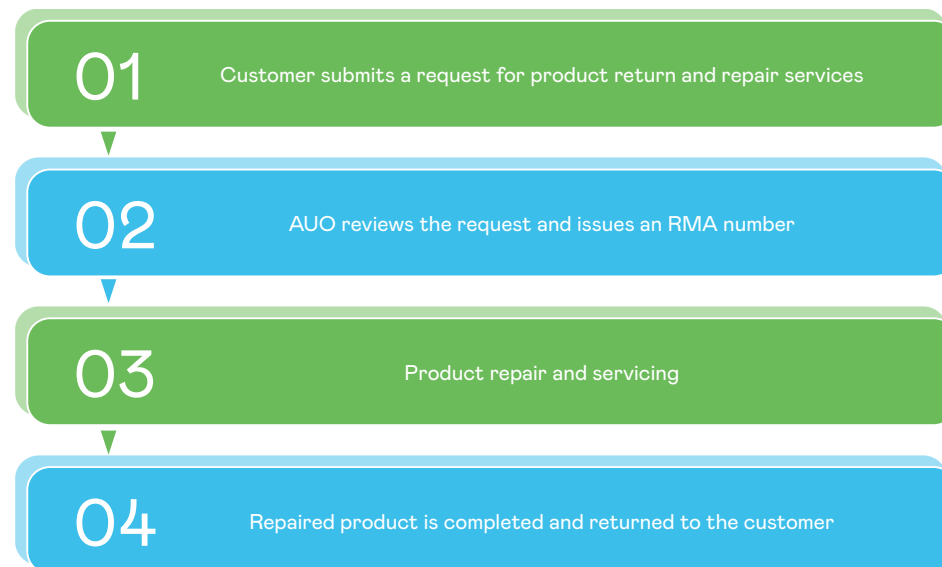
■ Customer Return Policy and e-Waste Management Measures

AUO strives for the "timely delivery of high-quality green products and services for a win-win outcome with customers." AUO knows that the rapid obsolescence and high scrapping rate of electronic products leave an impact on the environment. We have, therefore, adopted proactive lifecycle management measures with an emphasis on repair of defective products to extend their service life. AUO's professional service team and comprehensive repair process enable the effective repair of defective products; and we provide transnational electronic after-sales services through our global locations. Customers can use the support website to apply for product returns, exchanges, or repairs within the warranty period. We also offer paid repair services for products outside of the warranty period to provide customers with more options.

As part of the expanded global supply chain, AUO has set up centralized repair centers in collaboration with brand customers to uphold our principle of "putting service and quality first." Centralized processing of defective products and timely replenishment of inventory ensure the continuity of production lines and market services while reducing transportation costs and carbon emissions. The repair process is transparent and recycled packaging is used to reduce the environmental burden.

To ensure effective tracking, AUO uses six tracking points within the customer service system to record RMA numbers. The ability for customers to track their RMA progress in real time enhances engagement and boosts satisfaction.

AUO RMA Process



■ Customer Rights Protection and Complaints Procedure

AUO knows that the health and safety of products and services are important to every customer. To ensure open communication, AUO offers a range of complaint channels to ensure that we listen and pay attention to every customer. Customers can "Contact Us" on AUO's website or sustainability website to ask questions or file a complaint about issues such as product safety, marketing, or labeling. Once a customer e-mail is received, it is sorted and forwarded to the responsible unit for further investigation and communication before case closure. AUO will continue to optimize the process and improve the quality of service to strengthen customer trust.

■ Customer Sustainability Information Service

The "Customer ESG Survey Ticket and Assignment System" was developed by AUO in 2025 in response to the high level of global customer concern regarding ESG issues. Customer demand for sustainability information has grown significantly in recent years, so a standard process is essential for its effective management and response. In the past, ESG requirements from customers had to be communicated through several departments. Friction made it difficult for the Company to reply to all the different customer requirements in a comprehensive and timely manner. The new system at AUO established a transparent and efficient response process for more in-depth ESG communication with customers.

The system has three core functions to help establish a standard operating procedure. First, ticket creation and assignment serve to define responsibility and improve processing efficiency; secondly, the tracking and query functions allow for real-time tracking of the ticket process to prevent delays; finally, the reporting and data analysis functions can accumulate the data required by customers and build a database. This helps with tracking customer requirements and issues of concern, and can also be used to support the Company's future analysis of sustainability strategies.

Additionally, AUO has designed an empowerment course to familiarize sales personnel with system operations such as ticket creation, response, assignment, collation, and closure. This also helps improve employee understanding of sustainability issues, so they can be more professional in their customer communications.

2.3 Responsible Supply Chain

2.3.1 Sustainable Supply Chain Management Strategy

In addition to emphasizing supplier requirements for quality, cost, delivery time, environment, and health and safety performance, AUO has been actively promoting a sustainable supply chain policy. A management process was established by the Company that introduces external standards and automated management systems to ensure supply chain resilience. AUO is also continuing to collaborate with supply chain partners to promote carbon reduction, energy conservation, conflict-free minerals, green purchasing, and other policies. We believe that mutual sharing and support, inspections and mentoring, and in-depth engagement will lead to co-prosperity with our supply chain partners and a boost to the sustainable competitiveness of the supply chain as a whole. AUO optimized management further by classifying suppliers along different themes based on environmental initiatives and international competitions. These emphasized actions taken on water conservation, energy conservation, and carbon reduction. At the same time, AUO also identified key suppliers based on the amount of annual purchases and single-material sources to ensure the stability, sustainability, and performance of the supply chain.

■ Supplier Composition and Types

In 2025, AUO established solid trading relationships with 3,537 suppliers around the world and formed a global partnership network. Suppliers are divided by AUO into seven categories based on type of procurement. These include raw material suppliers, process contractors, waste disposal contractors, equipment and component vendors, human resources contractors, service contractors, and transportation contractors. The raw material suppliers of AUO encompass critical materials such as glass substrate, chemicals, polarizers, backlight modules, driver IC, PCB, plastic parts, and metal parts.

Supplier Category	Number	Definition
No. of suppliers in 2025	3,537	Number of suppliers that traded with AUO in 2025
Tier-1 Supplier	665	Value of annual procurement exceeded NT\$10 million
Tier-1 Key Suppliers	34	Key vendors for direct materials, strategic indirect material suppliers, and contractors where the value of annual procurement exceeded NT\$100 million
Percentage of procurement with Tier-1 key suppliers	59.40%	Value of procurement with Tier-1 key suppliers/Value of procurement with all suppliers x 100%
Tier-2 Key Suppliers	12	Tier-2 Key Material or Process Suppliers
Total Number of Key Suppliers	46	Tier-1 Key Suppliers + Tier-2 Key Suppliers

■ Governance Organization and Strategy

AUO established the Sustainable Supply Chain Sub-Committee under the Sustainability and ERM Executive Committee to oversee the planning and promotion of related projects and activities. Overseas chapters (Suzhou Branch, Kunshan Chapter, Xiamen Chapter) also support the joint promotion of sustainable supply chain management at all global sites. All important matters are presented by the Sustainability and ERM Committee to the Board of Directors once every six months to ensure transparent and effective governance.

In terms of governance strategy, AUO follows the principle of balanced ESG development in defining concrete supplier sustainability management regulations and targets based on the three aspects of environmental sustainability, risk control, and partner exchange. By establishing a complete supply chain management process, and then introducing digital platforms, external standards, automated management, data standardization, and cost optimization, AUO continues to improve the sustainability and resilience of the supply chain. At the same time, AUO organized systematic courses to build up the professional knowledge of supply chain departments. In 2025, 61 courses were attended a total of 1,179 times. Course contents spanned business integrity, natural positives, and social impact analysis. In addition to the standard courses, AUO also arranged for employees to attend thematic courses based on their roles to ensure that the knowledge they learned can be applied to every element of supply chain management.



Partner Exchange

AUO works closely with suppliers to launch sustainability initiatives, and it matches suppliers with resources to boost sustainability competitiveness together

Environmental Sustainability

AUO and upstream vendors are jointly implementing their environmental sustainability commitments to create environmentally friendly and socially responsible products and services

Risk Management

AUO has established and is continuing to refine the supply chain risk management mechanism and green procurement standards to build a resilient and sustainable supply chain

2.3.2 Sustainable Supply Chain Risk Governance

The AUO supply chain management process follows a circular mechanism to ensure continued optimization and improvement at every phase. The process consists of five main stages: New Supplier Evaluation, Alignment with Standards, Risk Assessment, Audits and Verification, and Continuous Improvement. SOPs are established to serve as the basis for implementation.

AUO actively sets up projects targeted at specific issues such as packaging recycling, carbon emissions management, and Responsible Business Alliance (RBA) management. In addition, AUO also used the SCM CSR Portal system to digitize management data, record the sustainability performance of suppliers, improve risk management efficiency, and strengthen the transparency and traceability of the supply chain.

New Supplier Evaluation

1

To ensure compliance with the code of conduct, laws and regulations, and customer standards of behavior. New suppliers are required to sign the AUO Supplier Ethical Business Relationship Statement.

Standards Communication and Compliance

2

Regular promotion of the sustainability guidelines ensures that suppliers are aware of the latest local and international trends, and are also in compliance with the requirements and standards set by AUO and its customers.

Assess Risk

3

Establishment of a complete supply chain risk control process, continued optimization and refinement of the risk control regime, and maintenance of stability in the supply chain.

Audit and Verification

4

Strengthening of audits for high-risk suppliers while incorporating third-party audits and ISO requirements to ensure the quality and reliability of supplier data.

Continuous Improvement and Upgrade

5

Provision of training courses and workshops on diversity issues to suppliers, and recognition of outstanding suppliers with awards.

New Supplier Evaluation

New suppliers undergo a series of management system evaluations. Evaluations encompass production capacity, technological innovation capability, quality, service, financial indicators, and hazardous substances management.

Suppliers are required to practice sustainable management at the source. The new supplier self-assessment also covers topics such as the environment, society, governance, and information security to communicate AUO's management requirements. New suppliers must sign the AUO Supplier Ethical Business Relationship Statement to ensure compliance with ethics and regulations. Suppliers are required to implement corrective actions within a specified timeframe, and those that fail to meet AUO's minimum ESG requirements may be excluded from future business engagements and contracting opportunities.

Standards Communication and Compliance

All new AUO suppliers and contractors have been required to sign the "Supplier/Subcontractor Code of Conduct" since 2019. The code itself is based on the Responsible Business Alliance (RBA) and encompasses key aspects, including labor rights, health and safety, environmental protection, code of ethics, and management systems. New elements such as bio-diversity, forest and soil conservation, carbon reduction and energy efficiency, and supplier management have also been added in response to new trends. The signing rate in 2025 was 100%. The degree of supplier compliance will be considered during purchasing decisions. Within the past year, an ethics awareness letter was sent 3 times to suppliers that AUO has business dealings with. The letter reminds suppliers to follow their contracts and comply with business ethics, as well as to ensure the fairness and transparency of transactions. AUO believes that long-term trust can reduce risks and disputes while promoting cooperation in good faith. In terms of information security management, AUO collaborates with upstream and downstream supply chain partners to strengthen information security resilience. Information security protection is improved by inviting supply chain partners to participate in information security training courses and risk self-assessments.

Assess Risk

○ Risk Assessments of Key Suppliers

AUO examines the countries/regions, industry attributes, and product categories of suppliers for potential risks. Suppliers that require monitoring are selected by AUO based on the value of annual procurement. Annual self-assessment questionnaires are conducted for key suppliers to obtain an in-depth understanding of their ESG risks and degree of control. High-risk suppliers are selected by AUO based on these findings and are designated for enhanced management.

Supplier Risk Assessment Aspects	Evaluation Item
 Environmental Aspect	- Past penalties or shutdowns imposed by government units for violation of environmental protection laws and regulations - Introduction of fire protection, pollution treatment, and EHS systems at the supplier
 Social Aspect	- Past record of serious injury, death, or property loss due to industrial safety accident - Past penalties imposed by government units for violation of labor, human rights, labor health and safety laws and regulations - Past incidents of forced labor or employment of child labor - Level of supplier compliance on labor rights, privacy protection, and ethical standards
 Governance Aspect	Current status of compliance with RBA Code of Conduct, supplier financial indicators, and business continuity management
 Country Aspect	Ban on use of materials from conflict minerals countries and U.S. entity list
 Sector-specific risk	- Raw material suppliers with energy-intensive, high-carbon production processes and special emission/pollution risks - Raw material suppliers with energy-intensive, high-carbon production processes and special emission/pollution risks
 Commodity-specific risk	Sort parts or materials to identify those that contain metals, material toxicity, pollution potential or hazardous substances with special controls
 Business Aspect	Sort by value of procurement

○ Outcomes of Key Supplier Assessment

AUO screened 3,537 suppliers based on their country, region, industry attributes, and product category. An annual risk survey was also conducted for 242 key suppliers. Ultimately, 18 high-risk suppliers (encompassing 21 sites) were designated for on-site audits^{Note}. The findings showed that there were 11 high-risk suppliers (covering 12 sites) in the category of Social Responsibility; the main risks were a noncompliant zero-payment execution mechanism and issues with work-hour management. In Environmental Safety and Health, there were 6 high-risk suppliers (covering 6 sites); the risks were emergency response planning and drills.

Supplier Category	Number/Percentage	Description
Number of Suppliers Surveyed or Assessed	242	
Target Number of Suppliers Surveyed or Assessed	242	Definition: Key Tier-1 suppliers and key tier-2 suppliers
Percentage of Key Suppliers Assessed	100%	
Number of Key Suppliers Audited On-Site	18	Definition: Number of suppliers investigated and found to require on-site audit
Suppliers assessed and found to have actual or potential negative impacts	12	
Percentage with improvement plans or corrective actions	100%	AUO requires suppliers with deficiencies to propose improvement plans
Percentage of contract terminations	0%	Improvements were carried out by all suppliers, with no suspensions
Number of suppliers with deficiencies that completed their improvement plans	12	AUO requires suppliers with deficiencies to show proof of improvement in the current year
Percentage of suppliers found to have deficiencies that completed their improvement plans	100%	All suppliers have shown proof of improvement in the current year

Note: 6 suppliers received RBA VAP certificates in place of AUO's third-party audit.

Local Procurement and Diversified Procurement Management

AUO supports the principles of local procurement and local production, reducing management and operating costs through procurement at the right time and in the right place. This also serves to stimulate local employment opportunities and economic development. AUO has set short- and medium-term local procurement goals for LCM and LCD. In 2025, local procurement in LCM accounted for 78.6%, while local procurement in LCD accounted for 80.2%. Constraints in polarizer supply forced AUO to rely on outside suppliers. Progress on local procurement is regularly reviewed by AUO. We are also continuing to develop local suppliers to increase the ratio of local procurement. In response to diversity procurement management, we are actively seeking to diversify our suppliers for key direct materials to improve supply chain resilience. In 2025, 91% of key direct material suppliers were diversified.

Quarterly Business Review and Supplier Performance Management

A Quarterly Business Review (QBR) is conducted on suppliers by AUO. AUO has incorporated the ESG Scorecard into the QBR scoring mechanism since 2024. Better ratings were given to those that performed well in the ESG aspects. Supplier performance in the current quarter and the last four quarters is used to identify suppliers that failed (Grade C) in a single category (procurement, quality management, or technology) or in their overall score (including ESG). In addition to convening a review meeting attended by senior executives from both parties, AUO considers other options such as suspending the development of new products, adjusting procurement volume, or removing the supplier from list of approved suppliers. At the same time, AUO is also auditing the Business Continuity Plans (BCP) of key suppliers based on their country, industry, product, and business aspects. The audit covers ISO certification, business continuity planning, physical risk to geographic location, and alert mechanisms. A total of 54 suppliers were audited by AUO in 2025.

ESG Scorecard

AUO strives to achieve sustainable development goals throughout its supply chain through concrete business strategies. To strengthen supplier management, AUO has introduced the ESG Scorecard as a key tool for supplier qualification, evaluation, and performance management. The scorecard also provides suppliers with ESG benchmarking opportunities, enabling them to compare their performance against industry peers and identify areas for improvement. Suppliers are also required to comply with the sustainability standards for the three ESG aspects. Topics in the environmental aspect include carbon emissions management, energy efficiency improvement, water resource use, and circular economy. In the social aspect, topics emphasize the practice of labor rights protection, occupational safety and health, business ethics and compliance, and social engagement. In the governance aspect, emphasis is on management measures related to quality and technical ability, a sustainable procurement regime, and business continuity.

The systematic assessment mechanism enables AUO to systematically improve its supply chain sustainability management performance, reduce business and supply chain risks, and encourage suppliers to adopt even higher standards for sustainability. At the same time, AUO regularly inspects and optimizes the screening standards, so that they are better aligned with global sustainability trends and business requirements in order to continue improving the sustainability performance of the overall supply chain.

The ESG Scorecard is reviewed and optimized by AUO every year. This initiative was expanded in 2024, with annual improvements in scores set as the goal. 242 suppliers are now included in the scoring, and the average score in 2025 was 13.1% higher than in 2023. AUO will continue to use the ESG Scorecard to incentivize continued improvements by suppliers.

Audit and Verification

RBA Annual Audit

AUO began commissioning third-parties to conduct the annual RBA audit in 2024 to improve the coverage, credibility, and transparency of risk management. For nonconformities identified during the audits, AUO requires suppliers to review their practices and submit to oversight. All suppliers submitted improvement plans, and there was no need to terminate any relationships.

Aspect (RBA Standard)	Priority nonconformity (Priority)	Major nonconformity (Major)	Minor nonconformity (Minor)	Key deficiencies found	Improvement action
(A1) Free choice of profession	66.7%	8.3%	25.0%	Zero-payment policy for foreign workers did not comply with the relevant AUO standards	- Ensure that hiring expenses are paid by the employer - Definition of regular self-inspection items and timetable for planning of long-term targets
(A3) Work hours	29.4%	5.9%	64.7%	Employee weekly hours did not comply with the relevant AUO standards	- Review of overtime application process, tracking and review of supporting work hours - Hire more workers and optimize shifts to reduce the need for employees to work additional hours
(D.M.4) Performance evaluation and continuous improvement	0.0%	100.0%	0.0%	A comprehensive and effective worker correction process has not been established to address and eliminate nonconformities; not yet compliant with the audit standards.	Establishment of management review process for workers
(E4) Supplier responsibility	0.0%	100.0%	0.0%	A comprehensive and effective process has not been established to ensure that the RBA Code of Conduct is enforced by the next level of key suppliers	Include in supplier management for regular review and improvement
(B1) Occupational safety	0.0%	100.0%	100.0%	Building and fire safety acceptance inspection documentation is not posted on-site	- Asset management department was contacted immediately to apply for copies of the acceptance inspection reports - Inspections are conducted quarterly
(B2) Emergency readiness	0.0%	0.0%	100.0%	Inadequate frequency of fire safety drills and scenario planning	- All plant emergency exits were re-inspected - Develop plan for emergency evacuation drills
(C1) Environmental permits and reports	0.0%	100.0%	0.0%	Quarterly inspection requirements for environmental assessment were not identified by the competent department	Inspections conducted quarterly as required

○ Supplier Introduction and ISO 14064/ISO 50001 Certification

AUO requires key suppliers to introduce and obtain certification for the ISO 14064 greenhouse gas inventory and the ISO 50001 energy management system in order to reduce their environmental impact and lower their product carbon footprints. As of 2025, 66 key suppliers have obtained ISO 14064 certification^{Note 1} and disclosed their carbon emissions data, while 32 energy-intensive suppliers have obtained ISO 50001 energy management system^{Note 2} certification; these suppliers accounted for 97% of all energy-intensive AUO suppliers.

Note 1: Other third-party certified data can be substituted by overseas suppliers.

Note 2: Government policy defines energy-intensive businesses as those that use more than 5,000 kW – the equivalent of 15,000 tonnes of carbon emissions. AUO defines energy-intensive suppliers as those with Scope 2 emissions of more than 7,500 tonnes, making it twice as rigorous as the statutory threshold. There were a total of 33 energy-intensive suppliers in 2023.

■ Continuous Improvement and Upgrade

○ Creating Shared Value Events

AUO hosted seven Creating Shared Value events in 2025 with themes such as ESG transformation practices, RBA audit practices, display supply chain cycles and zero carbon, TNFD and LEAP framework applications, plastic circulation technology applications, information security protection and case studies, and energy-saving and carbon reduction in practice observation meetings. 31 sessions of the Creating Shared Value courses have been held since 2019.

○ On-Site Exchange with Suppliers and Sharing of Practical Sustainability Experience

AUO's facilities team regularly conducted on-site exchanges with suppliers. In 2025, AUO and 2 Taiwanese raw material suppliers discussed issues such as environmental safety, factory energy-efficiency, case studies, and management goals.



○ CSR Creating Shared Value Conference

AUO is responding actively to the spirit of partnership in the UN Sustainable Development Goals by connecting with upstream and downstream supply chain partners. Since 2019, AUO has held six Supplier Creating Shared Value Conferences to promote exchanges and the sharing of information, as well as expand the influence of the value chain. The events have attracted the enthusiastic participation of supplier partners and received positive feedback. The theme for the 2025 CSR Creating Shared Value Conference was "Resilience, Co-Prosperity, and Shared Values, Transformation and New Partners." Experts and benchmark enterprises were invited to share their hands-on experience and global trends at the event. Outstanding suppliers were also recognized with awards. A total of 70 suppliers took part. AUO has been strengthening supplier resilience in China in recent years. The CSR Shared Value Conference was also held at the Xiamen site and was attended by 111 suppliers.



2.3.3 Low-Carbon Supply Chain

■ 25% Carbon Reduction from Key Suppliers by 2030

AUO and 60 key suppliers have now jointly committed to a target of a 20% reduction in absolute carbon emissions by 2030, with 2021 as the base year. AUO has defined a four-phase pathway to achieve this goal: carbon inventory, target setting, annual decreases, and achievement of the ultimate target. In 2025, AUO and suppliers went even further by announcing an increase of the 2030 target to 25% in response to international trends and the push for carbon reduction.

While the market had not returned to its 2021 peak by 2023, carbon emissions from suppliers nevertheless decreased by 25.6% (exceeding the original target by 4%)^{Note} compared to the base year. To ensure that these were the result of actual carbon reduction actions by suppliers rather than products of economic cycles, AUO conducted a carbon intensity survey of bulk materials in 2024. This showed that overall production intensity was also 14.6% lower in 2024. The energy conservation and carbon reduction results reflected the active participation of supply chain partners.

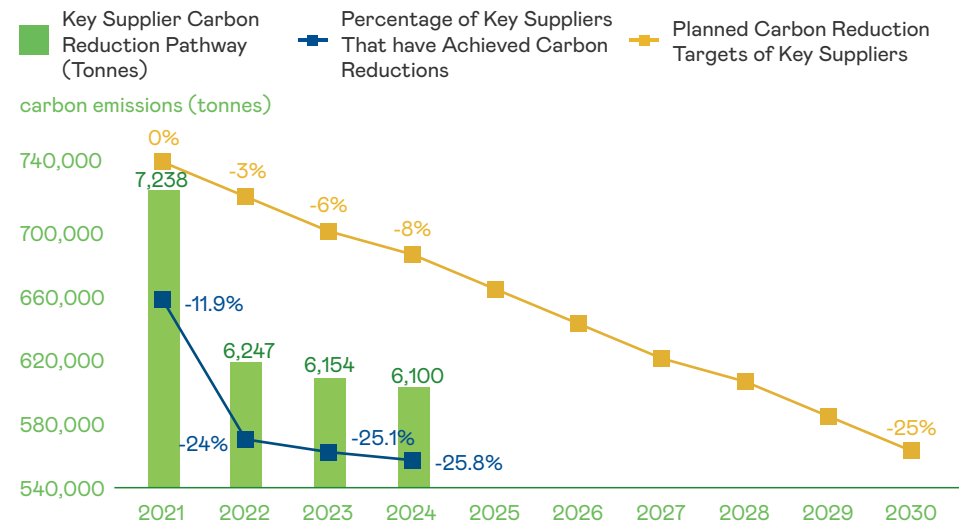
AUO signed up for CDP Supply Chain Membership in 2024. Key suppliers were encouraged to complete the CDP Climate Change Questionnaire. A trusted international standard enables suppliers to assess and disclose their environmental impact and devise improvement plans. AUO is able to use this to strengthen carbon information disclosure and management in the value chain as well. In 2025, 47 key suppliers completed the CDP carbon disclosure questionnaire

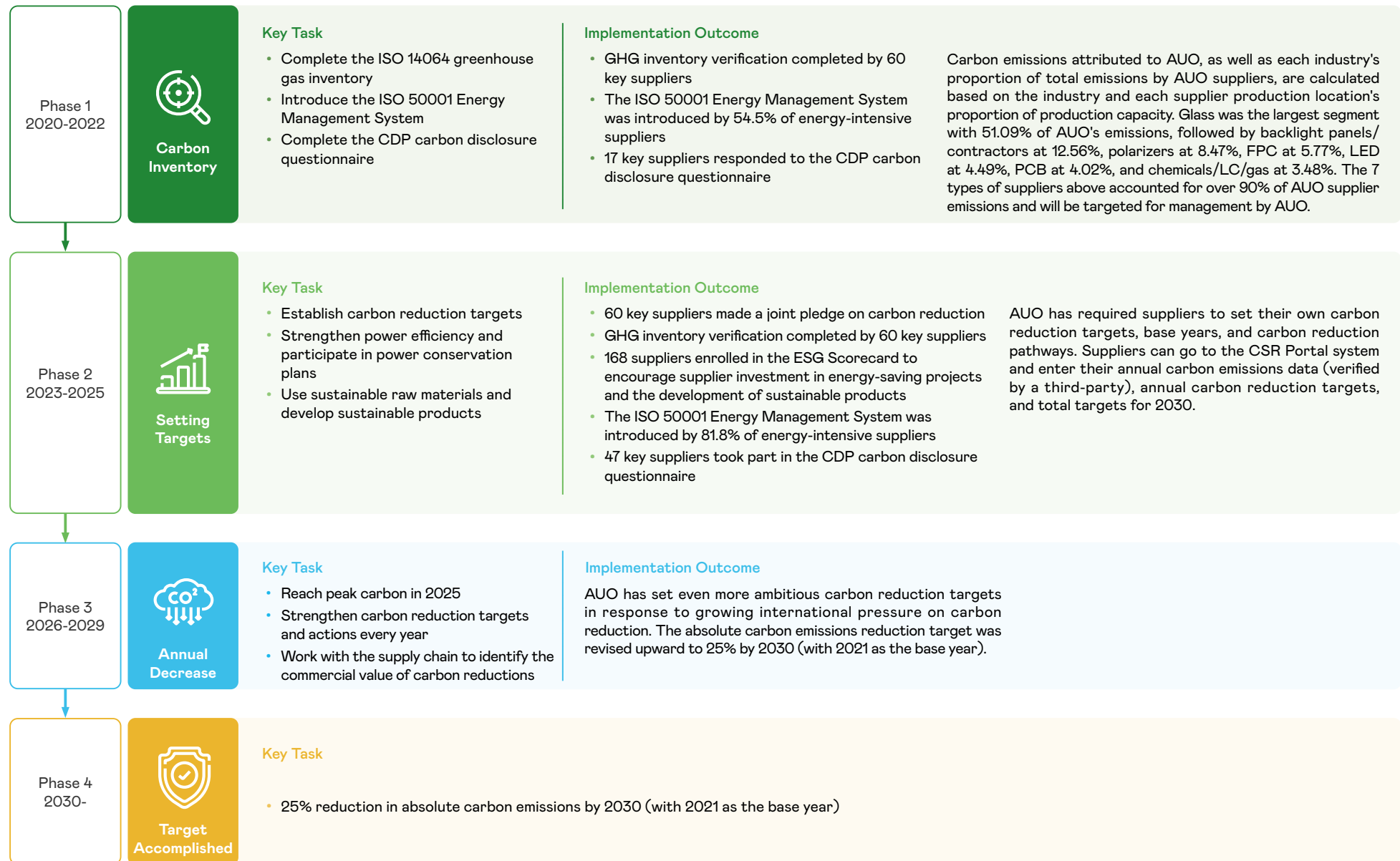
Note: AUO requires third-party verification for carbon reductions provided by the supply chain before they are compiled. The AUO supply chain is worldwide and involves many vendors. Limited verification capacity means suppliers are unable to provide verified carbon emissions right away. For this reason, AUO is unable to disclose supplier carbon reduction data for the current year (2025). Only carbon disclosure data from the previous year (2024) is available.

Key targets for carbon reduction management (60 in total)

- Accounts for top 80% of procurement by value
- Tier-1 key direct and indirect materials
- Tier-2 key direct and indirect materials

Key Supplier Carbon Reduction Pathway and Achievement Status







3 ENVIRONMENTAL SUSTAINABILITY

Chapter Highlights

Launched the "3030 Project," targeting a **30%** reduction in electricity consumption by 2030, with annual savings reaching record highs.

Total renewable electricity consumption reached approximately 586.97 million kWh, representing a renewable energy ratio of **14.2%**.

Continued to advance decarbonization and carbon asset management, with cumulative carbon offsets reaching approximately **393,200 tons**.

Implemented diversified solutions to reduce process water dependency, achieving a **15%** reduction in water withdrawal.

Promoted circular economy initiatives, generating financial benefits of approximately **NT\$35.94 billion** in 2025.

The Suzhou and Houli sites obtained **UL 2799 Zero Waste to Landfill certification** (Platinum and Gold levels), demonstrating outstanding achievements in waste reduction and resource circularity.

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3.1 Climate Action

AUO Climate Action Milestones



Organization



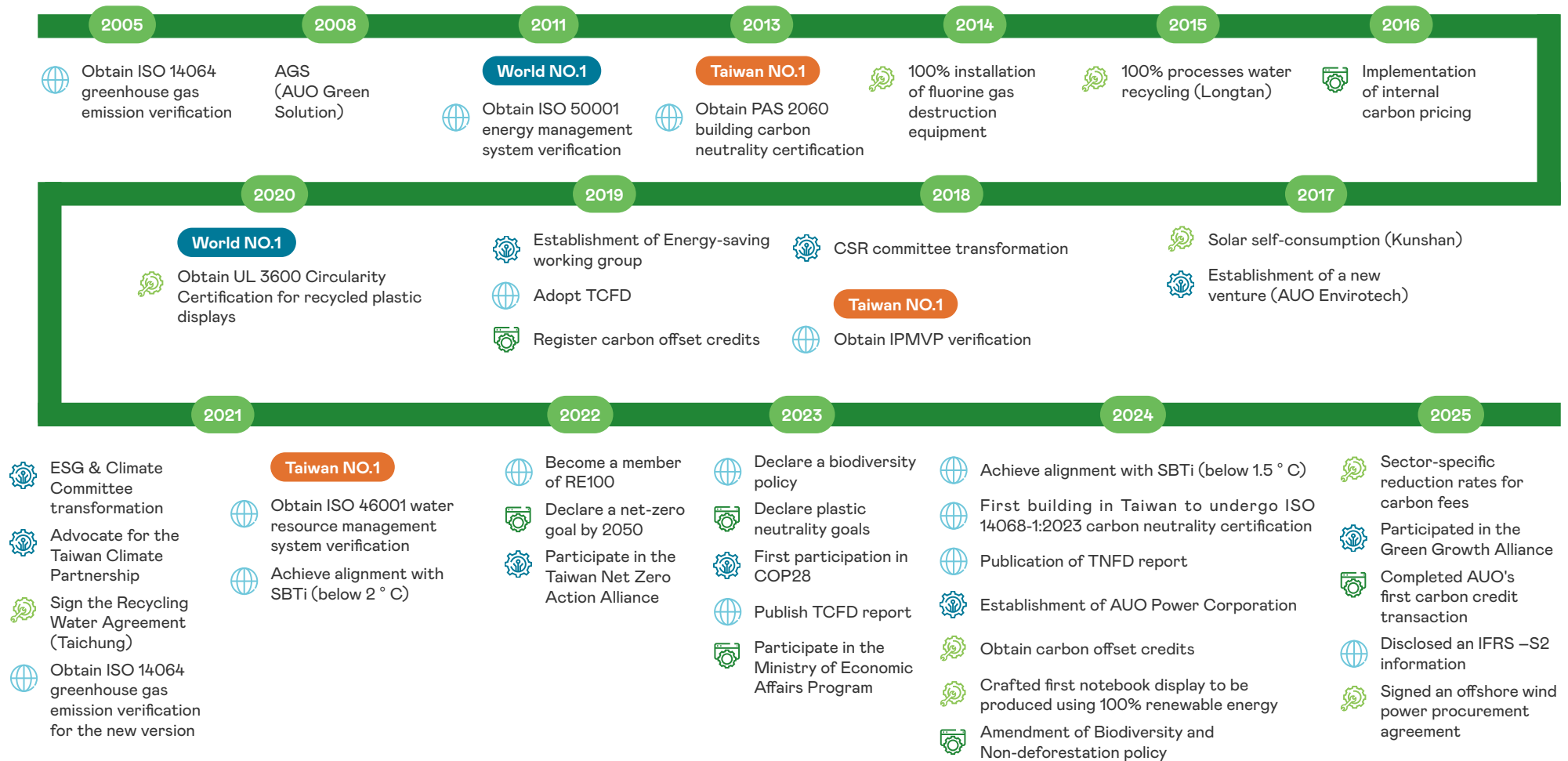
International standard



Tool & technology



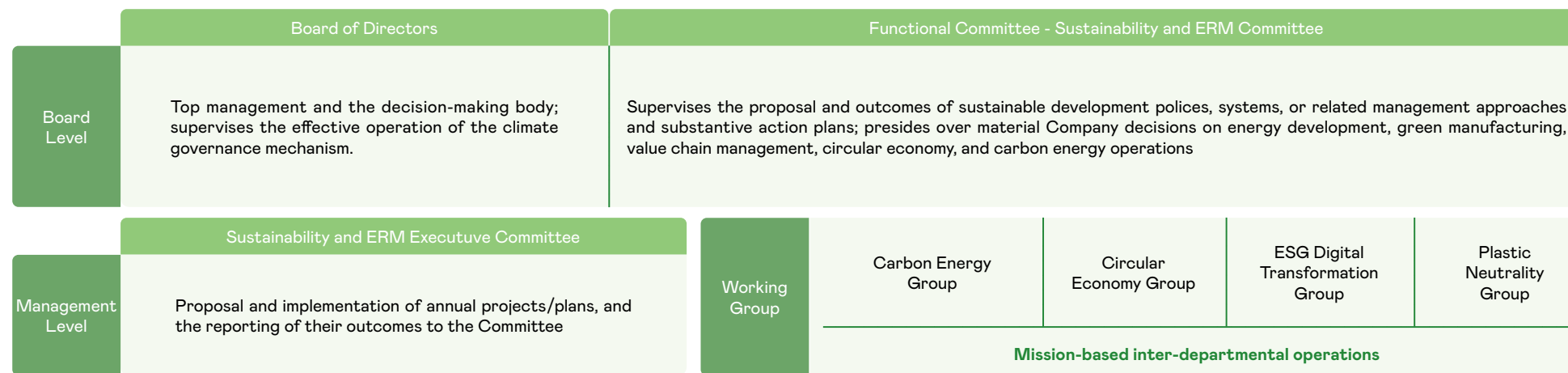
Policy



3.1.1 Governance and Strategy

AUO places great importance on executive management's oversight and governance of climate-related risks and opportunities. As the top management and decision-making body of the Company, the Board of Directors formulates a sustainable risk management approach that encompasses climate change based on the overall business strategy and trends in the industry. The Board also oversees the effective operation of related governance and management mechanisms. Important issues that involve climate risk, carbon reduction, and energy are reported to or voted upon by the Board.

A Sustainability and ERM Committee was established under the Board of Directors and is responsible for assisting the Board with the promotion of sustainable corporate development, climate governance, and risk management. Clear delegation of tasks and operating mechanisms ensure that climate-related strategies and actions are fully incorporated into the corporate governance framework.



2025 Executive Summary

Formulation of Policy and Targets

- Revision of the Company's sustainability policy based on trends in international ESG ratings and assessments.
- Formulation of **EPS 2030** climate-related goals based on the climate governance framework.

Accelerated Investment

- Accelerated the assessment and signing of offshore wind power purchase agreements.
- The first power generation site **100%** funded by AUO investment entered service and now supplies the Company with green electricity via wheeling.

Improved Carbon Management

- Continue to apply for carbon offsets in Taiwan to prepare for a new era of carbon pricing and capped quotas.

Enhanced Supply Chain Management

- Raised the carbon reduction target for the supply chain to **25%**.

AUO established a strategic climate blueprint and used the six major mission platforms to build a robust foundation for low-carbon transformation. In response to rapid global developments in ESG, the Company is working actively to combine climate and sustainability issues with the three pillars of business. Preparing in advance on compliance and related developments will help us respond to changes in the external environment. At the same time, we track and respond to key stakeholders' concerns on global operating locations through due diligence and trans-departmental cooperation.

Seven Key Mission Platforms 2025 Key Accomplishments

Technology

Recycled materials were incorporated into **79%** of newly launched IT product development projects.

Green Commerce

Established a carbon asset commercialization strategy and explored related business opportunities in preparation for the carbon pricing era.

Supply Chain

47 critical suppliers participated in the Carbon Disclosure Project (CDP); **32** more energy-intensive suppliers obtained ISO 50001 certification.

Digital

Promoted the digitization of carbon emissions management and added a management module for recycled materials, while also strengthening the management of circular economy initiatives and circular products.

Knowledge

The College of Sustainability of AUO University was used to improve the sustainability literacy of all personnel. A variety of courses and activities were organized with a total annual reach of over **26,000** people.

Brand

Recognized with Leadership ratings for Climate Change and Water Resources by the CDP.

Regulation

The Task Force on Climate-related Financial Disclosures (TCFD) was used as the basis to compile the [Sustainability-Related Financial Disclosures](#) in accordance with the IFRS Sustainability Disclosure Standards.

Climate Advocacy by AUO

AUO became a formal member of RE100, the global renewable energy advocacy organization, in 2022. AUO was also the first company in the global display manufacturing industry to commit to 100% renewable energy usage by 2050. Having previously passed the Science-Based Targets initiative (SBTi) review based on the 2° C scenario in 2021, AUO also passed the SBTi review using the 1.5° C scenario in 2024. In addition, AUO is a founding member of the Taiwan Climate Partnership (TCP) and part of the Taiwan Alliance for Net Zero Emission. The company is committed to working with industry partners to promote carbon reduction initiatives.

Key Target



Reduce Scope 1 and Scope 2 carbon emissions by 42% by 2030 based on the 1.5° C warming scenario (with 2021 as the base year)



Achieve 30% renewable energy usage by 2030, and 100% renewable energy usage by 2050



Construct a management framework for TCFD operations to strengthen the governance of climate risks and opportunities



Construct a management framework for TNFD operations to reduce the threat to ecological biodiversity and exert our influence in partnership with stakeholders



Leverage industry influence to align Taiwan's ICT industry supply chain with global carbon reduction pathways



Achieve net zero at headquarters in 2023, achieve carbon neutrality at all office buildings in Taiwan by 2030 and strive to realize carbon neutrality at the organizational level in 2050.

3.1.2 Climate Risk Adaptation

■ Climate Risk Management Cases

AUO chose the very high-emission scenario (SSP5-8.5) issued by the UN Intergovernmental Panel on Climate Change (IPCC) for the analysis of climate-related physical risks. The Stated Policies Scenario (STEPS) and Net Zero Emissions by 2050 Scenario (NZE) of the International Energy Agency (IEA) were used to analyze climate-related transition risks. An inventory of key climate risk issues is conducted every year along with a rethinking of the scenarios from an opportunities perspective. Four risk and five opportunity issues were defined in 2024, and these are continuing to be advanced in 2025 through the TCFD framework.

Climate risk issues identified by AUO included: the production impact of the long-term temperature increase, insufficient resilience to rising temperatures and climate impacts in key supply chains, high-temperature risk from outdoor activities as part of Engineering, Procurement, and Construction (EPC) work undertaken by the Energy BU, and damage to operational materials due to natural disaster risks such as heat waves. Opportunity management issues included: the assessment of energy transformation trends and energy storage applications, the development of new technologies in response to climate adaptation, new business opportunities from low-carbon transformation services for the supply chain, talent-driven green transformation, and the management of carbon offsets to develop low-carbon transformation business opportunities. Listed below are transformation risk items that have a significant effect on financial impact and business continuity.

Case 1 Risk management for the production impact of the long-term temperature rise potential	• Scenario: An energy policy that reduces the proportion of coal and nuclear energy while increasing the proportion of gas and renewable energy results in higher electricity costs and lower stability in the renewable energy supply. • Financial impact: Higher electricity rates increase annual expenditure by 2.55 billion NTD. • Response strategy: 1. Implementation of the 3030 Energy Efficiency Initiative: Improve internal energy management to reduce demand; active promotion of energy-efficiency plans and a target of a 30% reduction in electricity use by 2030 compared to 2021. 2. Reduce the burden on the Taipower grid: Modify AUO's generator supply, add a grid-connected model, participate in Taipower's virtual power plant, and cooperate with demand response dispatching. 3. Long-term strategy: Introduce small gas-fired generators and energy storage applications, as well as promote multi-energy utilization to reduce dependence on single electricity sources.
Case 2 Risk management for lack of climate resilience to rising temperatures in key supply chain	• Scenario: A temperature rise causes electricity shortages in the supply chain, putting pressure on production continuity at suppliers. • Financial impact: The impact on AUO shipments is expected to reduce annual turnover by 360 million NTD. • Response strategy: 1. Short-term strategy: Increase the safe stock level while strengthening supply chain transparency and communication. 2. Medium/Long-term strategy: Diversification of suppliers to diversify risk, signing supply guarantees with the supply chain, and the selection of suppliers with power supply resilience.
Case 3 Climate opportunities from energy transformation trends and energy storage applications	• Scenario: An increase in the number of users in Taiwan that require safe power quality during the summer, and a difference of more than 7.5 NTD per kWh in peak and off-peak electricity rates. • Opportunity identification: Participating in Taipower's demand-response, peak/off-peak, and backup power supply schemes is expected to generate 300 million NTD to 1 billion NTD in revenue each year. • Development Strategy: 1. Priority targets: Supply chains related to AUO and past industry customers. 2. Integration of renewable energy and the installation of energy storage systems to lower peak demand, reduce power purchases from Taipower, and combine with EV charging stations to deliver reliable and eco-friendly solutions for solar-powered energy storage. 3. Lower operation and maintenance costs by training AUO personnel and obtaining original manufacturer certification on battery O&M.

3.1.3 Metrics and Targets

The following carbon and energy-related targets were formulated by AUO. For other environmental targets, please refer to other parts of this Report, such as 3.3 Water Resource Management and 3.4 Circular and Clean Production.

Indicators	Base Year	Target	Management Approach	Corresponding Chapter
Direct Emissions (Scope 1 and Scope 2) Reduction	2021	42% reduction in absolute carbon emissions by 2030	- Improve energy efficiency: Continue to promote energy efficiency improvements through ISO 50001 as well as production automation, smart technology, upgrades, and asset-light transformation. - Use of renewable energy: Use wheeling from power plants established by AUO while continuing to add Corporate Power Purchase Agreement(CPPA) and International Renewable Energy Certificates (I-RECs) from diverse renewable energy sources.	3.2.2 Energy Efficiency Improvement 3.2.3 Use of Renewable Energy
Indirect (Scope 3) Emissions	2021	25% reduction in absolute carbon emissions by 2030 ^{Note 1}	- Carbon reduction for raw materials: Require suppliers to engage in carbon reduction. A target of 25% reduction in carbon emissions by 2030 is also set for critical suppliers. - Reduction of emissions from raw materials and fuels: Reduce carbon emissions from the development stage of raw combustibles through reduced consumption of electricity and fuel. - Product energy consumption during use: Use improvements to materials and power consumption during the product design phase to help products conform to future U.S. Energy Star scenarios on energy-efficiency performance standards.	3.2.1 Inventory and Mitigation
Reduction in externally purchased electricity at energy-intensive production and manufacturing sites	2021	2030 - 30% reduction in power consumption ^{Note 2}	- Continued applying big data to product automation and intelligentization for improving for improving equipment energy consumption in order to improve the energy efficiency of production processes and products. - Accelerated the development of energy-efficiency technologies with high potential; expanded and prioritized investment in high-yield solutions; used IPMVP^{Note 3} to verify actual energy saving performance.	3.2.2 Energy Efficiency Improvement
Ratio of Renewable Energy ^{Note 1}	-	2025 - 10% 2030 - 30% 2050 - 100%	- Short-term: Expand self-generation from rooftop solar; use solar-based CCP for the initial roll-out of renewable energy. - Medium-term: Taiwan sites to negotiate for CPPAs with offshore wind power to speed up the adoption of renewable energy. Increase flexibility during use through AUO's energy diversification plan for retail electricity. - Long-term: Invest in diverse renewable energy plans to enhance the resilience and stability of the low-carbon power supply.	3.2.2 Energy Efficiency Improvement
Carbon reduction in the value chain	2021	2030 - 25% reduction in absolute carbon emissions ^{Note 4}	Made a joint pledge on carbon reduction with 60 key suppliers that is to be enforced through four phases: Inventory, Set Target, Reduction in Carbon Emissions, and Target Accomplished.	2.3 Responsible Supply Chain
Carbon offset business opportunities	2023	Agile utilization of the Company's carbon offset assets	Boost growth by taking part in Taiwan's trading market with the proceeds dedicated to the R&D of green technology.	3.2.1 Inventory and Mitigation

Note 1: Scope encompasses AUO parent and subsidiary companies in Taiwan, China, other parts of Asia, as well as key operating and production sites in the Americas and Europe.

Note 2: Scope encompasses the main business and production sites of the AUO parent in Taiwan and China.

Note 3: International Performance Measurement and Verification Protocol (IPMVP).

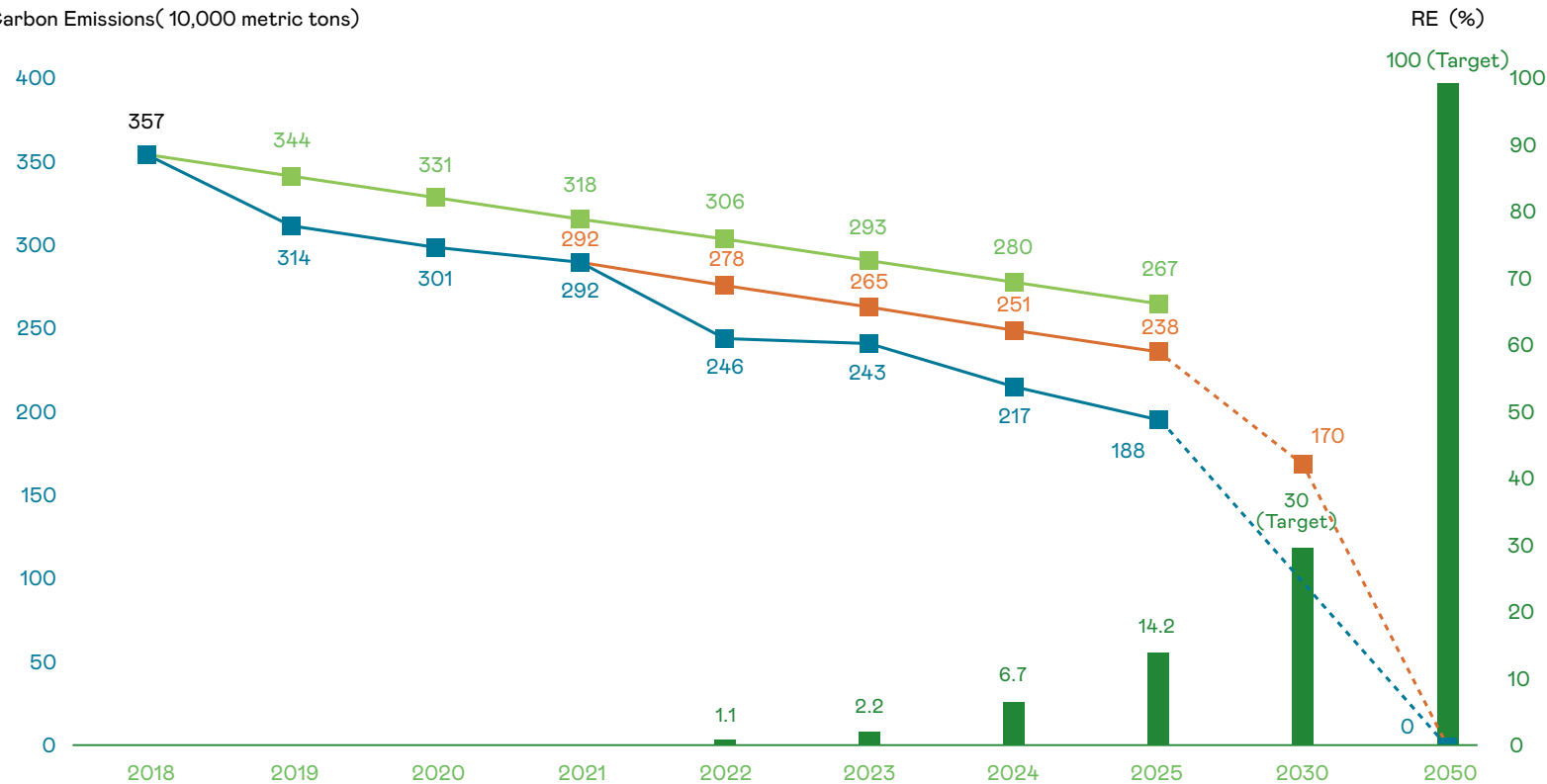
Note 4: The scope covers suppliers accounting for the top 80% of the AUO parent company's procurement expenditure across major operating and manufacturing sites in Taiwan, China, other regions of Asia, the Americas, and Europe, including Tier 1 key direct and indirect material suppliers and Tier 2 key direct material suppliers. The calculation is based on the production capacity ratio of supplier facilities that manufacture at least 90% of the products supplied to the AUO parent company.

Net Zero Pathway and Progress

AUO's SBT phase 1 target of a 25% reduction in absolute carbon emissions was achieved ahead of schedule in 2022. To meet the conditions of the 1.5° C temperature increase scenario, AUO then set a 42% reduction in Scope 1 and Scope 2 carbon emissions at the organizational level by 2030 with 2021 as the base year, consistent with the industry standard for preferential carbon fee rates through voluntary emission reduction in Taiwan. For Scope 3, a 25% reduction in absolute carbon emissions was also set in accordance with "Well-below 2° C (WB2C)" as a demonstration of commitment to the low-carbon transformation vision. Steady progress is now being made on the targets for absolute carbon reduction under the SBT and the introduction of renewable energy set in 2025, and they should be achieved before 2030.

■ RE100 ■ SBT goal 2018-2025 ■ SBT goal 2021-2030 ■ AUO emissions(scope 1&2)

Carbon Emissions(10,000 metric tons)

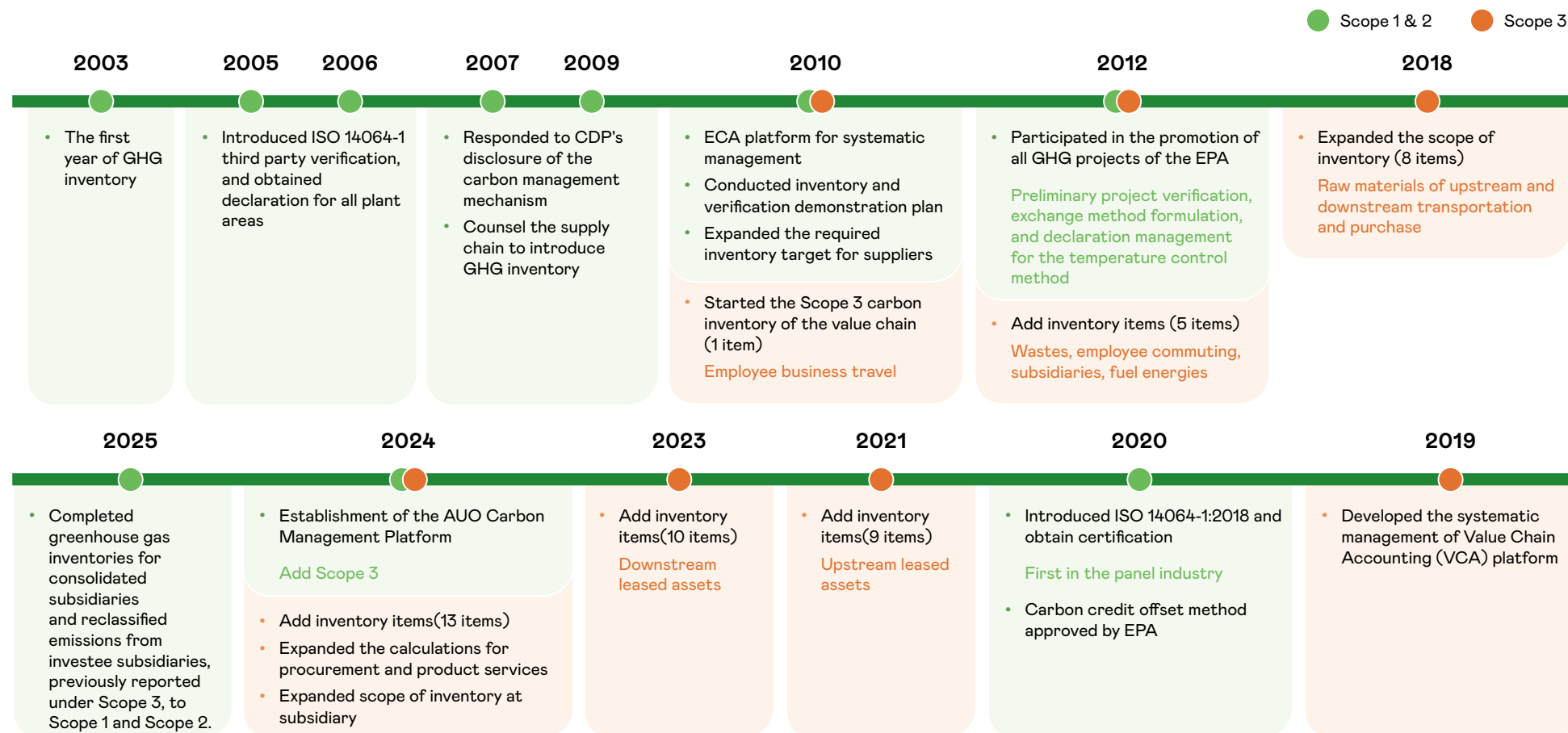


3.2 Carbon and Energy

3.2.1 Inventory and Mitigation

Greenhouse Gas Inventory

AUO began inventorying the GHG emissions of its global operating and manufacturing locations in 2003. The ISO 14064 GHG inventory standard was also introduced, and the transparent disclosure of emissions information was carried out through external verification. A digital platform has been under development since 2010 to systematically manage organizational GHG emissions data and manage the long-term reduction of operational carbon emissions. AUO updated our carbon digital management system in 2024. The system was used to refine the calculation of Scope 3, expand the scope of calculation data, and confirm the applicability of 15 Scope 3 calculation items.



○ Volume and intensity of direct emissions and energy indirect emissions (formerly Scope 1 and Scope 2)

In 2025, AUO's total global greenhouse gas (GHG) emissions amounted to 1.9028 million metric tons of CO₂e, including 75,700 metric tons of CO₂e from Scope 1 emissions and 1.8271 million metric tons of CO₂e from Scope 2 emissions. Compared with 2024, total GHG emissions decreased by approximately 12.1%, primarily due to AUO's continued increase in renewable electricity use, which significantly reduced Scope 2 emissions. GHG emissions per unit of input glass area were 32.09 kgCO₂e/m² in 2025, representing a 12.30% decrease compared with the previous year.

Two Materiality Screening Principles

- Data collectibility
- Reliability or representativeness of the data calculation methodology

○ Inventory of other indirect emission sources (Scope 3)

AUO began conducting Scope 3 GHG inventories and disclosures in 2010. The inventory scope and items have been continuously expanded in accordance with the corporate value chain standard published in the GHG Protocol. The latest ISO 14064 standard introduced by AUO in 2020. Management of other indirect GHG emissions (Scope 3) was refined in partnership with third-party verification. A Scope 3 inventory was completed by AUO in 2024 in accordance with the materiality screening principle of ISO 14064. The inventory encompassed 13 applicable items from the 15 related categories. The other two items were not applied because they did not match the scope. In 2025, AUO completed the greenhouse gas inventory of its consolidated subsidiaries. Emissions from subsidiaries previously reported under the Scope 3 category "Investments" were reclassified and disclosed under Scope 1 and Scope 2 emissions. A total of 13 Scope 3 categories remained applicable, including purchased goods and services, fuel- and energy-related activities, waste generated in operations, upstream and downstream transportation and distribution, business travel, employee commuting, processing and use of sold products, and downstream leased assets. Total Scope 3 GHG emissions in 2025 amounted to 3.9314 million metric tons of CO₂e. The inventory results were independently verified by a third party.

Indirect greenhouse gas emissions related to the use of the organization's products (upstream)

Unit: tonnes				
Item	Applicability	2025	2024	2023
A. Purchased goods and services	Applicable	1,014,253.95	930,953.50	825,778.96
B. Fuel and energy-related activities	Applicable	359,848.04	412,408.24	447,726.93
C. Waste generated in operations	Applicable	8,196.26	22,201.30	1,687.10
D. Capital goods	Applicable	-	463,972.76	163,597.90
E. Upstream leased assets	Applicable	0	0	-
Total		1,382,298.25	1,829,535.80	1,438,790.89

- A. Purchased goods and services: In 2025, greenhouse gas emissions increased by 8.95% compared with 2024. The increase was primarily attributable to a significant rise in the procurement volume of process stripping agents and diluents, which led to higher associated greenhouse gas emissions. Data covers the GHG emissions of upstream manufacturers for direct materials purchased by AUO production sites for producing products. Only the upstream emissions of 11 items, namely glass, polarizers, liquid crystals, metal backplates, light guides, process dilution agents, developers, aluminum etchants, process strippers, photo-resists, and PFCs were calculated. Direct materials that didn't fall into the 11 categories mentioned above, as well as other indirect materials, capital goods, and other purchased products unrelated to production, were excluded.
- B. Fuel and energy-related activities: The scope of calculation was the upstream indirect emissions from fuel and energy used in the Scope 1 and 2 emissions of the AUO parent company.
- C. Waste generated in operations: Greenhouse gas emissions decreased by 63.08% in 2025 compared with 2024. The decrease was primarily attributable to a shorter overall transportation distance for waste disposal, resulting in lower associated greenhouse gas emissions. Data covers the GHG emissions from the removal and disposal of waste generated during the operating process of AUO production sites.
- D. Capital goods: As the calculation methodology for capital goods is currently under review and adjustment, greenhouse gas emissions for 2025 are not disclosed to ensure data comparability. Data covers assets issued an asset number during the inventory year. This item was included in the Scope 3 inventory in 2023. GHG emissions from the removal and disposal of domestic waste generated by AUO office activities were excluded; emissions from recycled items were handled in accordance with the GHG Protocol to avoid the double-counting of emissions.
- E. Upstream leased assets: AUO has operational control over all of its leased office spaces, so these were treated as Scope 1 and 2 for the sake of calculations. No emissions were, therefore, recorded for this item.

Indirect GHG Emissions Generated by Transportation

Unit: tonnes

Item	Applicability	2025	2024	2023
F. Upstream transportation and distribution emissions	Applicable	250,868.87	166,477.55	639,882.00
G. Downstream transportation and distribution emissions	Applicable	10,252.12	13,920.46	25,539.61
H. Business travel	Applicable	851.28	1,423.10	978.92
I. Employee commuting	Applicable	15,280.94	10,564.03	13,342.18
Total		277,253.21	192,385.15	679,742.71

Indirect greenhouse gas emissions related to the use of the organization's products (downstream)

Unit: tonnes

Item	Applicability	2025	2024	2023
J. Investments	Applicable	-	33,409.12	37,174.04
K. Processing of sold products	Applicable	38,281.76	40,810.70	-
L. Use of sold products	Applicable	2,124,956.38	2,422,521.74	2,742,763
M. End-of-life treatment of sold products	N/A	-	-	-
N. Downstream leased assets	Applicable	108,605.58	111,262.59	14,873.54
O. Franchises	N/A	-	-	-
Total		2,271,843.72	2,608,004.16	2,794,810.58

F. Upstream transportation & distribution emissions: Compared with 2024, greenhouse gas emissions increased by 50.69% in 2025, primarily due to a significant increase in the procurement volume of process stripping agents and diluents among direct materials, which led to higher upstream transportation and distribution emissions. Data covers the direct GHG emissions generated from the transportation of direct materials purchased for the production of products at AUO production sites from their suppliers' shipping locations to the Company's receiving locations, as well as between AUO sites and contractors. Emissions caused by the upstream transportation of indirect materials used in production, capital goods, and other items not related to the products are excluded.

G. Downstream transportation & distribution emissions: Data covers the GHG emissions generated by the transportation of products produced at AUO production sites from the production site (including contractor sites) to the location specified by the customer.

H. Business travel: The scope of calculation was the GHG emissions generated by the business-related travel of employees. Emissions are calculated based on the individual types of transportation claimed, including airplanes, high-speed rail, leased vehicles, private vehicles, and taxis.

I. Employee commuting: Data covers the GHG emissions generated by AUO employees commuting to work in Taiwan on work days and includes GHG emissions from shuttle buses between sites. GHG emissions from employee commutes overseas were excluded.

J. Investments: In 2025, AUO completed the greenhouse gas inventory of its consolidated subsidiaries. As a result, emissions from subsidiaries previously reported under the Scope 3 category "Investments" were reclassified and are now disclosed under Scope 1 and Scope 2 emissions. In 2024, Data covers subsidiaries 100% owned by the AUO Group, including BHTC, AUO Crystal, M.setek, AUO Display Plus, Talenda, Jector, Rse Vision, DenLab X, AUO Digital, ADT Tech, Aedgetech, AUO Envirotech, Dr. WTP, Space4M, AUO care, and DaJi Education.

K. Processing of sold products: Data covers the estimated emissions of products shipped by AUO production sites during the inventory year and processed by customers into terminal products.

L. Compared with 2024, greenhouse gas emissions decreased by 12.28% in 2025. The decrease was primarily attributable to a reduction in shipments of IT panel module products, resulting in lower associated greenhouse gas emissions. Use of sold products: Data covers the estimated emissions during the usage phase of IT panel module products shipped by AUO production sites during the inventory year.

M. End-of-life treatment of sold products: Not applicable as AUO is not the vendor for terminal products and does not have access to information on waste disposal for end consumers.

N. Downstream leased assets: Data covers emissions from the energy usage of downstream assets leased by AUO during the inventory year. Emissions from non-building leased assets were excluded.

O. Franchises: Not applicable as there are no franchises authorized by AUO.

SBT Reduction Targets and Progress

	Organizational carbon reduction	Product carbon reduction	Supply chain carbon reduction	Raw materials carbon reduction
Methods	Scope 1 and Scope 2 Absolute reduction targets set in accordance with the SBT WB2C scenario	Scope 3 - Lifecycle assessment of carbon emissions based on the PCR of each product type ^{Note} - Calculate carbon reduction from 100% of shipped products using the baseline year (2017) and the carbon emission intensity of products during the usage phase	Scope 3 - Set a target of a 25% carbon emissions reduction by 2030 - Periodically collect and track the carbon reduction status of suppliers through the SCM CSR Portal	Scope 3 - Reduce use of raw materials - Increase recycling of raw materials

SBT Reduction Progress

Scope 1 - Total emissions 75.7 thousand tonnes CO₂e (Increased by 12.35% compared with the previous year) - Direct emission reduction opportunities have largely been maximized, while production capacity increased by 0.23% compared with the previous year. Scope 2 - Total emissions 1,827.1 thousand tonnes CO₂e (Decreased by 12.89% compared with the previous year.) - Total Electricity Consumption: 4.129 billion kWh (Decreased by 5.52% compared with the previous year.) - Renewable Electricity Consumption: 586.97 GWh (Increased by 101.24% compared with the previous year) - Electricity Saving Rate: 4.73% (Increased by 0.21% compared with the previous year)	Scope 3: Absolute carbon reduction management Unit: 10,000 metric tons <table><tr><th>Item</th><th>2021 (base year)</th><th>2025</th><th>Reduction relative to Base Year (%)</th></tr><tr><td>Purchased Products and Services</td><td>115.14</td><td>101.43</td><td>11.91</td></tr><tr><td>Fuel and energy related</td><td>47.93</td><td>35.98</td><td>24.92</td></tr><tr><td>Use of sold products</td><td>313.17</td><td>212.50</td><td>32.15</td></tr><tr><td>Total Emission</td><td>476.24</td><td>349.91</td><td>26.53</td></tr></table>	Item	2021 (base year)	2025	Reduction relative to Base Year (%)	Purchased Products and Services	115.14	101.43	11.91	Fuel and energy related	47.93	35.98	24.92	Use of sold products	313.17	212.50	32.15	Total Emission	476.24	349.91	26.53
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Total Emission	476.24	349.91	26.53																		

Note 1: Product Category Rules

Note 2: The increase in Scope 1 greenhouse gas emissions in 2025 was mainly due to the competent authority's requirement, pursuant to the greenhouse gas inventory guidelines, to account for CF₄ generated as a by-product during NF₃ abatement in display manufacturing processes. This change resulted in a significant increase in reported carbon emissions.

○ Xiamen – Product Lifecycle Logistics Low-Carbon Project

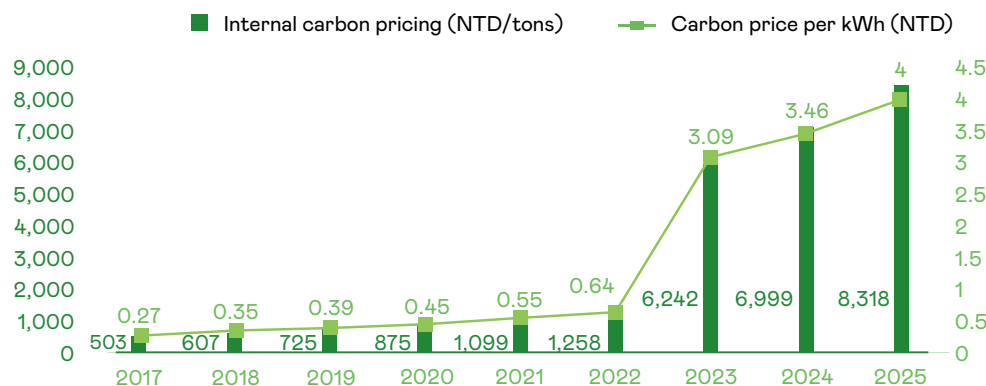
- The Xiamen Site implemented a low-carbon transformation for product lifecycle logistics through three directions: front-end process (Cell) inbound logistics, product module (EPP) outbound logistics, and product packaging carbon reduction.
- For front-end process inbound logistics, ongoing research into ways of shortening transportation distances, such as using local vessels at Xiamen Port for cross-strait transportation, reduced the need for high-carbon truck transportation and greatly reduced carbon emissions from transportation.
- For product module outbound logistics, product modules were exported back to Taiwan through container swapping using the containers from inbound materials. The reduction of container pick-ups and transportation distances saved both time and cost.
- For product packaging carbon reduction, the usage of plastic film, straps, and corner boards was reduced without compromising on packaging quality. Some packaging materials were also recycled.
- Systematic carbon reduction measures effectively reduced the carbon emission intensity of logistics and the supply chain while improving logistics efficiency.

Internal Carbon Pricing

Once the Paris Agreement took effect in 2016, an internal carbon pricing mechanism was introduced by AUO to convert the carbon costs derived from external climate control policies into internal company carbon prices.

To better align with the future decarbonization pathways of the company, AUO revised its internal carbon pricing methodology in 2023 by incorporating factors such as energy supply market costs and the impact of public sector policies to better reflect the costs of Scope 2 reductions. In 2025, AUO announced an internal carbon price of 8,318 NTD. The corresponding external carbon emission cost for each kWh of electricity was set as 4 NTD.

AUO applied this "shadow price" to green manufacturing and energy-efficiency investments, and for evaluating renewable energy procurement and energy-efficiency investment projects.. It also served as a reference by the Company for strategic and financial planning. This enables AUO to more accurately assess decarbonization costs along its net-zero pathway and prioritize low-carbon investments, while also promoting in carbon-reduction investments.



Carbon Neutrality Management and Actions

AUO has pledged to achieve carbon neutrality at its Taiwan office buildings by 2030. In 2024, the AUO Global Research Center (GRC) headquarters building became the first in Taiwan to pass carbon neutrality verification in its operating phase in accordance with the ISO 14068 carbon neutrality management standard. We will continue to practice carbon neutrality management at the GRC in the spirit of the standard and cancel a total of 1,481 metric tons of carbon offsets. In 2025, similar measures such as the replacement of energy-intensive equipment, the optimization of electricity use, and cultural literacy enhancements were rolled out in parallel for office buildings at other sites, including the Taichung Site, Houli Site, and Longtan Site. Systemic energy-efficiency measures such as upgrading to energy-saving lighting and motion-activated lighting in common areas, as well as energy optimization initiatives such as off-peak adjustments for elevators, the optimization of air-conditioning temperature settings, and precision temperature-control for plant data centers, saved a combined total of 906 MWh of electricity during the year, effectively reducing operational energy consumption; the PV system at the GRC supplied 140 MWh of self-generated electricity during 2025 as well.

In strict adherence to the carbon neutrality principle of "reduction before offset," a four-step process of "Inventory, Reduction, Energy Creation, Offset" was adopted to prepare the buildings for compliance with the ISO 14068 carbon neutrality standard.

To promote a friendly environment and sustainable consumption, net-zero parking spaces were designated on-site to encourage low-carbon modes of transportation; a "Traceability Restaurant" was also introduced at the Taichung Site's shopping arcade in 2024 and received 2 stars from the Superior Taste Award in 2025. In 2025, the Taichung arcade purchased more than 90,000 kg of local traceable rice products. Plastic reduction efforts were also strengthened. As of 2025, the GRC had reduced cumulative paper cup use by more than 520,000 and replaced disposable utensils with more than 6,000 stainless steel lunch boxes. Drinking straws are also no longer actively offered at beverage counters to encourage colleagues to practice plastic reduction and embrace a low-carbon lifestyle. Steady progress is now being made towards the goal of environmental co-prosperity and sustainability.

Carbon Fee Response, Management Strategy, and Practices

AUO is actively preparing for the impact of higher operational costs due to the introduction of carbon fees in Taiwan. In addition to the setting of SBT targets, voluntary emission reduction industry-specific goals were also set in accordance with Climate Change Administration guidelines. We are working actively to secure a preferential carbon fee rate of 50 NTD per tonne in order to reduce the impact of carbon fees.

AUO has been working to reduce our energy consumption and carbon emissions for more than twenty years. In the early years, fluorine-gas treatment facilities were set up to effectively reduce emissions of gases with high global warming potential (GWP) such as SF6 and NF3. Scope 1 emissions were successfully kept under 3% of total emissions. In recent years, we focused on improving energy efficiency and joined the RE100 initiative to promote the use of renewable energy.

The self-determined reduction plan devised and submitted by AUO uses the ISO 50001 energy management system as the basis for continuous improvements. The International Performance Measurement and Verification Protocol (IPMVP) is also used to verify energy-efficiency performance. At the same time, internal energy-efficiency projects were integrated through smart manufacturing transformation. The "Energy Efficiency 3030" targets were introduced to focus on the optimization of energy-intensive equipment and the development of energy-saving technologies. The gradual improvement of energy efficiency will satisfy existing carbon emission pathways and ensure the enforcement of the self-determined reduction plan.

The opto-electronics material and component manufacturing sector that AUO belongs to has been classified as an industry with a high carbon leakage risk based on the approved self-determined reduction plans and the "Review Principles for Identifying Carbon Fee Payers as High Carbon Leakage Risk Entities." The Company's overall carbon fee cost is therefore eligible for the stage 1 carbon emission adjustment factor of 0.2, further reducing the impact of carbon fees.

Carbon Credit Management Strategy

Carbon Credit Issuance and Management

The AUO "SF₆ Destruction, Removal, and Reduction Offset Project for the Longke and Huaya Sites" is continuing to manage and verify the project monitoring report. Verification for the second monitoring period (2022 – 2023) was conducted in 2025. As the monitoring period coincided with a challenging period during the pandemic, production activity was significantly lower than originally planned due to supply-and-demand constraints, personnel attendance, and other factors. For the second monitoring period, the total amount of carbon offsets submitted was 166,640 metric tons. This was 34.29% lower than the registered project plan. Total cumulative carbon offsets were, therefore, 393,200 metric tons. AUO invested in GHG reduction management before the "Greenhouse Gas Reduction and Management Act" was passed in accordance with the preliminary project and offset promotion principles. We are now continuing to obtain carbon offsets issued by the competent authority in Taiwan.

Carbon Credit Trading and Management

Now that Taiwan has entered the carbon pricing era, AUO is not only reducing the impact of carbon fees by enforcing our self-determined reduction plan but also engaging in carbon offset transaction management in accordance with the applicable laws to be eligible for the 10% deduction in carbon offsets for large entities. During 2025, the Company listed 25 metric tons of carbon offsets on the carbon exchange, which became the first ever domestic sale of carbon offsets by the Taiwanese tech industry. Additionally, AUO will seek out and purchase true, verifiable, and high-quality carbon offsets in the carbon market based on the Core Carbon Principles (CCPs) in the future.

Engagement on Carbon Management Policy

The Ministry of Environment (MoENV) in Taiwan is actively promoting the "Emissions Trading System (TW-ETS)" that will create a dual-track pricing system through total emission caps, quotas, and market transactions. The system will boost carbon reduction performance and strengthen integration with the global carbon market. AUO is a member of the Green Growth Alliance and offers recommendations to the MoENV on carbon schemes to build a strategic climate policy for low-carbon transformation and net zero.

3.2.2 Energy Efficiency Improvement

In 2025, the total global power consumption of AUO was 4.129 billion kWh, with process power consumption accounting for 3.895 billion kWh. Process-side initiatives are, therefore, critical to energy management and energy efficiency. The "Energy Efficiency Task Force" was set up in 2023 to accelerate the realization of RE100 targets and improve energy utilization. The "Energy Efficiency 3030 Project" was also initiated with a 30% reduction^{Note} in energy consumption by 2030 as its goal. Under Energy Efficiency 3030, the collaboration across manufacturing sites and cross-functional cooperation among departments, the initiative accelerates and scales up energy-saving achievements. In addition, AUO will continue to leverage the energy-efficiency technology and experience gained through Energy Efficiency 3030 to plan and develop green solutions that will create new business opportunities.

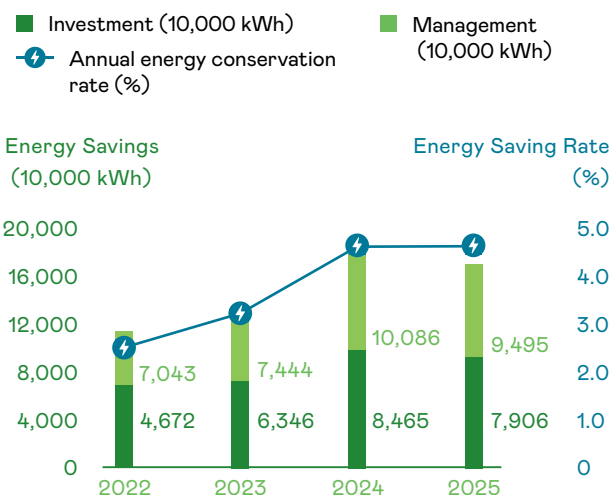
Note: Based on the Company's annual process-related power consumption in 2021.

Electricity Usage and Management

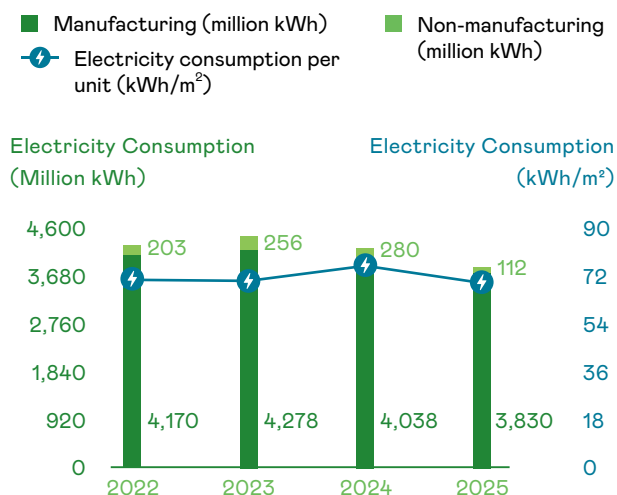
AUO has established an energy management framework for continuous improvement based on the ISO 50001 energy management system standard for the systematic promotion of energy-efficiency strategies, project management, and performance tracking. In response to external environmental changes such as the levying of carbon fees and higher electricity rates, the target energy-efficiency rates of sites are reviewed by AUO every year to promote energy-efficiency initiatives. In 2025, AUO employees suggested 1,097 energy saving solutions^{Note} with total electricity savings of 174.01 million kWh. The annual electricity savings rate of 4.73% represented a new record. 54.57% resulted from improvements in manufacturing operations and management practices at our sites while the remainder came from investment in equipment improvements. Total investments amounted to 630 million NTD.

Note: AUO encouraged colleagues to propose energy-efficiency plans through internal competitions and recognition. In terms of measurement and verification, up to 77.9% of data were estimates based on measured results with higher accuracy.

Annual Energy Savings



Process Electricity Consumption



Energy Efficiency 3030 Project

○ Blueprint and Strategy

Reducing energy consumption and optimizing power consumption during manufacturing are the primary strategies of the Energy Efficiency 3030 Project. Measures include: the replacement and upgrading of energy-intensive equipment, promoting the application of advanced energy-efficiency technologies, as well as ensuring the effective implementation of energy-efficiency measures through an integrated energy management system. The Project also strengthened inter-departmental cooperation and technological development to maximize energy efficiency and reduce carbon emissions without compromising on production capacity and quality.

AUO will continue to focus on the three key focus areas in the future and make a contribution to global carbon emission reductions by continuing to realize significant improvements in energy efficiency over the coming years.

Bringing together energy-efficiency experts at sites

- Operation of the Energy Efficiency Task Force
- Inventory and comb through energy-intensive equipment at sites to build an energy-efficiency map and implement energy-efficiency improvement proposals

Energy-efficient machinery and equipment

- Optimize the air exchange cycle count of blower filter units
- Optimize the supply pressure of the compressed air dryers
- Load-balancing of compressed air dryer processes

Focus on new energy-efficiency technologies

- Regular monitoring of project progress and the dynamic adjustment of energy-efficiency plans
- Horizontal roll-out of technologies to boost synergies from horizontal alliances

○ Methodology

The panel production line includes array, color filter (CF), cell, and module processes. The power sources for each process include both direct and indirect power usage. To optimize the efficiency of overall production electricity consumption, production electricity consumption was analyzed by AUO so that the electricity consumption strategy could be overhauled and optimized. Equipment with high, moderate, and low energy intensity was systematically identified and electricity consumption divided into 11 distinct categories that facilitate the promotion of energy-efficiency measures and future management.

Energy-efficiency measures targeted at 11 types of electricity consumption behavior:

- Compressed Dryer Air (CDA) reduction
- Pressure splitting for Compressed Dryer Air (CDA)
- Compressor upgrades and replacements
- High-efficiency chiller operations
- Facility Electricity Use – Fan Filter Unit (FFU)
- Spatial yellow LED lamps
- UV LED lamps of manufacturing equipment
- Oven Exhaust Heat Recovery
- Introduction of Process Cooling Water (PCW) for equipment-side chillers dedicated to supporting facility operations
- Introduction and application of inverters
- Introduction and application of other energy-efficiency equipment and technologies

A digitized energy-efficiency management platform was developed by AUO to assist with site operations and management. The platform was used to set up, review the budget, and track all related energy-efficiency modification projects. Continuous improvement was also practiced using the PDCA management cycle. To ensure the effectiveness of energy-efficiency efforts, the transparency and reliability of the outcomes were assured using the International Performance Measurement and Verification Protocol (IPMVP) along with ongoing monitoring and verification.

○ Education and Training

Systemic education and training are promoted by AUO to enhance the energy-efficiency awareness and practical skills of all personnel. The courses were organized into three levels – Science Education, Basic, and Advanced – to meet the learning needs of personnel with different knowledge backgrounds.

The Awareness Course emphasized the introduction of net-zero concepts; the Basic Course went a step further by teaching basic electricity consumption and energy-efficiency techniques through IPMVP-based content that teaches colleagues about building the right energy-efficiency mindset; the Advanced Course consists of two stages: theoretical learning and practical application. An in-depth explanation of technical principles, the sharing of case studies, and the discussion of pain points are used to guide colleagues on how to implement energy-efficiency measures on the floor. A total of 759 energy-efficiency specialists were trained between 2023 and 2025.

GP Proposal Competition

The Green Production (GP) proposal competition encourages teams at each AUO site to submit optimization proposals in three areas: energy efficiency, water stewardship, and circularity. Employees from each site are invited to rate each other's proposals to promote the exchange of innovative thinking. Winning proposals are picked by the heads of Manufacturing units and publicly recognized during the annual conference. The competition has received 310 proposals since 2019. A total of 18 sites took part in 2025. Each site picked at least 3 representatives for the three aspects mentioned above and submitted a total of 52 proposals to the annual competition.

2025 Energy-Efficiency Case Highlights

Equipment Modifications

AUO is continuing to push energy-efficiency modifications to equipment. Process efficiency is being optimized through the replacement of energy-intensive equipment and better heat management. Measures included replacing conventional compressor cooling with Process Cooling Water (PCW), installing thermal sleeves to reduce thermal dissipation from chemical vapor deposition (CVD) equipment, replacing energy-intensive mercury lamps with UV LEDs, and using pure cooling water instead of process chillers for temperature control during dry etching. Such equipment modifications reduced energy consumption while delivering material energy-efficiency improvements on the equipment side, such as better equipment life, process stability, and lower maintenance costs.

Temperature Control for Exposure Equipment

The Houli Site conducted an energy consumption inventory for the precision temperature control system (constant temperature blower) of the Color Filter (CF) exposure machine. Other than the lighting sources, electricity consumption was due to keeping the machinery at a constant temperature through fans, compressors, and heaters to maintain exposure precision. AUO applied the chiller modification from the Reactive Ion Etcher (RIE) by replacing the original compressor with a PCW and a heat exchanger. Energy consumption for temperature control was reduced by around 46.94%.

Thermal Sleeve for the High-Temperature Deposition Process

The Longtan Site carried out energy consumption improvements to the high-temperature reaction equipment in the CVD process. The heater system was the main source of energy consumption. Heat dissipated by the machine also added to the thermal burden of the clean room. By installing thermal sleeves to lower heat loss, AUO was able to reduce the heating frequency and energy consumption. The thermal insulation design was also continuously improved through industry-academia collaboration to raise thermal resistance.

Energy-Efficiency Optimization System for Chillers

Award-winning Case from the Proposal Competition

Dry etchers require precise temperature control during panel production to reduce process anomalies. The cooling system accounts for 38% of overall electricity consumption. The conventional approach is to use the machine's attached compressor and apply refrigerated AC principles for temperature reduction and control, an energy-intensive method that also increases carbon emissions. The modified solution developed by AUO replaced the compressor with the Process Cooling Water (PCW) system, and pure water coolant instead of conventional chillers. Temperature control became so efficient and precise that energy-intensive equipment such as the compressor and heater could be turned off completely. System energy-efficiency improved by 79% after the modification, translating to annual electricity savings of approximately 1 GWh per unit. A modular design for the entire system will also accelerate its roll-out across all sites to disseminate the energy-efficiency gains.

Replacing Mercury Lamps with UV LEDs

Award-winning Case from the Proposal Competition

UV lamps must be used as part of the curing process for frame adhesives during the panel production process. Conventional mercury lamps consume large amounts of energy, and a cooling system is needed to cool the waste heat. If a mercury lamp breaks during use, it may also lead to mercury pollution. A service life of just a few thousand hours means higher indirect operating and maintenance costs too.

LED technology has matured in recent years. AUO worked with outside partners to introduce high-efficiency UV LED modules and replace the conventional mercury lamps in the existing equipment. The modification reduced power consumption by more than 1 million kWh annually, the equivalent of an 87% improvement in energy efficiency. The service life of the new lamps is also around five times longer. Electricity consumption was therefore effectively reduced along with lamp maintenance costs.



Energy-Efficiency Improvement of the Compressor System

The Xiamen Site launched a compressor system energy-efficiency improvement project based on the Energy Management Contract (EMC) model. Under the project, equipment purchasing costs were effectively reduced by having a third-party service provider take responsibility for equipment investment and subsequent maintenance. The model balances energy-efficiency gains with investment risk.

The latest modifications included the replacement of conventional compressors with two large variable-frequency screw compressors and a smart control system. The new system can automatically regulate the air supply based on actual demand. System pressure fluctuations are kept within a nominal range to provide a stable air supply. Field testing showed that the modification will save approximately 3.97 GWh of electricity a year. An energy monitoring platform was also set up as part of the project to collect real-time data on compressor operations to optimize equipment energy efficiency even further.



○ Smart Applications

AUO has introduced AI and smart control technology to improve process energy efficiency. The yellow light exposure process uses a Programmable Logic Controller (PLC) to improve operating efficiency; AI self-adapting frequency control technology was introduced for the general exhaust system to dynamically balance the loads of multiple exhaust fans through power and frequency prediction models. Overall energy efficiency was improved through greater concentration of system power. The introduction of AI technology means smarter processes that will facilitate continued improvements in energy utilization.

Energy-Efficiency PLC Controls

AUO installed PLC controls to improve the energy efficiency of different equipment. The Taichung Site set up precision temperature control for yellow light exposure machines by integrating heat exchange modules with PLC-controlled electric heaters. Energy consumption was effectively reduced by approximately 50 MWh a year per machine. The Kunshan Site upgraded the Dry Etcher by adding a standby mode through a custom PLC program. The equipment automatically enters standby mode and changes the fan speed when not in production mode to save more than 40 MWh a year.

Load Optimization for the Exhaust System

The general exhaust system consists of multiple wind turbines operating in parallel. Differences in location, efficiency, and wear result in individual power differences even if all units are running at the same frequency, however. AI self-adaptive frequency control technology was introduced at the site. A "frequency-power consumption" prediction model was constructed and combined with machine learning algorithms to dynamically optimize the frequency of each wind turbine. Equipment power consumption could then be centralized and the load balanced. After the improvement, the general exhaust system's energy efficiency was improved by 3.1%. The technique can be applied to other connected equipment to amplify its benefits.

Smart Cluster Management

A central smart control system was introduced at the Xiamen Site. Real-time monitoring, smart dispatching, and load-balancing functions were integrated to maintain a stable vacuum level. Annual energy savings are estimated to be around 370 MWh. At the same time, the energy efficiency monitoring system also gathers a range of critical operating data that is used for continuous improvements to the control strategy. The Suzhou Site set up a compressor energy-efficiency analysis system using smart meters and gas meters. The ESP360 compressor cluster system was also introduced to effectively regulate compressor operations and reduce pressure fluctuations. The introduction of centrifugal compressors in 2025 is expected to reduce specific energy consumption by 25%.

○ Total Process Integration

AUO implemented total process energy-efficiency improvements to the Compression Dryer Air (CDA) system. Inter-nodal integration strategies, such as equipment modifications and smart systems, were employed to strengthen the continuity and integrity of energy management.

Total Process Smart Energy-Efficiency Improvement for CDA

Award-winning Case from the Proposal Competition

The CDA accounted for one-third of the site's overall electricity consumption, with the cleaning machine being the main user. An inventory of CDA energy-efficiency planning was undertaken based on process requirements. Improvement measures were simultaneously implemented, including process optimization, usage reduction, source pressure reduction, and source equipment modification. The CDA cluster control system was integrated and introduced by AUO. The compressor head was also modified to work with higher-efficiency compressors. Wind knives were also shut down via software when not in use.

3.2.3 Use of Renewable Energy

■ Overview of Renewable Energy Use

As part of the process for realizing RE100 targets, AUO followed RE100's recommendations by prioritizing self-generation and self-use for meeting organizational needs, followed by the signing of Corporate Renewable Power Purchase Agreements (CPPA) to expand the scale of use. During 2025, Taiwan Sites contracted for 232 MW of installed capacity, mainly through CPPA contracts on solar power, and used 305.44 million kWh of electricity for the year. China Sites purchased approximately 216.60 million kWh of direct green energy for the year. Additionally, self-generated green electricity from rooftop PV at each site amounted to 64.93 million kWh. Based on the above measures, AUO consumed a total of 586.97 million kWh of green electricity during the year resulting in a renewable energy (RE) ratio of 14.2%.

To meet the target of 30% renewable energy by 2030 and realize the self-determined reduction targets, AUO is also actively negotiating CPPAs for offshore wind power. Power purchase agreements are expected to be signed in 2026 and accelerate our low-carbon transition.

Unit: 10 MWh

AUO RE 14.2%			
China Sites RE 43.80%			Taiwan Sites RE 8.70%
Suzhou Site	Kunshan Site	Xiamen Site	Taiwan
Self-consumption: 1,070	Self-consumption: 2,610	Self-consumption: 2,843	Self-consumption: 19
Direct supply of green electricity: 3,629	Direct supply of green electricity: 16,425	Direct supply of green electricity: 1,606	Direct supply of green electricity: 30,435
Renewable Energy Certificate: 0	Renewable Energy Certificate: 0	Renewable Energy Certificate: 0	Renewable Energy Certificate (Unbundled REC)
Site RE 36.47%	Site RE 47.04	Site RE 40.43%	Site RE 8.70%

■ Green Electricity Management Platform

AUO has so far signed 30 active CPPAs. The contracts involve multilateral transactions and green electricity wheeling arrangements at each site, increasing the complexity of overall management. The Green Electricity Management Platform was set up by AUO to facilitate effective management. In addition to the strict monitoring of contract fulfillment conditions, the platform also introduced a routine contract management mechanism for more timely energy management. In terms of function design, the platform supports the real-time monitoring of renewable energy generation, the automated uploading of Taipower wheeling lists and invoices, and the generation of invoices and internal processing. The automated renewable energy data importation and certificate calculation functions provide the administrator with a real-time picture of the green electricity supply-and-demand situation.

■ Link Between Renewable Energy Use and Decarbonization Transformation

AUO has been invested in carbon reduction management for more than twenty years. Scope 1 emissions have been reduced to no more than 3% of total emissions in recent years despite the difficulty involved. A two-pronged approach has been taken for Scope 2 emissions. Improvement of energy efficiency is prioritized and complemented by the introduction of green electricity. Aggressive absolute electricity reduction targets were set, and residual electricity demand was satisfied through green electricity. To meet customer expectations on low-carbon products, AUO products are now bundled with a certain proportion of RECs as necessary. Green electricity, therefore, serves not only as an important tool for energy transformation but also increasingly as an element in improving product competitiveness.

■ Assessing the Potential Impact of the Renewable Energy Transformation

The Company assessed that the introduction of the energy transformation with green electricity will have a material impact on the environment, economy, and society. In the environmental aspect, GHG emissions will be reduced. However, Taiwan's high population density means the impact of green electricity on land development and biodiversity still requires careful assessment. In the economic aspect, Taiwan's sites may come under business pressure due to higher electricity prices during the energy transformation period. In the long term, however, this will improve the stability of the energy supply and competitiveness. In the social aspect, the promotion of the energy transformation may lead to structural changes in industry talent. The Company must redraw management processes based on green electricity supply and demand. Fairness and inclusiveness must be accounted for during the transformation process to maximize the overall benefits while reducing the potential negative impacts on stakeholders.

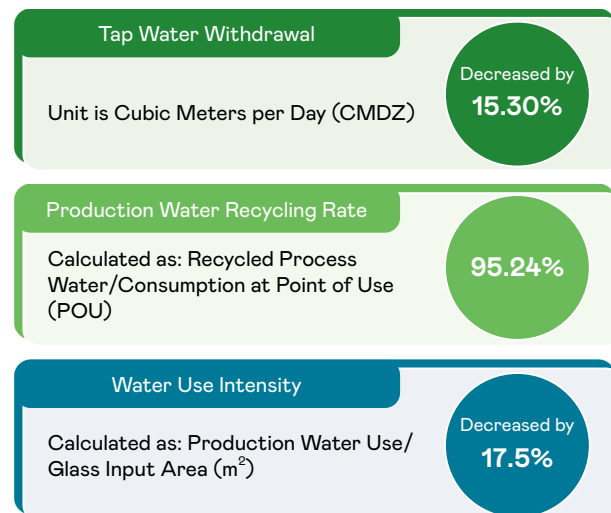
3.3 Water Resources

AUO has always embraced a practical approach with continuous improvement in water management. Targets set by the Green Manufacturing team are combined with digital tools to upgrade performance per unit of water. A comprehensive water resource risk management mechanism is also used to ensure water security. In keeping with the spirit of treasuring natural resources, AUO strives to reduce its reliance on natural water resources and increase process water recycling rates to maximize the efficient use of water resources.

3.3.1 Water Usage Overview

In 2025, total freshwater water withdrawal amounted to 46,284 cubic meters per day (CMD). AUO strives to reduce water consumption and engage in reuse. Potential improvements are inventoried and new measures introduced every year. AUO is reducing the potential operational impacts of water shortages through the three strategies of "Reduction, Reclamation, and Conserve".

Three Key Management Indicators



Water Reduction

AUO drew on our many years of experience in smart manufacturing to integrate Artificial Intelligence of Things (AIoT) technology into the water withdrawal systems of our production processes and site facilities. The automation and optimization of equipment serves to improve the process water recycling rate.

Water Reclamation

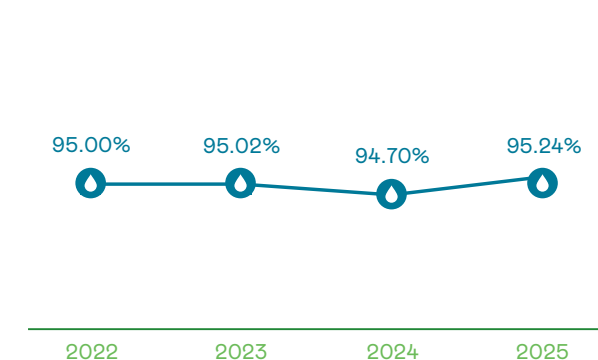
Water supply from the Taichung City Shuinan Reclaimed Water Plant commenced in November 2024. Water withdrawal from natural resources at Taichung Site was reduced by 3.2 million cubic meters, mitigating the depletion of water resources and ensuring the stability of the domestic water supply.

Water Conservation in the Value chain

To increase value chain awareness on water conservation and their ability to adapt to risk, AUO began recruiting suppliers to join us in promoting water conservation measures in 2016. AUO is more than happy to share our resources with suppliers that respond to the water conservative initiative. These included sharing practical experience on water resource management through supplier inclusive growth courses, organizing internal experts to provide on-site counseling at supplier sites, assisting with testing for water efficiency gaps, and offering of improvement advice. Since 2018, 25,290 CMD in tap water savings have been achieved.

Process Water Recovery Rate

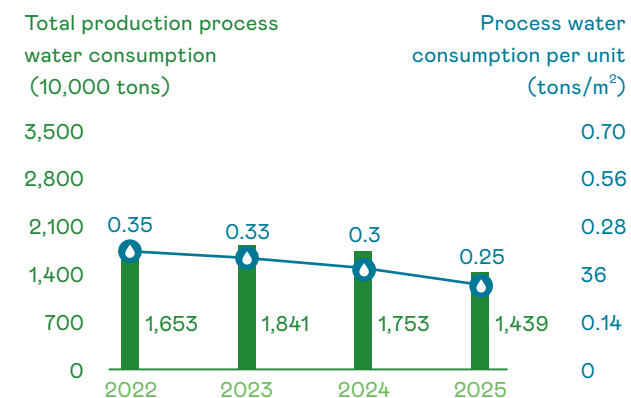
Process Water Recovery Rate



Total Production Process Water Consumption

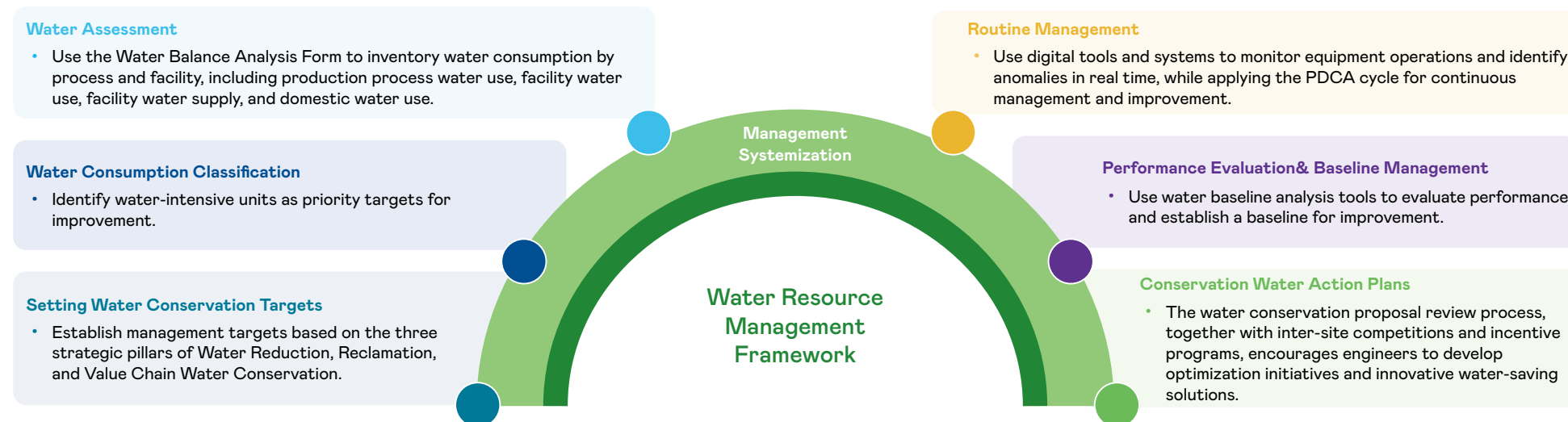
Total production process water consumption (10,000 tons)

Process water consumption per unit (tons/m²)



3.3.2 Water Resources Management

A water management center platform was set up by AUO in accordance with the ISO 46001 efficiency management systems standard to implement the setting of water conservation targets, classification of significant water usage, water use review, routine management, performance management, water conservation action plans and other management measures.



Water Use Safety Net

The "Point-of-Use Water Use Safety Net (POU)" was developed by AUO in 2020 with the pilot system installed at Taichung Site 3. POU can automatically collect external water supply data and monitor all water use nodes on site including the level of water tanks and groundwater levels to ensure the stability of the water supply. When combined with the reporting of water consumption data from machines, the GP team can establish the actual effectiveness of individual water-saving improvements and make further improvements to equipment variance. 100% of water withdrawals at Taiwan sites are now monitored via POU.

Implementation and roll-out of ISO 46001

AUO is continuing to monitor international standards in order to actively introduce new management systems and establish management systems that are practical and rigorous. The ISO 46001 water efficiency management system was introduced for the first time at Taichung Site 3 by AUO in 2019 and we became the first enterprise in Taiwan to obtain ISO 46001 certification. All Taiwan sites were covered by the management system in 2024.

In keeping with the spirit of ISO 46001, AUO continued to enhance internal awareness on the importance of water management and application tools. Education and training was carried out for key personnel at each site along with the development and optimization of the trans-site hydrological center smart management platform. On the whole, the PDCA management cycle employed by AUO includes establishment of water performance targets, action plans, monitoring and analysis, periodic, and governance mechanism. These are complemented by reduction, substitution, and reuse strategies as well as AI smart applications to achieve optimal water resource management.

To enhance water management and raise employee awareness on the importance of water resources, AUO also trained 204 ISO 46001 champions in 2024 to support the promotion of water-saving activities at each site. Water conservation proposal competitions were also held. Education and training conducted through the AUO University system used quality cases as examples for learning and exchange by more than 3,000 colleagues.

3.3.3 Water Management Improvement Initiatives

Water Risk Adaptation

Water is an indispensable element during panel production. AUO used the TNFD disclosure framework and the Locate, Evaluate, Assess, Prepare (LEAP) assessment method with the (Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) assessment tool 3 to confirm the dependencies of the value chain and its impact hotspot assessment. Data analysis was conducted with the WRI Aqueduct water risk framework, the WWF Water Risk Filter, and the National Climate Change Science Report. Assessment. The assessment covered AUO operations (100% of manufacturing sites) as well as the activities and interactions of upstream suppliers and downstream customers in the value chain. Water risks and opportunities were identified and the assessment outcomes incorporated into the annual risk identification process for tracking and management

For AUO operations, the WWF and WRI Aqueduct data were combined with Taiwan's National Climate Change Science Report. The assessment primarily relied on localized analysis based on the RCP 8.5 scenario and prioritized high-risk categories identified in the database.. Water resilience (including assessment of dependence on water resources, volume of industrial water tanks, and factory output) of the factory was also taken into account in order to assess all the physical, policy, market, reputation, responsibility risks and opportunities, as well as the water dependence and its effects of the Company's main operating locations and at the sector-level.

External Assessment

International Water Risk Database



WRI Aqueduct Water Risk Atlas
(2030 projected water stress risk based on the current scenario)

Internal Assessment

Site Facilities and Operating Conditions

- Physical Flood Risk at the Site
- Factory production capacity and water consumption
- Industrial Water Storage Capacity
- Water Efficiency Indicators
- Upstream/downstream location of water supply network

Recycling of Cleaning Wastewater

In the back-end process of the Xiamen site, the edge grinding and cleaning machines all used raw water supplied by facilities, resulting in excessive pure water usage. Seven cleaning machines were, therefore, modified to improve water recycling efficiency. Modifications included: the addition of recycled water tanks, the adjustment of drain lines, the addition of filter cores, pumps, leak detection devices, and PLCs so that wastewater from the cleaning machines could be reclaimed for use by the edge grinding machines. The improvement reduced water consumption by 79,000 metric tons a year.

Reuse of Reclaimed Water in Cooling Towers

An anti-fouling Reverse Osmosis (RO) treatment system was installed by the Xiamen Site to recycle graywater from the wastewater treatment system for use in the cooling tower's circulatory system and reduce the amount of tap water usage by the same amount. The system employs a three-stage treatment process: first, suspended matter is removed through multi-media filtration; organics are then captured with activated carbon; finally, deep treatment with anti-fouling RO ensures that the quality of the reclaimed water satisfies the threshold for cooling tower use. The improvement means 46,000 metric tons of water can be recycled every year. An in-line water quality monitoring system was set up at the site as well to monitor key water quality indicators such as pH value and conductivity in real-time to ensure the stability and reliability of the system.

Optimization of Recirculated Water Flow in the Stripping Machine

The photoresist stripping machine is one of the more water-intensive parts of the front-end process. It is used to remove residual photoresist materials left on the glass surface after the exposure process. Once the photoresist is stripped after spraying and soaking in chemical agents (stripper), the glass surface must be flushed with large amounts of water to prevent photoresist and chemical residue that may impact product quality. The Kunshan Site analyzed the water requirements for cleaning each stage of the process. The return water volume was then fine-tuned based on the analysis to reduce the amount of direct pure water needed for replenishment and save water. There are currently six stripping machines. Based on a general equipment efficiency of 80%, the project will save approximately 73,000 metric tons of water per year once introduced.

Taichung Site 3 - Concentrated Water Recycling

AUO is actively promoting innovative technologies that improve wastewater treatment performance and the sustainable use of water resources. Through exquisite adjustments to the return flow ratio for concentrated water in the RO system, AUO can now recycle the concentrated water and maximize resource utilization. Repeating the RO treatment of the concentrated water not only recovers precious water resources but also boosts the overall recycling rate. The recycling rate was successfully improved through the optimization measures, which reduced wastewater discharge by 45,200 metric tons in 2025.

3.4 Circular Economy and Clean Production

3.4.1 Circular Economy Management

■ Strategy and Organizational Functions

AUO established a Circular Economy Working Group led by the Chief Technology Officer (CTO) to connect inter-unit initiatives on R&D, the supply chain, manufacturing, environmental safety, and sustainability. At the strategic level, AUO defined sustainable products, green manufacturing, and the green supply chain as the three main directions. Comprehensive metrics were also established to track the use of circular materials in products, reduce resource consumption, increase the recycling rate of materials, and reduce process waste. Circularity action was also promoted to partners to drive development projects on circular process materials, packaging recycling, and recycled material technology. This was aimed at implementing the AUO philosophy of creating shared value with the environment and working with value chain partners to incubate more green business opportunities.

The medium- and long-term target set by AUO was a "135% growth in the circular economy by 2025 with 2017 as the base year." Actual growth in financial performance in 2025 was 736%, far outstripping the target. In terms of products, the extensive use of recycled materials in all types of display products made a significant contribution to revenue. When the recovery of process materials waste reduction technology on the manufacturing side, as well as green logistics and the reuse packaging materials in the supply chain generated 35.94 billion NTD in financial benefits in 2025.

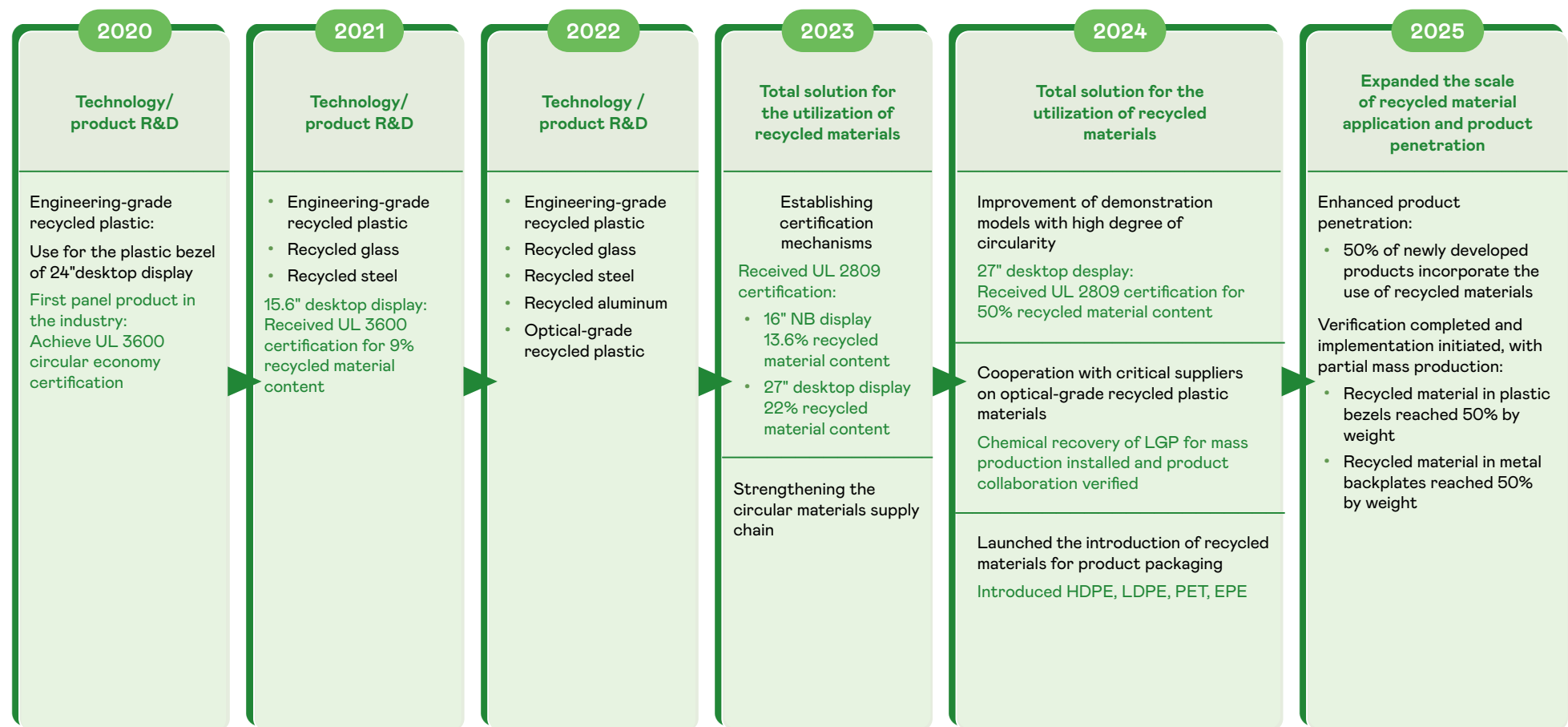
Green products	Green Manufacturing	Green Supply Chain
Display products are continuing to use recycled plastics, glass and metals. Product penetration and recycled content are being increased as well. More than 227 new project models were introduced in 2025 to generate 30.533 billion NTD in revenue for the year.	The outcomes from ongoing initiatives on circular reuse of manufacturing materials, the recycling of developer and stripper fluids, sludge reduction, water recycling and reduction, and waste reduction during 2025 translated to 4.52 billion NTD.	AUO continued to promote the recycling of packaging at customers and suppliers. In 2025, cumulative savings from recycling that avoided repeated purchasing of new packaging materials amounted to 883 million NTD.
2025 Highlights		
- Penetration of products with recycled materials exceeded 50% - The ratio of customer plastic packaging materials that used or contained recycled materials exceeded 18%	Development of phosphoric acid reduction technology for wastewater: AUO collaborated with National Yang Ming Chiao Tung University to reuse concentrated phosphoric acid from low-concentration aluminum etching wastewater.  For more information on Green Manufacturing, please refer to the sections 3.4.2 Wastewater and Pollution Management, 3.4.3 Air Pollution Management, and 3.4.4 Reuse of Waste in this Report.	- To establish a circular economy supply chain, all 85 circular economy related suppliers to AUO sites have now obtained third-party recycled materials certification. - Recycling rate of supplier packaging approached 99%  For more information on the Green Supply Chain, please refer to section 2.3.3 Low-carbon Supply Chain in this Report.

Increasing Circular Products Adoption

AUO is continuing to promote circular products in response to issues such as resource shortages, the environmental threat posed by waste, and the trend towards low-carbon products. A new target, "100% of newly developed products to contain recycled materials by 2030," was, therefore, set in 2025. New products will be designed to use recycled circular materials as much as possible with the feasibility of product circularity constantly assessed as well.

In 2020, AUO led the industry by working with suppliers to develop and introduced recycled engineering plastics in desktop displays. In recent years, we continued to work on the use of other recycled materials including metal, plastic, and glass. These are now widely used in desktop, notebook, public, and automotive display products. More than 278 newly developed projects contained a certain amount of recycled materials in 2025, such as plastic, metal, and glass. We will continue to expand the impact of sustainable products. AUO is also looking beyond the actual products themselves by setting targets on reuse and recycled materials for their packaging materials.

Recycled Material Product Development Journey



3.4.2 Wastewater and Pollution Management

AUO is actively promoting a smart wastewater and pollution management strategy through the introduction of smart management and control technologies, including the precision collection and analysis of water resource data, and the tracking of water-quality changes and treatment efficacy in real-time through a smart monitoring platform. By optimizing the circular use of water resources, reducing the amount of process wastewater generated, and improving the energy efficiency and stability of wastewater treatment, our environmental impact on water bodies neighboring our operating sites can be reduced.

At the management level, AUO practices precision management and the continuous improvement of process wastewater through internal requirements that exceed statutory standards. An automated continuous monitoring system closely monitors every treatment stage to ensure the compliance and stability of the operating process. AUO also regularly commissions third-party professional bodies to carry out testing of wastewater discharge quality and pollutants to verify our continued compliance with laws and international environmental standards on wastewater discharge.

Wastewater Management Improvement Case

Taichung/Houli Site – Improvement of Total Wastewater Phosphorus Concentration

AUO's Taichung and Houli sites regularly monitor the total phosphorus concentration. Advanced technologies and resource circulation solutions are employed to strengthen discharge control and resource reuse. By optimizing the aluminum etching process and doubling the number of squeegee rollers, the evenness and cleaning efficiency of glass substrates were improved. Phosphoric acid recovery was also improved, effectively reducing the total phosphorus concentration in the wastewater and protecting our precious water resources. In addition, AUO has taken the lead by progressively replacing the aluminum process with a highly-conductive copper process. Advanced copper etching technology is used to ensure etchant containing phosphoric acid is eliminated during the production process, greatly reducing the phosphorus content of wastewater. In 2025, the total amount of phosphorus in wastewater discharged by the Taichung and Houli sites was reduced by 113 metric tons, the equivalent of a reduction of 9.05%.

Taichung Site 3 - Condensate Recovery

AUO is actively using innovative process modifications and resource reuse strategies to improve the environmental performance of wastewater management. At Taichung Site 3, condensate discharge from compressors that was discharged directly was found, after ongoing monitoring and assessment, to have recovery potential. Condensate was, therefore, diverted and treated using RO equipment in the wastewater recycling system. Related impurities were successfully removed to produce reclaimed water suitable for cooling towers (conductivity $\leq 200 \mu\text{s/cm}$). Forty metric tons of wastewater is now reclaimed daily, and wastewater discharge in 2025 was reduced by 14,600 metric tons.

3.4.3 Air Pollution Management

Air pollution prevention and management measures are promoted by AUO. For prevention, process emissions are separated and scrubbed based on their composition and nature using the most advanced technology available to improve treatment efficiency and effectively reduce our environmental impact. Big data analytics technology is used to ensure the stable operation of the system by optimizing the emissions recovery and control equipment. Internal and external air quality monitoring are also regularly conducted to keep track of the equipment's operating condition and ensure that emissions comply with both international air quality standards and regulatory requirements. At the management level, strict emission targets for Volatile Organic Compounds (VOCs) were set by the Company. A Continuous Emissions Monitoring System (VOCs CEMS) was introduced to track the relevant data in real-time, and control measures were adjusted at speed to effectively reduce VOC emissions. AUO efforts to build a clean air environment through technological innovation and strict management reflects its corporate commitment to social responsibility and sustainability.

Unit: metric tons

VOCs Management Objectives	Year	2025 Target	2025 Implementation Outcome		2026 Target	2027 Target	2028 Target
Reduce emissions by 1% per year based on the 2020 emission targets (145 metric tons)	Total VOC	<140.65	128.28	✔ Achieved	<139.20	<137.75	<136.30

Air Pollution Management Improvement Case

Optimization of Process Exhaust Management

For process exhaust management, AUO added specialized absorbents to the local scrubber to effectively capture acidic gases and alleviate the air quality impact of process exhaust.

In response to REACH restrictions on Nickel monoxide, a rigorous assessment process and extensive testing were conducted by AUO in the interests of employee health and environmental safety to identify a safe and eco-friendly alternative. A new type of absorbent was successfully introduced in 2025. Repeated testing was performed to confirm its compliance with regulatory requirements and effectiveness in reducing harmful emissions.

VOCs Source Reduction Campaign

To reduce the emission of VOCs, the Suzhou Site launched a campaign targeting process sources, including: adjusting the cleaning frequency for the lint-free cloth washing machine, eliminating the use of pre-soaked wipes during machine maintenance, and switching from alcohol soaking containers to push-down alcohol pump bottles. Reducing the usage of chemicals containing VOCs in the production process helped to reduce VOC emissions.

3.4.4 Waste Recycling and Reuse

AUO has continued to embrace the philosophy of waste recycling and the circular economy. The three principles of "Reduce," "Reuse," and "Recycle" are implemented across the board to reduce waste at the source. Maximizing resource reuse is now prioritized to progressively transform waste into resources, and ultimately, avoid unnecessary incineration and landfill.

AUO complies strictly with the laws on waste clean-up, recovery, and disposal. An internal management scheme has also been drawn up to establish a total waste management system. An environmental impact assessment is carried out by AUO every year in accordance with the "Environmental Consideration Identification Process." Explicit performance indicators such as "Total Generation of Non-recycled Waste" and "Generation of Non-recycled Hazardous Waste" have also been defined. Monthly tracking and analysis enable dynamic adjustment of improvement strategies to control the amount of waste and reduce environmental risks.

At the same time, AUO enforces the total process management concept on waste by integrating every part of the on-site process, including planning, output, the temporary storage stage, transportation, and removal to improve management performance and transparency. Waste contractor sites are audited every year, with extra supervision of high-risk partners to ensure that their emissions, removal, and response processes all comply fully with the rules, reducing the risk of illegal or inappropriate disposal.

In terms of clean production, AUO has successfully obtained UL 2799 zero waste to landfill certification at the Suzhou and Houli Sites. The platinum- and gold-grade certifications highlight the outstanding performance of AUO on waste landfill and circular reuse. At the same time, AUO is continuing to reduce the amount of dust from burying waste in the ground. This dust is now reused, and the total amount removed to date has reached 530.51 metric tons.

Outside of the three principles, AUO took on the "Rethink" philosophy by emphasizing improvements to the environmental awareness and professional ability of employees and partners. In 2025, a total of 42 waste sorting, plastic reduction strategy, and management guidance courses were held. The training targeted AUO employees and contractors. Content included how to sort waste and reduce plastics. We hope these will improve their professionalism and executive skills.

Unit: metric tons

Management Objectives of our personnel, and effectively reduce mistaken categories and fly tipping.	2025 Target	2025 Implementation Outcome	2026 Target	2027 Target	2028 Target
Annual Generation of Non-recycled Total Waste	<8,500	6,239.84 ✓ Passed	<8,300	<8,100	<7,900
Annual Generation of Non-recycled Hazardous Waste	<3,300	2,519.77 ✓ Passed	<3,200	<3,150	<3,100

Note 1: Figures are aggregated using full precision and then rounded to two decimal places.

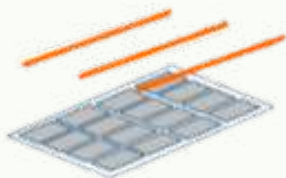
Note 2: AUO's major hazardous waste streams include waste etchants generated from etching processes, waste photoresist generated from Array and Cell processes, and mixed waste solvents generated from various manufacturing processes. Waste etchants and waste photoresist are recycled and reused by qualified contractors, while mixed waste solvents are disposed of through licensed incineration facilities.

Waste Management Improvement Case

Replacing Mercury Lamps with LED Light Source

Thin-film LCDs have a UV curing stage for frame adhesives in their segmented production line. If a conventional mercury lamp is used, it must be kept on at all times. In addition to being power-hungry and having a short service life, the lamp's mercury content means it may lead to environmental pollution and waste disposal challenges. To improve energy efficiency and reduce environmental impact, the Taichung Site replaced all mercury lamps with UV LED lights in its cell process. In 2025, mercury lamp usage on the Taichung Site 2 production line decreased by around 9%, while the Taichung Site 3's production line reduction was about 33%. In addition to improving light source efficiency, this initiative also successfully reduced the generation of hazardous waste (Type C).

Before Improvement: UV Mercury Lamp



Mercury Content: Requires disposal as special waste.

After Improvement: UV LED (self-developed)



Mercury Content: Requires disposal as special waste)

Zero Waste to Landfill Certification for Suzhou and Houli

In 2025, the Suzhou Site obtained UL 2799 Platinum certification to become the first AUO industrial site to obtain the top rating. The UL 2799 international certification was issued by UL Solutions, an international certification body. A requirement for 100% waste conversion makes it one of the most rigorous zero waste to landfill assessments in the world. Plastic reduction was made the focus of plastic-neutrality efforts by the Suzhou Site. Source sorting is implemented on the production side, while the site also established a standardized plastic sorting process, reduced the consumption of plastic consumables, and introduced recycled plastic materials. AUO also partnered with suppliers to improve packaging materials and promote their recycling.

The Houli Site won the "UL 2799 Zero Landfill Gold Grade Certificate" for the second consecutive year, and continued to implement the goal of "Minimizing waste output, maximizing resource recycling." In 2025, the Houli Site's waste conversion ratio reached 99%, including 5% subjected to heat recovery through incineration. Recognition by international standards reflected the long-term contributions made by AUO in terms of waste reduction, more detailed sorting, and resource recycling.

Fluoride-containing sludge Reduction

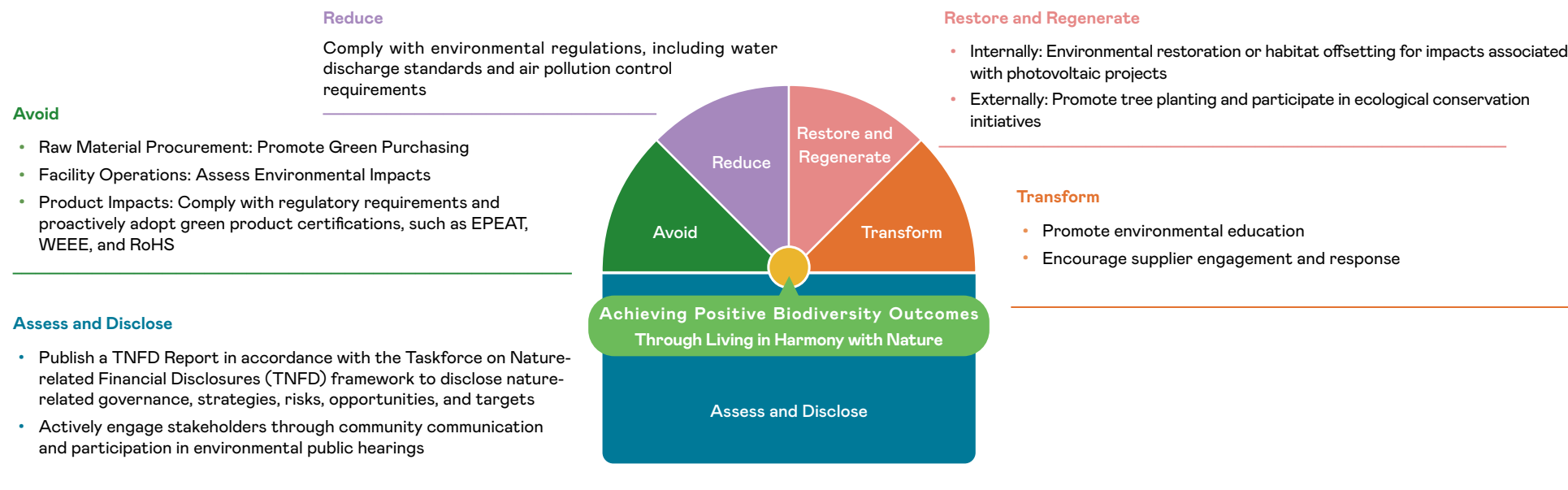
The Kunshan Site built its own thin production line to establish a one-stop production model. The thinning process for each cell could then be completed on-site, reducing carbon emissions from the transportation of semi-finished products to a thin computer OEM factory. The thinning process performs etching using hydrofluoric acid (HF) to make Thin-Film Transistor Liquid Crystal Display (TFT-LCD) semi-finished products thinner after the cell process. This results in a light, thin product, which may even be bendable. The fluoride-containing sludge generated by the process needs to be neutralized. Lime is added to produce calcium fluoride to neutralize the sludge before it can be removed and treated for recycling.

The Kunshan Site invested in the construction of a fluoridated sludge drying system in 2025 in response to regulatory requirements. The machine bakes fluoridated sludge with a 56% water content at a low temperature of 70° C to reduce its moisture content to 15%. This is equivalent to reducing the sludge by around 3,600 metric tons a year. The dried fluoridated sludge can serve as a raw material for manufacturing fluorite. The fluorite can then be supplied to steel refineries.

3.5 Biodiversity

3.5.1 Biodiversity Vision and Management

AUO recognizes and supports international biodiversity, as well as the conservation of ecosystems, forests, and natural environments. The "[AUO Biodiversity and Non-deforestation Policy](#)" issued in 2023 served as our response to the Kunming-Montreal Global Biodiversity Framework and the global consensus to combat the loss of biodiversity. The Policy outlined the pledge made by the AUO Group on biodiversity and set up a corresponding policy framework to prevent, reduce, and repair the potential impacts from AUO business operations on nature, and promote a transition to a more nature-positive approach. Additionally, AUO began implementing plastic reduction initiatives in our own operations. AUO is now working with value chain partners to realize the long-term vision of being net positive on biodiversity in 2050.



■ Disclosure of Nature-related Information

AUO supports and shares the vision on "Nature Positive" development with the world. AUO began publishing TNFD reports as a TNFD Adopter in 2024. Related information is disclosed in accordance with the LEAP (Locate, Evaluate, Assess, Prepare) methodology as well as the recommendations of the Science-based Targets Network (SBTN), and World Business Council for Sustainable Development (WBCSD). Through public and transparent disclosures, AUO is continuing to promote internal research and assessments, plan and expand the AUO pledge on biodiversity policy, and gradually move towards a harmonious coexistence with Nature by strengthening the resilience of our climate response and biodiversity.



Biodiversity Dependence and Impact Assessment

Prioritized Evaluation of Natural Elements and Locations

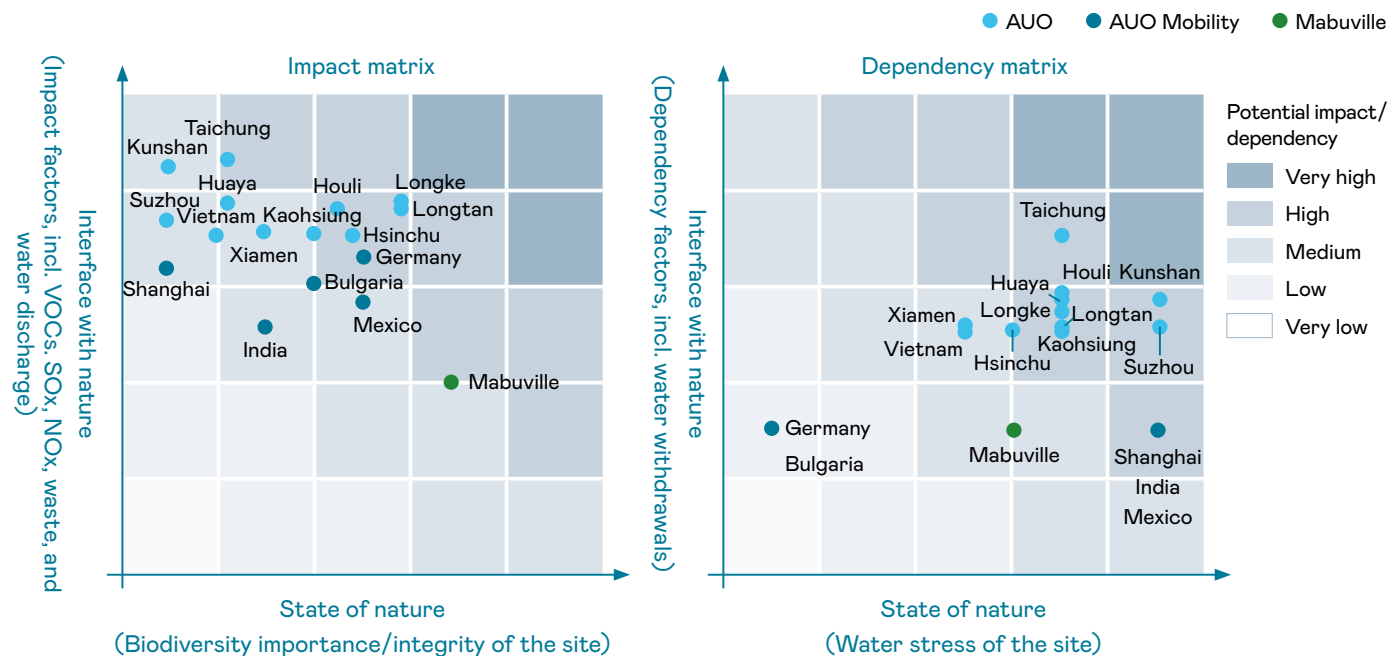
AUO uses the ENCORE database to examine its own commercial activities and those of its value chain to identify the natural elements that should be prioritized for assessment. An industry-level natural element hotspot map can then be constructed. The ENCORE results were used by AUO to take the characteristics of actual production operations into account. The sector-level resources of ENCORE were combined with AUO's own self-management and value chain to identify "Pollutant", "Waste" and "Water Withdrawal" as key nature-related impacts and dependencies that should be evaluated first.

Production activities incur more resource consumption out of AUO's business activities. Pollutants and waste are potentially generated during the production process, making it a category that is likely to produce natural impacts and dependencies. Global production sites (including AUO Mobility Solutions Corporation) and the Mabuville asset with its high natural value were therefore prioritized for analysis and assessment in the natural resources category by AUO. In terms of the value chain, after a comprehensive assessment on the scope and feasibility of data, the locations of 30 upstream suppliers in the supply chain that encompassed the top 66% of annual procurement by value were prioritized for assessment. A basic impact and dependency score was first defined for each of the priority sites based on their geographic coordinates as well as their (1) ecosystem classification, (2) ecological importance, (3) ecological integrity, and (4) environmental water stress overlays. The natural impact and dependency matrix for the AUO priority analysis sites and key supply chain categories was then drawn up to identify the high-priority natural issues located within AUO and value chain nodes.

Identification and Assessment Outcomes

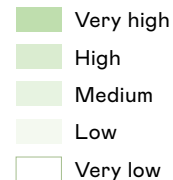
The identification outcome showed that in terms of proximity to sensitive regions of biodiversity importance, the Mexico plant of AUO Mobility Solutions Corporation (AMSC), a subsidiary of the AUO Group, is located in the Cerro Palo Huerfano Key Biodiversity Area (KBA) proposed by the Alliance for Zero Extinction to protect two local endangered species of cacti. None of the other sites overlapped with sensitive areas. When it comes to sensitive regions within a 10 km radius, however, the AMSC Germany, Kaohsiung, Longtan, and Longke sites are located near the Hellwegbörden bird sanctuary, the Sicao wildlife conservation area, the Yung-an Wetland, and the Shihmen Reservoir Water Protection Area; the AMSC Mexico Site is located in the San Miguel industrial zone, and Cerro Palo Huerfano has not been designated by Mexico as a national natural reserve. Site operations do not involve land development and are more than 5 km away from Cerro Palo Huerfano, so there should be no negative impact on local cacti. At the same time, AUO not only complies with local environmental regulations in its everyday operations but also sets higher internal standards to alleviate our ecological burden on the local environment and avoid making a significant impact on biodiversity.

AUO compiled and standardized all of the emission data from all the activities with environmental impact at each site (including Volatile Organic Compounds (VOCs), Sulfur Oxides (SOx), Nitrogen Oxides (NOx), industrial waste, water withdrawal, and water discharge), then incorporated them into the identification and assessment model. The correlation between specific impacts and dependency factors at each location could then be defined. The natural impact and dependency matrix for AUO production sites and key supply chain categories was then drawn. Analysis of the impact and dependency matrix found that in terms of nature-related impact, the relatively high biodiversity importance and integrity of the surrounding area at the Longke, Longtan, Houli, Hsinchu, and AMSC Germany sites meant that they were identified as locations with high potential impact among AUO sites prioritized for analysis; in terms of dependency, the Taichung, Longke, Longtan, Huaya, Houli, Kaohsiung, Kunshan, and Suzhou sites were all found to have a high demand for water. The WWF and the WRI Aqueduct all identified Taichung, Houli, and Kunshan to be located in water-stressed regions, indicating that a certain level of water stress exists at related sites.

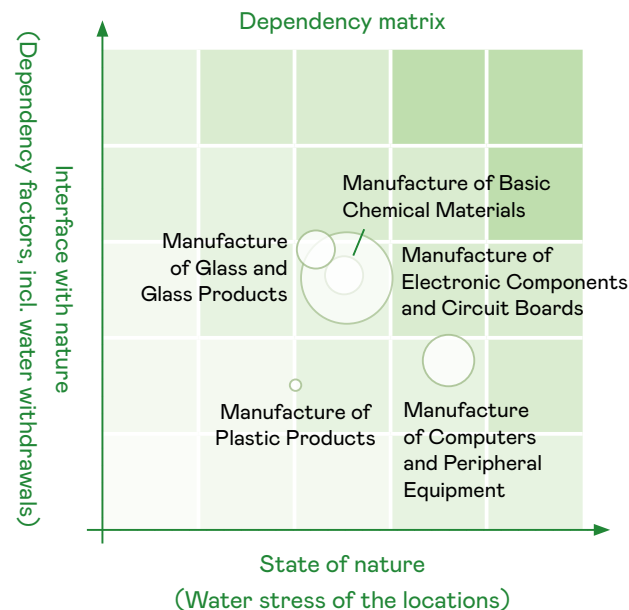
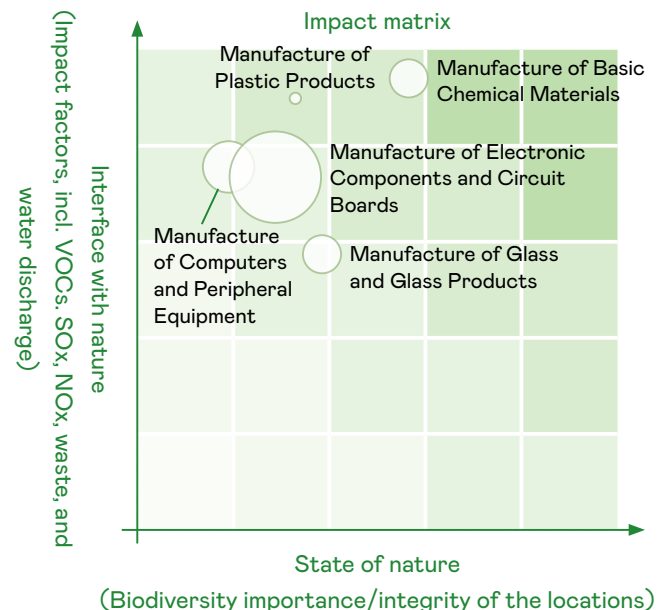


A similar process was adopted by AUO for identifying supply chain impacts and dependencies. Suppliers in the same product category were consolidated into a single group to arrive at five main supplier types (namely computers and peripherals, electronic parts and components, glass and its products, chemical raw materials, and plastic raw materials). After taking the location and production characteristics of key suppliers into account, the supply chain for chemical material manufacturing was found to rate higher in terms of potential natural impact than other industries, followed by the plastic product manufacturing industry. In terms of dependency, all suppliers were located at the moderate potential dependency level. The lower dependency of the plastic product manufacturing industry suggested that based on the location of the AUO supply chain, potential water stress and potential dependency on water resources were all rated as moderate.

Potential impact/
dependency



Raw material
procurement



○ Preparation and Action

AUO is responding to nature-related impacts, dependencies, risks and opportunities by continuing to roll-out various operational measures. AUO is also engaging in proactive and extensive cooperation with stakeholder partners to realize the goals of reducing nature-related risks and increasing related opportunities. The AR³T (Avoid, Reduce, Restore & Regenerate, Transform) framework is also being used by AUO to promote nature-related measures and actions. For Avoid, AUO is responding to air/water and pollutant issues by continuing to introduce and upgrade technologies and processes for pollutant prevention, treatment and monitoring; for Reduce, AUO is reducing water-related impacts by reducing the water usage of production processes, optimizing the water recovery efficiency of production processes, and increasing the use of reclaimed water. For industrial waste, AUO is reducing the amount of non-recyclable waste generated during the production process, increasing the ratio of circular recycled materials used in products, adding recycled material suppliers that have third-party verification, setting plastic neutrality targets, and working with value chain partners to promote the plastic reduction vision and reduce waste-related impacts; for Restore & Regenerate, AUO has long conducted ecological surveys along the banks of Xiaoli River near the Longke Plant and organizes vine eradication programs. We partner with the local community to remove invasive Mikania Vine growing along the banks of Xiaoli River; for Transformation, AUO hosts the Green Party to promote tree planting and forestation. A million trees have so far been planted in collaboration with the Forestry Bureau. AUO also hosted the Ocean Party coastal clean-up event to boost environmental awareness on marine waste. There is also the AUO Water Resource Gallery, a government-certified environmental education facility that offers a variety of learning channels about water resources to promote environmental education. In the future, AUO will continue to explore different actions and opportunities, avoid and reduce investments with natural impact, focus on the restoration and regeneration of ecosystems around our sites, and make the promotion of nature positive developments our vision for future transformation.

Mabuville – Eco Education Center

"Mabuville" in Beipu, Hsinchu, is an education and training center established by AUO in 2005. The 33-hectare site includes 23 hectares of protected primitive forest. Only 10 hectares is used as activity space with low-density development. The campus adheres to the philosophy of "low-density development" and "forest rehabilitation." Every effort is made to reduce human interference while also promoting the rehabilitation of Taiwan's indigenous plants, and the protection of habitats.

Mabuville is more than just the AUO internal venue for team-building and meetings. It is also an important domain for AUO's fulfillment of its three main action strategies – "planting and protection of trees, invasive species management, and total forest cycle." Guided eco-tours, vine-clearing working bees, and sustainability markets are periodically held at the campus with employees, suppliers, local neighbors, as well as local revitalization and social welfare institutions invited to take part in order to enhance their understanding and practice of biodiversity and sustainable living.

Through Mabuville, AUO demonstrates its commitment to the "Convention on Biological Diversity (CBD)" and UN Sustainable Development Goals. Concrete action is also taken to promote a sustainability vision of "Net Positive Impact." This forest is not only a sanctuary for nature but also a perfect demonstration of how businesses and nature can coexist and prosper together.

Biodiversity and Environmental Education

Mabuville is not only an AUO education and training center but also a natural classroom rich in biodiversity. Long-term ecological observation and species records at the campus have discovered many rare and endemic animals to date. The dozens of indicator species span mammals, birds, amphibians, and insects. They include Schedule II protected species such as the Pangolin, Snake-eating Turtle, Swinhoe's Pheasant, and Crested Goshawk, as well as Schedule III protected species such as the Crab-eating Mongoose, Taiwan Blue Magpie, and Taipei Tree Frog, demonstrating the importance of Mabuville as an ecological sanctuary.

Diverse environmental education activities were designed by Mabuville to promote greater understanding and respect for natural ecology. The "Eco Magnifying Glass" introduces visitors to the natural rhythms of the four seasons through close observation of flowering plants, breeding birds, and insect changes. "Black Forest by Night" leads the public into the night-time wilderness to observe flying squirrels, owls, glowworms, and other nocturnal creatures, and to experience the heartbeat of the forest at night. These activities not only increase ecological sensitivity but also boost support for habitat protection. Conservation practices at Mabuville are based on friendly and science-based management strategies. These include ecological control of biting midges in partnership with the NTU Department of Public Health. The use of a wood ash solution instead of chemicals and regular hand-clearing of Mikania Vine are employed to protect the integrity of the native plants and animal habitat.



3.5.2 Plastic Neutrality

■ Target and Management Framework

AUO declared 2023 to be "Plastic Reduction Year Zero" to draw industry attention to the global issue of plastics. The target of achieving "plastic neutrality" by 2030 was also set. According to the findings of [AUO's biodiversity dependency and impact assessment](#), the production chain for plastic products poses a potential impact risk to nature as well, highlighting the necessity and strategic value of AUO action to promote plastic neutrality.

The "3R + 1" (Replace/Reuse, Reduce, Recycle, and Rethink) strategy was formulated by AUO for the systematic advancement of the plastic neutrality target. A total approach to plastic reduction that encompasses products, processes, and employee behavior was launched to minimize the environmental impact of plastic use through inter-unit collaboration and external partnerships.

At the concrete action level, AUO is responding to the spirit of the Global Plastics Treaty by working to reduce the use of disposable plastic products. Current focus is now on promoting "Plastic Reuse" and "Use of Recycled Plastics." AUO is not only strengthening plastic reduction and reuse measures in its internal organizational processes. It is also forming a closed loop by collaborating with upstream and downstream partners to re-manufacture waste plastics into plastic products for AUO's use.

Plastic Neutrality Target

Source Recycling Usage + Reuse And Recycling +
Additional Neutralization

Plastic usage at the source of
manufacturing and daily life

× 100 = 100%

Denominator: Plastics used within AUO's operational boundary, excluding plastics contained in products.

Numerator: Total volume of plastics reused, recycled, or containing recycled content, as well as qualified 3R activities outside the organizational boundary.

After completing two years of infrastructure development and strategic optimization, AUO expanded the scope of its plastic neutrality activities in 2025 by extending plastic reduction and recycling measures to China Sites as well. Related targets and outcomes were incorporated into the overall data management system to ensure that all global operating locations are advancing together towards the goal of plastic neutrality. The move not only improved the integrity and transparency of the campaign but also demonstrated AUO's commitment to environmental responsibility at the international operational level.

At the same time, AUO adjusted the scope of plastic neutrality data in accordance with the Global Plastics Treaty. Rubber in the non-petrochemical plastics category was excluded to ensure that data methodology aligned with international trends and scientific principles, while also maintaining data accuracy and traceability. Performance evaluations are conducted by each unit based on existing management sub-indicators. Progress is reviewed at monthly meetings to ensure proper strategic implementation and the accomplishment of targets.

Additionally, AUO is continuing to promote internal education and training to raise employee awareness of and participation in plastic reduction initiatives. Plastic neutrality is therefore not just AUO's environmental commitment but also a joint campaign that all global employees are participating in. AUO will continue to monitor international plastic reduction trends and make steady progress towards plastic neutrality targets through technological innovation and inter-disciplinary collaboration.

To strengthen plastic reuse and resource circulation, a MOU was signed by AUO with the Plastics Industry Development Center (PIDC) in 2025. External professional resources and a technology platform are now leveraged to actively seek out vendor partners for exploring more plastic recycling and alternative solutions. The application of innovative technologies is also promoted to boost the returns from plastic reduction and reuse. The collaboration not only expanded AUO's influence on plastic issues but also encouraged the industry chain to search for sustainable solutions together.

Phase	Management Approach	Action Taken	2025 Key Accomplishments
Manufacturing	The Manufacturing department is the main user and decision maker for plastic consumables. AUO made the reduction of plastic use and greater recycling of waste plastics the management focus. A complete inventory of plastic usage during the production process and the introduction of multiple recovery programs were used to establish an intra-site plastic circulation system.	Introduction of Recycled Materials for Indirect Manufacturing Materials On the manufacturing side, AUO combined the core principles of "lightweight, replacement, and maximization" with the introduction of new technology. The result was applied throughout the entire process from material selection and use to recovery. In 2025, the plastic neutrality rate of requisitioned indirect manufacturing materials reached 81%, a significant increase over the 2023 base year. "Plastic limitation" was emphasized in related project attributes. Efforts focused on reducing the use of disposable plastics and expanding the introduction of recycled materials. AUO started out by conducting an inventory of the requisition items, material numbers, and suppliers for indirect manufacturing materials at each site. The verification progress and cost impact of recycled materials were then tracked by item and supplier. Next, a recycled material control list was set up with the verification results of recycled materials incorporated into the management reference for key items to ensure continuity of quality and supply. At the same time, AUO developed the "MFG Plastic Neutrality Information System" to integrate the management processes for recycled material verification, indirect material requisition, and improvement projects, and to assist with coordinating the inter-departmental promotion of recycled material applications. The system improved management efficiency and effectively reduced plastic consumption so that a more circular and sustainable manufacturing process gradually took shape. In 2025, 63 manufacturing-side reduction proposals were submitted with 148 improvements proposed over the last two years.	Cumulative plastic reductions at the source amounted to 632.9 metric tons
		Inbound packaging reduction for polarizers Polarizer lamination is a critical part of production. Packaging consolidation by AUO and suppliers resulted in the successful introduction of inbound packaging for notebook and display polarizers. Material use by trays and partitioning was reduced without impacting inbound material quality.	Reduction in amount of plastics used for polarizer packaging >150 metric tons
		Thinner plastic packaging for product shipment Anti-static bags used in the packaging of module products were usually single-use. AUO's thickness reduction initiative not only reduced the mass of the plastic pouches but also the amount of virgin plastic used.	Reduce breakage and wear by up to >60
		Plastic Reduction in Scrubber Tower Filler The scrubber tower of site facility services switched to the Pall Ring format, offering greater structural strength.	
		Reduced use of cling-film and packing tape To prevent glass breakage during the transportation process, the Taiwan and China Sites had previously used stretch film, paper corner protectors, and packing tape to secure products in place. To reduce the amount of single-use plastics, packaging design used techniques such as elimination, replacement, and simplification to gradually reduce the amount of plastic stretch film used. Plastic reduction was achieved without compromising transportation safety.	

Phase	Management Approach	Action Taken			2025 Key Accomplishments
End	Manufacturing	Improvement Measure	Diagram	Plastic Reduction Outcome	Reduction in use of stretch film and packing tap >90 metric tons
		Product Shipment		Assessment on reduction in stretch film turn-count (3/2/3-2/2/2)	
		Inter-site Transfer		Reduced Packing Tape Use through Velcro Substitute (reusable)	
		Return Shipping using Empty Carton		Streamlined Packaging Material to Retain Only Essential Protective Function	
Waste disposal	The Environmental Safety department is responsible for the disposal of waste plastics. In the past, most of the plastic was sent to landfill as some were not recyclable. AUO increased the circulation and recycling potential of waste plastics through more detailed sorting processes and resource management.	AUO examined past pain points in end management and then undertook a comprehensive review of waste treatment technology, economic feasibility, and regulatory compliance before developing the ultimate disposal pathway. The Environmental Safety department adopted the "resource utilization rate and recycling rate" as a key management sub-indicator. A target of 85% was set for 2025 with 92.1% being the actual result. The incineration rate was also reduced to just 7.9%.			Conversion of composite plastics into SRF >1,330 metric tons Re-manufacturing of Polarizers into Recycled Pellets >100 metric tons
		Case 1 – From Incineration to Resource Utilization: Introduction of SRF for Composite Waste Plastics			
		Recycling of composite plastics must contend with the pain point of mixed materials. AUO and partners conducted a joint assessment of alternate disposal pathways before settling on diverting waste plastics that are difficult to recycle (e.g., anti-static pouches and release film) to paper mills for use as Solid Recovered Fuel (SRF). In 2025, 1,332 metric tons of composite waste plastics were successfully converted in this manner. This not only reduced the amount of waste sent for incineration but also reduced coal use at the paper mill.			
		Case 2 - From Resource Utilization to Resource Recovery: Re-manufacturing of Polarizers into Recycled Plastic Pellets			
		Polarizers contain multiple layers of composite materials as well as iodide. This tends to produce purple smoke during conventional incineration so landfill used to be the only practical disposal method. Thanks to the matchmaking of the PIDC, a technical solution was introduced by AUO in 2025 where 109 metric tons of waste polarizers were remanufactured into recycled plastic pellets for making pallets, bicycle parts, and other products.			
		Case 3 – From Resource Recovery to Upcycling: Circular Co-Creation Project			
		In the beginning, recycled waste plastic pellets suffered from quality issues and were used mainly in low-value-added products, limiting their potential for greater adoption. AUO connected with waste contractors and local small and medium enterprises through the PIDC to launch the Circular Co-Creation Project. Technical optimization and a product design-centric approach were employed to upgrade applications for recycled plastic pellets. Related recycled materials have now been successfully manufactured into a variety of products including recycled pens, push carts, and trash bags. This will spur the transition of recycled plastics from merely recovery to high-value applications.			
					
		Waste Polarizer	Pellet Production	Recycled Pallet	

○ Employee office life: Encouraging rethink on plastic reduction

The Corporate Care Department plays an important role in promoting the AUO plastic reduction culture. Action was launched in three directions: living space, circulation and recycling, and awareness shaping. In 2025, the amount of plastic beverage cups used by vendors on AUO sites was reduced by 46% compared to the previous year. The use of circular cups also increased by 82%. At the same time, different activity formats such as online events, physical exhibitions, interactive experiences, and used goods markets were employed by AUO to mobilize more than 45,000 participants in the Sustainability Festival. Marine trash was also removed through Ocean Party coastal clean-ups.

Living Space

Plastic PET bottles that make up the bulk of plastic waste in employee work areas was targeted for reduction. These included the introduction of circular cups, reducing the sale of bottled beverages, as well as the elimination of disposable cutlery and plastic packaging.

At the end of 2025, a "Sustainable Technology Christmas Tree" was crafted out of Micro-Leds in keeping with the Christmas atmosphere to provide colleagues with a futuristic festival experience. Christmas became more than just a festive occasion, but a way to convey AUO's respect and stewardship of nature.



Awareness Shaping

Internal and external activities were actively planned at the Taiwan and China Sites. Colleagues even demonstrated their dexterity and creativity by converting plastic waste into artistic clothing that served to light up the site environment.



Circular Recycling

- In addition to showcasing "sustainable recycled products" exclusive to AUO at the Sustainability in Progress Room, the employee welfare platform was also used to promote recycled products. An employee purchase program for AUO recycled cleaning bags was launched in 2025. A total of 6,500 rolls were sold, the equivalent of recycling 2.8 tonnes of waste PE stretch-film generated by site production operations.
- This promoted green office products including pens made from PET polarizer release film. Circular recycled stationery, such as whiteboard markers and sticky tape, was also purchased.
- rPET recycled plastics and GRS-certified recycled fabrics were remanufactured into souvenirs for the Sustainability Literacy Scholarship. More than 2,500 items were manufactured in 2025.



○ Plastic Reduction Education and Training

AUO began organizing a series of courses and activities to promote awareness and action on plastic issues by employees and contractor partners working at AUO sites. These included exchange visits with outstanding outside circular resource units and setting up education and training courses through the College of Sustainability at the AUO University. Courses were divided by unit competency and type of technology (circular economy, waste plastic sorting and recycling, waste plastic, reduction technology, green materials). The courses were offered at three levels, Basic, Technical Principles, and Plastic Reduction Science Education. A total of 9 courses were held in 2025 and completed more than 800 times.



4 INCLUSIVE GROWTH

Chapter Highlights

Established a human rights due diligence system covering employees, the supply chain, and customers, strengthening risk prevention and management capabilities. Over 34,000 employees worldwide completed relevant training, with a completion rate of **99.37%**.

Implemented comprehensive care policies and career development mechanisms for migrant workers, **achieving a retention rate of 70.7%**.

Hosted the inaugural "Green Festival for Earth," attracting over **17,000 participants** and translating sustainability concepts into employees' daily practices.

Advanced the **Safetyabc ZerO₂** safety culture transformation initiative, enhancing workplace safety through four key pillars—Leadership, Cognition, Discipline, and Environment—supported by data-driven management.

Promoted a diverse and inclusive culture, with **women accounting for 29% of management positions globally**, and **a hiring rate of persons with disabilities reaching 1.25%**.

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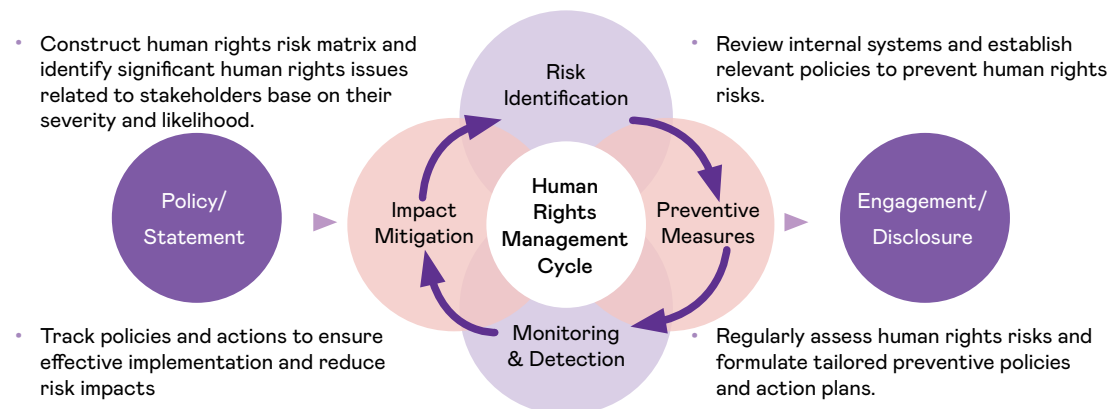
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4.1 Human Rights Protection

AUO is committed to promoting and protecting the inherent fundamental rights of all individuals. The Company strictly complies with the laws and regulations of all regions where it operates. In 2006, AUO established its Human Rights Management Policy by comprehensively referencing international standards such as Social Accountability 8000 (SA8000), the Global Sullivan Principles, and the UN Guiding Principles on Business and Human Rights. AUO also referred to the Proposal for a Directive on Corporate Sustainability Due Diligence issued by the European Commission, as well as the Responsible Business Alliance (RBA) Code of Conduct. Based on these guidelines, AUO conducts [human rights](#) due diligence and has established a four-stage human rights management cycle to mitigate the impact of human rights risks on business operations and eliminate violations or infringements of human rights.

AUO Human Rights Management Framework and Approach



Risk Identification

The business human rights risks proposed by the United Nations Development Programme (UNDP) were used by AUO to define the six dimensions of "Labor Rights, Environmental Rights, Expression and Participation, Gender Equality, Service and Product Responsibility, Governance and Safety." In 2025, an assessment of human rights issues significant to stakeholders was conducted by executives from the AUO Group in senior business management and decision-making roles directly involved with stakeholder engagement.

In addition to all employees, Group subsidiaries were also included within the scope of the assessment; the scope of AUO's own implementation of the Responsible Business Alliance (RBA) Code of Conduct was also referenced to include tier-1 suppliers, outsourcing vendors, and contractors. As local communities near each plant are also affected directly by production operations, neighboring communities were included as well. The scope was further expanded in 2025 with the inclusion of tier-1 customers for assessment and investigation.

Human Rights Issues and Risks of Concern to AUO Stakeholders

AUO Group All Employees					
Affected Targets		Human Rights Issues (Level of Concern)		Annual Survey	Audit and Grievance Channels
- All employees - Female employees - Persons with disabilities - Migrant workers	- Underage workers/interns - Group Subsidiary	- Privacy Protection - Health, safety and individual liberty - Occupational Safety - Freedom of Employment - Freedom of Speech and Expression - Freedom of Assembly and Association - Protection of Labor Conditions	- Employment of Child Labor/Juveniles - Forced Labor - Non-discrimination, Diversity and Inclusion - Right to Family Life - Unlawful Infringement and Sexual Harassment in the Workplace	- Mental health & stress survey - Annual unlawful conduct inventory - Internal DEI survey - Human rights risk questionnaire - Q12 questionnaire survey	- Internal grievance channels - Labor inspections - Compliance reviews - RBA audits

Tier-1 Suppliers

Affected Targets

- Suppliers' employees
- Female employees
- Persons with disabilities
- Migrant workers
- Underage workers/ interns

Human Rights Issues (Level of Concern)

- Occupational Safety
- Protection of Labor Conditions
- Employment of Child Labor/ Juveniles
- Forced Labor
- Unlawful Infringement and Sexual Harassment in the Workplace
- Privacy Protection

Annual Survey

- Supplier risk assessment
- Human rights risk questionnaire

Audit and Grievance Channels

- RBA audits
- Regular supplier meetings/ad hoc project meetings
- Media monitoring
- Grievance mailbox

Outsourcing/ Contractors

Affected Targets

- Outsourcing vendors/ contractors
- Female employees
- Migrant workers
- Underage workers/ interns

Human Rights Issues (Level of Concern)

- Occupational Safety
- Protection of Labor Conditions
- Employment of Child Labor/ Juveniles
- Forced Labor
- Unlawful Infringement and Sexual Harassment in the Workplace
- Privacy Protection

Annual Survey

- Outsourcing vendors/ contractors risk assessment
- Human rights risk questionnaire

Audit and Grievance Channels

- RBA audits
- Regular/ad hoc meetings
- Media monitoring
- Grievance mailbox

Tier-1 Customer

Affected Targets

- Customer

Human Rights Issues (Level of Concern)

- Protection of Labor Conditions
- Employment of Child Labor/ Juveniles
- Unlawful Infringement and Sexual Harassment in the Workplace
- Customer privacy protection

Annual Survey

- Human rights risk questionnaire
- Customer satisfaction surveys

Audit and Grievance Channels

- Regular customer meetings/ad hoc project meetings
- Media monitoring
- Grievance mailbox

Neighboring Communities

Affected Targets

- Communities around major operation sites

Human Rights Issues (Level of Concern)

- Pollution and chemicals
- Land use and property ownership
- Occupational Safety - Transport Safety

Annual Survey

- Human rights risk questionnaire

Audit and Grievance Channels

- Emissions, wastewater, and carbon emission monitoring
- Media monitoring
- Factory complaints hotline
- Regular on-site visits
- Sporadic community engagement events

Note: In consideration of the direct impact of manufacturing operations on surrounding communities, AUO includes local residents as stakeholders. Given the unique nature of the issues that concern local communities, AUO aims to take a comprehensive approach by identifying and addressing potential emerging issues through stakeholder interviews and discussions. Therefore, these concerns have been incorporated into the stakeholder engagement process.

○ Human Rights Risk Matrix of Stakeholders

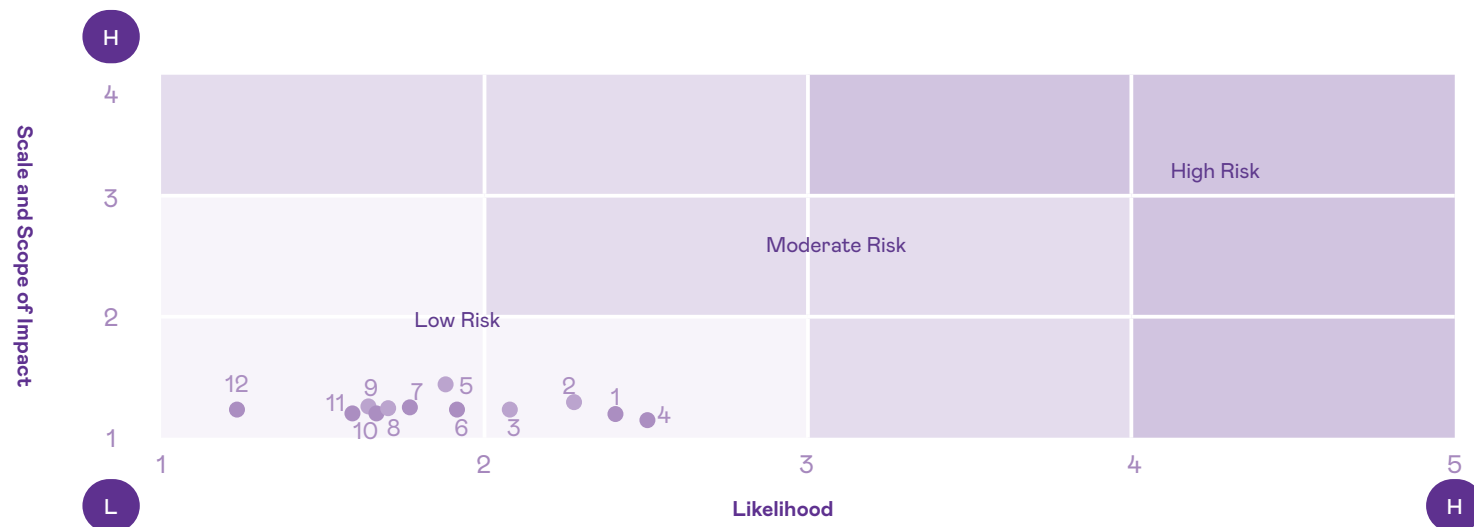
To fully understand and manage human rights issues, AUO assesses the human rights issues of stakeholders to focus on the 12 most significant human rights issues.

In terms of affected targets, the "Risk Assessment Framework" was established in accordance with the RBA Code of Conduct to identify, prevent, and reduce the impact of human rights risks on AUO, the supply chain, and other stakeholders. Suppliers are required to sign written declarations and management guarantees pledging their strict compliance and the sharing of social responsibility. RBA management guidelines were also established for suppliers.

Stakeholders are invited to fill out a human rights risk assessment questionnaire. Survey coverage in 2025 was 100%. In addition to analyzing the survey results, a comprehensive risk assessment is conducted using other channels, including the results of internal and external RBA audits, compliance with labor regulations, and internal grievance mechanisms. This assessment further referenced AUO's material issue risk calculation, using two dimensions—"likelihood of occurrence" and "scale/scope of impact"—to identify the risk level of each human rights issue.

No material risks were identified across the issues of concern. Planning of preventive measures targeted at secondary risks was also carried out to mitigate or prevent human rights risks and hazards generated during business operations.

Investigation Findings for Employee and Company Human Rights



Prioritization	Significant Human Rights Issue	Likelihood (L)	Size of Impact/Scope (I)	Risk
1	Protection of Labor Conditions (Wages, Welfare)	2.02	1.34	2.71
2	Right to Family Life	2.08	1.27	2.64
3	Freedom of Speech and Expression	2.06	1.25	2.58
4	Forced Labor – Working Hours	2.14	1.19	2.54
5	Unlawful Infringement and Sexual Harassment in the Workplace	1.93	1.27	2.44
6	Freedom of Employment	1.96	1.23	2.41
7	Privacy Protection	1.83	1.24	2.27
8	Occupational Safety	1.79	1.22	2.18
6	Non-discrimination, Diversity and Inclusion	1.72	1.25	2.15
10	Health, safety and individual liberty	1.73	1.18	2.05
11	Freedom of Assembly and Association	1.67	1.21	2.03
12	Protection of Child and Juvenile Labor	1.25	1.19	1.48

Note: *Formula: Risk = Likelihood (1 ~ 5 points) x Size of Impact/Scope (1 ~ 3 points).



For other stakeholder risk matrices, preventive measures, and management measure indicators, please refer to the AUO 2025 Human Rights Due Diligence Report.

Preventive Measures

Based on the findings of the 2025 human rights due diligence survey, all issues of concern were rated as low risk with none requiring immediate improvement. At the same time, risk assessment channels—such as labor inspections, occupational disease risk identification procedures, internal/external health surveys and comparative data analysis, review of compliance with labor-management and privacy laws, self-assessment questionnaires (SAQ) based on the RBA, the human rights due diligence report, the annual organizational climate survey, and grievance mechanisms—were utilized to identify employee-related human rights risk factors such as work hours and overtime compensation, the five hazard factors of occupational diseases, physical and mental well-being, harassment and discrimination, the employment of persons with disabilities, and employee privacy protection. In 2025, planning for risk prevention measures was carried out through a comprehensive assessment of the top three human rights risks of "Forced Labor – Working Hours," "Occupational Safety," and "Unlawful Infringement and Sexual Harassment in the Workplace."

Internal Operations				Supply Chain
Human Rights Policy	Sexual Harassment and Unlawful Infringement Policy	Occupational Safety and Health Policy	Employee Selection, Training, Employment, and Retention Policy	Supply Chain Human Rights Management
Guided by the Human Rights Policy, AUO has established: Employee Handbook, Work Rules, Recruitment/Employment Procedures, Sexual Harassment Prevention Measures, Unlawful Workplace Infringement Prevention Measures, Employee Communication Policy, Complaint Procedures, Sustainability Policy The above policy documents explicitly affirm the company's commitment to protecting employees' human rights, including compliance with legal requirements, freedom of employment, humane treatment, prohibition of discrimination and harassment, and assurance of accessible grievance mechanisms. The company holds three human rights advocacy sessions annually.	AUO has established both the "Sexual Harassment Prevention Policy" and the "Workplace Violence Prevention Policy" along with a dedicated sexual harassment grievance mailbox. Any reported or suspected cases of sexual harassment or illegal infringement are investigated by the "Sexual Harassment/Illegal Infringement Complaints Committee." The Sexual Harassment Committee is also explicitly required to have a majority of female committee members. To protect the rights of the complainant, strict confidentiality is maintained during the investigation process and the matter is handled in confidence.	- Create a safe and healthy work environment through the collaboration of HR, the Wellness Center, ESH, and other units. - Preventive planning and supervision of unlawful infringement in the workplace as well as providing employees with counseling services on physical and mental health. - Strengthen strategic planning for protective measures in the workplace; conduct risk assessments as well as education and training in the workplace; and provide necessary protective measures.	- AUO employees undergo annual human rights policy (Training on Workplace Discrimination and Sexual Harassment) awareness and training courses for new hires and management. - Established system to manage reasonable work hours and implementation of management-level review mechanism to ensure compliance with all applicable laws on wages and work hours. Pay equity is also emphasized. - Migrant workers are provided with a bilingual explanation on the employee protections afforded by the AUO Sustainability Policy and RBA Code of Conduct when they start work. New employees do not pay any recruitment fees and face no penalties when resigning voluntarily or upon termination. The company also guarantees workers' freedom of movement in all company-controlled areas, including workplaces and dormitories, and strictly prohibits forced overtime.	- Suppliers are required to sign the "Supplier/Contractor Code of Conduct," declaring their compliance with the relevant environmental and social standards, as well as their commitment to the protection of human rights. Risk identification and RBA audits are conducted every year to track the implementation of human rights management in the supply chain. - Letters are sent to suppliers to raise their awareness of human rights issues of concern every year. "Creating Shared Value" events are hosted to teach about CSR management practices such as: Interpretation of the RBA Code of Conduct and labor rights laws, helping suppliers take proactive ownership of human rights governance.

Annual Promotion Outcomes

Awareness Topic	AUO Human Rights Policy	Unlawful Infringement and Sexual Harassment in the Workplace		Supplier Co-Prosperity Program	RBA Code of Conduct		
Subject	Global employees	Employees in Taiwan	Junior management		Annual Factory Audit	Internal audit	External audit
Outcome	Over 34,000 global employees received training (including sexual harassment and unlawful infringement awareness), with a 99.37% course completion rate and 100% post-course test pass rate	Awareness seminar: 17 sessions	Self-inspections were conducted by 1,820 managers Risk inventory conducted by 380 units for a 100% completion rate	133 participants	Platinum – Longke Site Silver – Xiamen, Suzhou, Kunshan, Vietnam.	7 sessions ^{Note}	40 sessions

Note: RBA VAP was conducted at the China and Vietnam sites, so no internal audit was necessary in 2025.

■ Monitoring, Detection, and Mitigation of Impacts

To reduce the business impact of human rights risks on AUO, the supply chain, and our partners, appropriate mitigation and remediation actions are established by AUO based on the outcomes of human rights risk assessments. Preventive measures and improvement plans are formulated based on the degree of risk for each issue, with regular follow-ups on implementation outcomes. A human rights inventory was completed using the 2025 risk matrix. No major risk issues were found among the human rights issues of concern to each stakeholder. Disclosure of mitigation and compensation measures was therefore only carried out for two of the key stakeholders: employees and suppliers. At the same time, risk assessment channels—such as labor inspections, occupational disease risk identification procedures, internal/external health surveys and comparative data analysis, reviews of compliance with labor-management and privacy laws, self-assessment questionnaires (SAQ) based on the RBA, the human rights due diligence report, the annual organizational climate survey, and grievance mechanisms—were utilized to identify employee-related human rights risk factors such as work hours and overtime compensation, the five hazard factors of occupational diseases, physical and mental well-being, harassment and discrimination, the employment of persons with disabilities, and employee privacy protection. After a comprehensive assessment, the top three human rights risk issues in 2025 were identified as "Forced Labor – Working Hours," "Occupational Safety," and "Unlawful Infringement and Sexual Harassment in the Workplace."

In the supply chain, the top 2 deficiencies, "Forced Labor – Working Hours" and "Occupational Safety," identified by the RBA audit, were targeted for monitoring and detection as well as impact mitigation. In the event of a human rights violation involving employees, AUO follows internal procedures for mediation and negotiation, applying disciplinary actions in accordance with company work rules. For suppliers, contractors, and outsourcing partners, AUO reserves the right to terminate or cancel contracts or partnerships and seek punitive damages for breach of agreement. In the future, AUO will maintain open channels of communication with stakeholders. We will require our supply chain and partners to follow the rules and work together to set the highest standard in human rights governance.

Subject of Special Concern	Human Rights Issue	Mitigation Measures ^{note 1}	Remediation Actions	2025 Management Objectives	2025 Incidents and Implementation Status	2026 Management Objectives
All AUO Employees	Unlawful Infringement and Sexual Harassment in the Workplace	- Provision of effective complaints channels (e.g. sexual harassment grievance mailbox, dedicated case worker) to protect employees against infringement at work. Protection mechanism also established to protect employees against retribution after a complaint is made. - Protective measures to protect employees from unlawful infringement such as physical, verbal, or psychological abuse and sexual harassment in the workplace.	- Handle cases in accordance with the "Regulations for Sexual Harassment Prevention" and "Regulations for Unlawful Workplace Infringement Prevention." - Provide employee assistance programs, including but not limited to psychological counseling. - Impose disciplinary actions (e.g., job reassignment or dismissal) on perpetrators depending on the severity of misconduct. - Management training for zero harassment in the workplace for supervisors introduced in 2024 in partnership with consulting attorneys. - Issued three company-wide announcements on workplace infringement and harassment awareness in 2024.	100% case closure rate	All 5 workplace infringement or harassment cases in 2025 have now been closed	100% case closure rate
	Forced Labor – Working Hours	- Managed working hours in accordance with local labor laws; established internal reporting systems to remind department heads and flag potential overtime. Employees who reported actual overtime would be given appropriate compensation. - Regularly reviewed working hours to detect potential violations and prevent involuntary overtime through multiple grievance channels. - Performed health risk stratification for medium- and high-risk employees. Medical staff would actively follow up in cases of overtime.	- Provide compensation based on internal regulations and immediately cease involuntary overtime to restore employees' rights. - Conduct RBA audits, require corrective actions within deadlines, and provide compensation for any violations.	Working more than 7 consecutive days ^{Note 2} Total cases: 0	There were four cases of excessive work hours that led to labor disputes in 2025. All cases have been closed.	Working more than 7 consecutive days Total cases: 0

Subject of Special Concern	Human Rights Issue	Mitigation Measures ^{note 1}	Remediation Actions	2025 Management Objectives	2025 Incidents and Implementation Status	2026 anagement Objectives
All AUO Employees	Occupational Safety	- Conduct annual general occupational health training and regular emergency drills; outsourced workplace environment monitoring every 6 months. - Promotion of the Four Labor Health Protection Plans. - Establish corrective and preventive action procedures.	- Protective hardware added based on operational needs and enhance safety and health awareness campaigns. - Strengthened education and regulations on the wearing of protective equipment by employees on the shop floor, and enforcing supervisor inspections protective equipment worn by employees. - The main cause of work-related injury leave is traffic accidents. Education on traffic safety precautions was strengthened to reduce traffic accidents.	100% completion for trans-site RBA audit - Annual frequency of Disabling Injuries (FR) < 0.2	- Completed all 7 internal RBA audits scheduled for 2025 2025 Frequency of Disabling Injuries 0.12	100% completion for trans-site RBA audit - Annual frequency of Disabling Injuries (FR) < 0.2
Suppliers	Forced Labor – Working Hours	Conduct annual audits in accordance with RBA standards to ensure compliance with labor laws regarding working hours.	- Request improvements in scheduling systems and increase manpower - Promote legal compliance training to meet Labor Standards Act requirements	Total cases of overtime ^{Note 3} : 0 cases	Total cases of overtime: 17 cases	Total cases of overtime: 0 cases
	Occupational Safety	- Require all suppliers to sign the "Supplier Code of Conduct" and comply with AUO's risk management standards - For high-risk key suppliers, require mitigation plans for potential risks and deficiencies identified in audits	- Reduce the volume of hazardous materials stored to within regulatory limits - Ensure implementation of emergency drills and fire safety system management - Strengthen the classification and storage of chemical substances	100% case improvement and closure rate for related cases	Completed remediation actions on all 4 cases of RBA audit deficiencies in 2025	100% case improvement and closure rate

Note 1: Human rights mitigation measures apply to all AUO sites and Group subsidiaries. These were disclosed in the 2025 AUO Human Rights Due Diligence Report and are updated every two years. The next human rights due diligence survey is scheduled for 2027, with the updated report to be released in 2028.

Note 2: Paragraph 1, Article 36 of the Labor Standards Act stipulates that employees must have two days of rest within every seven-day period: one regular day off and one rest day. The arrangement should ensure at least one day off every seven-day period, and employees must not work for more than six consecutive days.

Note 3: Article 30 of the Labor Standards Act stipulates that normal working hours may not exceed 8 hours per day and 40 hours per week. Article 32 stipulates that total working hours, including overtime, may not exceed 12 hours per day. Monthly overtime must not exceed 46 hours, or 54 hours with union or labor-management agreement, and no more than 138 hours over a three-month period.

Engagement and Complaint Channels

Employee feedback and rights are important to AUO, so a range of channels have been established for employee communication. The "Employee Communication Policy" was also established. The complaints or suggestions system, Audit Committee mailbox, and routine labor-management meetings are used to protect employees' rights to freedom of expression, organization, and collective bargaining in order to promote healthy and constructive labor-management relations. The freedom and confidentiality of employee feedback are also protected by the Company using the most rigorous privacy protection rules and the "AUO Personal Information Protection Management Regulations." Competent units then process and respond to feedback using a confidential process. Interviews and in-depth investigations are conducted where necessary, and the remediation process is activated when appropriate to serve as a basis for optimization and mitigation measures.

Audit Committee's Mailbox

For complaints about accounting, internal controls, and auditing

President's Mailbox

Report major management deficiencies, workplace violence, and financial audit problems

Sexual Harassment Grievance Mailbox

Complaints related to sexual harassment

Labor-management meetings

The rights of colleagues and their issues of concern

7885/6885 Human Resource Services

Hotline staffed by dedicated personnel that can provide immediate assistance with personal work and lifestyle-related issues

I Want My Say Mailbox / Internal communication inbox

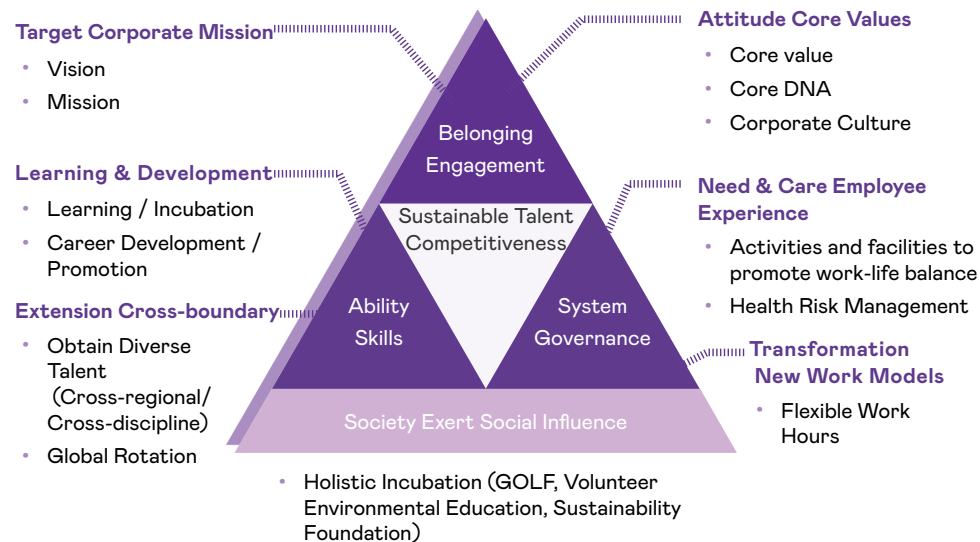
Problems and suggestions related to work and the workplace

4.2 Talent Attraction and Retention

4.2.1 Talent Distribution

■ AUO Talent Sustainability Strategy

Faced with the challenges of an aging workforce and declining birth rates, as well as industry upgrades and workplace reforms driven by artificial intelligence (AI), businesses must ensure access to sufficient talent capable of responding to a rapidly changing market. To realize the concept of talent sustainability, AUO has been promoting its "ESG-TALENTS" strategy, focusing on three key strategic areas and seven core action plans to cultivate a fertile environment for talent development. By building a friendly workplace, fostering a diverse and inclusive culture, and offering broad career development platforms, AUO enables employees and the Company to thrive and grow together in a sustainable manner.



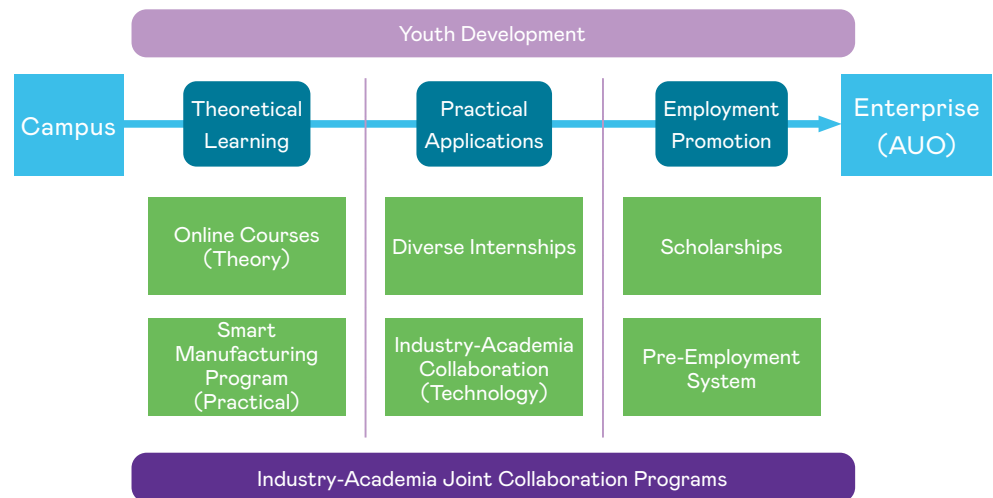
AUO has supported the "TALENT in Taiwan" alliance launched by Commonwealth Learning in 2022. For three consecutive years, we have joined forces with the industry, government, and universities to build a sustainable ecosphere for future talent.

■ Global Recruitment Policy

AUO has a global workforce of 35,000 personnel spread across locations in Asia, the Americas, and Europe. AUO is continuing to expand its trans-national talent network in line with its Group and globalized distribution. In addition to recruiting top local talent overseas, AUO is also strengthening the international horizons and collaborative skills of talented personnel through the Global Stationing Program and Global Talent Development Program (GDP). In support of its dual-axis transformation and three strategic pillars, AUO continues to focus on "ACE" talent who have backgrounds in Advanced Display Technology, Car & Mobility Solutions, and Vertical Solutions. Talented professionals are brought together through global recruitment and trans-national cultivation to drive business growth.

■ Youth Development (Taiwan)

AUO actively promotes a variety of talent cultivation programs to enhance the employability of young students. From academic studies to entering the workforce, AUO has designed professional training programs that integrate industry practices and offer diverse internship opportunities to help students gain hands-on experience.



AUO x TCA "InnoServe Awards"

The "International ICT Innovative Services Awards," co-organized by AUO and the Taipei Computer Association used the competition platform to encourage university students to propose innovative solutions targeted at social needs and sustainable living issues through AI and smart technology. In 2025, 376 students in 80 teams took part. Competitors demonstrated the ability of young people to respond to sustainability issues through the innovative use of technology. The competition also promoted industry-university exchanges and the cultivation of future talent.

Gap of Learning & Field (GOLF)

The GOLF (Gap of Learning & Field) Alliance, co-founded by AUO, Compal Electronics, and Wistron Corporation, strives to improve the employability of young people by bridging the gap between theory and practice. AUO works through the GOLF "Education Curriculum Committee" and "Enterprise Management Committee" to connect and integrate enterprise learning resources.

GOLF has since expanded to more than 100 university and business members (47 businesses and 59 universities). Industry resources and academic capabilities have been harnessed together to promote e-learning and field applications. More than 600 online courses are now available to help students break out of the classroom, immerse themselves in actual business conditions, and make a seamless transition to the workplace.

GOLF is also actively promoting the internationalization of its courses. The development of bilingual/multilingual introductory courses was launched in 2025, and an international section is planned. These will provide important resources that benefit both international and local students and help attract more international talent. In the future, internship matchmaking and learning resource platforms will continue to be promoted. More universities and businesses will also be encouraged to join in to make GOLF an important base for the cultivation and retention of quality talent.

AUO × NTUT Smart Manufacturing Program

AUO partnered with National Taipei University of Technology (NTUT) to co-develop a Smart Manufacturing Program designed to align students with emerging industry trends. Course content encompassed IoT, Big Data, AI, and automation technologies. In addition to emphasizing the importance of green manufacturing, energy conservation, and sustainable development, the "Process Equipment Theory and Practice" course helped students learn about theory and field applications together. As of 2025, the program has been completed by 95 students.



Diverse Internships

○ A+ Summer Internship

#Cross-disciplinary #Short-term Experience

During this two-month summer internship, AUO offers a variety of cross-disciplinary project experiences to interns from different backgrounds. During the internship, AUO mentors will help them adapt to the workplace. Activities such as factory tours and display technology exhibitions are arranged to deepen students' understanding of the industry and help them discover their own potential.



Talent Incubation Scholarship

To foster innovative and industry-ready talent, AUO began offering scholarship programs specifically for master's and doctoral students in 2015. Since 2015, the program has supported 67 outstanding students from 12 universities, including 20 doctoral and 47 master's students. The scholarship was expanded to include outstanding international students in order to promote internationalization and diversification. Beyond financial support and career guarantees, the scholarship program also helps students concentrate on improving their academic and professional expertise, as well as boosting their future career prospects.

Diverse Internships

○ A Pro Semester Internship

#Software Focus #Long-term Practical Experience

Since its launch in 2019, the Smart Manufacturing Semester Internship has provided students with project-based, hands-on experience in collaboration with universities. The project scope includes automotive applications and IT. The program emphasizes four features: Workplace Experience, Practical Experience, Hands-On Training, and Project-Oriented." AUO has provided 135 internship opportunities to date, enabling students to apply their knowledge in the workplace. The fostering of student creativity and potential will also prepare them for their future careers.



To my surprise, I discovered during my internship that AUO is not only a traditional panel maker but also a pioneer in smart manufacturing and AI technology. I had only expected to try and build AI models, but I ended up being deployed to improve the front-line workflows. This made me appreciate even more how innovation is about problem-solving and not just technology demonstrations. The AUO internship program is not just an internship. It's a journey about making ideas come true and creating value.

A Pro Semester Intern – David Chan



○ Industry-Academia Collaboration

AUO has established Joint R&D Centers in collaboration with four top universities to continue promoting the complementary application of theory and practice, as well as the exchange of knowledge and technology, to cultivate advanced R&D talent needed by the industry.

Partner Universities	National Taiwan University	National Taipei University of Technology	National Yang Ming Chiao Tung University	National Cheng Kung University
Areas of Collaboration	Next-generation display, sensing technologies, and AIoT development	Smart manufacturing technologies and commercialization	Digital transformation technology	Research and development of smart healthcare, advanced displays, and circular economy

AUO x NTUT AI Talent Cultivation Program

To address the shortage of AI talent, the MOEA launched the "AI Talent Cultivation Program" to provide graduating students with training on industry specialization, AI application practices, and enterprise internships that will equip students with the ability to put AI applications into practice. AUO supported this government policy by partnering with NTUT to establish the Smart Technology track in 2025. Students are offered a variety of internships in advanced manufacturing, smart energy applications, and system development, so they can apply the theory they learned at university to the real world through a four-month internship at AUO and hone their professional skills.

Industry-Academia Joint Collaboration Programs

AUO has long been committed to supporting diverse development opportunities for students by offering programs that help vocational and technical students connect with the industry early on. AUO collaborates with National Chin-Yi University of Technology and vocational high schools in a tripartite partnership. Activities such as information sessions and factory tours help students gain a deeper understanding of AUO's industry-academia training resources and comprehensive support for daily life. In 2025, a total of 54 senior/vocational high school students from throughout Taiwan took part. By integrating on-the-job training with academic education, students are able to build practical skills while working toward their bachelor's degrees.



Youth Development (Overseas)

AUO Huadong Industry-Academia Center

Established in 2022, the AUO Huadong Industry-Academia Center is dedicated to building a robust industry-academia collaboration platform by tapping into the technology, talent, and academic resources of the local higher education system.

The Center has partnered with 9 key discipline universities, focusing on the two key areas of: smart manufacturing and smart mobility. As of 2025, 15 technical cooperation projects have been launched. In terms of talent development, the Center launched the A+ Elite Engineer Program for strategic talent cultivation. It is continuing to explore diverse talent development models and working with universities to cultivate graduate-level talent with development potential in key fields.



Xiamen Industry-Academia Center

The Xiamen Industry-Academia Center has focused on the three key directions of: talent incubation, technological innovation, and business matchmaking since it was established in 2022. The Center has reserved 316 talents for the Xiamen site and set up 13 joint projects with partner universities. In 2025, the Center continued to use the "Six Colleges of the AUO University – Xiamen Branch" as the platform for collaborating with 14 universities in Xiamen and the surrounding region. The collaboration focuses on smart manufacturing, energy conservation and carbon reduction. One joint technology cooperation project is now active, and strategic reservations have been placed on 51 talents.

The Center is fostering technical exchanges by joining forces with the Xiamen Technical College and Fujian Technical Union to host the "AI+ Smart Monitoring" forum, focusing on the use of AI in industrial monitoring and carbon reduction applications. During the AUO Green x AI expo, the Center hosted a university development seminar that drew many experts and professors from universities throughout the Fujian Province for a joint exploration of technology trends and new models for talent co-incubation.

Additionally, the Center is continuing to strengthen its co-curriculum development program with local universities. These include the AI program with the School of Electronic Science and Engineering, Xiamen University, as well as the SRUI Training Program on smart manufacturing with the Xiamen Ocean Vocational College to enhance the technical abilities and innovative mindsets of talented people.

Xiamen A+ Elite Engineer Program

Xiamen has been running the A+ Elite Engineer internship program for 19 straight years, during which it cultivated more than 300 engineering and technical talents. The push towards "Go Global" and "Smart Manufacturing" in 2025 attracted a total of 11 A+ Elite Engineer interns looking to investigate these two issues.

- International recruitment and organizational fusion: The expansion of recruitment channels for foreign talent as well as research into transcultural management have produced significant results.
- Intelligentization technology: Several key projects, including platform system development and management platform deployment, were completed by the interns. These not only demonstrated their outstanding professional skills, technical mastery, and innovative mindsets but also boosted the students' hands-on skills.

The Xiamen site is hosting innovative R&D presentations to which department heads and the faculty of partner universities are invited to witness the growth and results of the internships.



Suzhou – Youth Empowerment Camp

The "Youth Empowerment Camp" was launched by AUO in 2022 to promote popular science education in partnership with the local Foreign Enterprises Association and Xinghai Experimental Senior High School. More than 60 students were invited in 2025 to venture into the Suzhou site and learn about AUO's sustainability accomplishments in safety, culture, ecology, and smart technology through the four themed fields.

During the "Safety at AUO" theme, students took part in real-world safety experience activities to strengthen their safety awareness by learning about basic disaster prevention and first aid. For the "Culture at AUO" theme, students visited the Youyuanju Cultural Exhibition Hall to learn about local culture and the humanistic spirit of business support for cultural preservation; for the "Ecology at AUO" theme, the plant vein experience cultivated awareness of ecological conservation; as for the "Smart at AUO" theme, students wrote code to control robotic arms and experienced for themselves the application of smart technology and the future possibilities offered by innovative technology.



4.2.2 Diversity & Inclusion

AUO is committed to creating a diverse, equitable, and inclusive workplace culture while providing a safe and healthy work environment. The Company ensures fair development opportunities for all employees, empowering them to realize their full potential and creativity. This approach strengthens employee engagement and sense of belonging to forge a collaborative environment where employees grow together with the Company—embodying AUO's values of diversity and inclusion.

■ Shaping of DEI Culture

AUO recognizes that cultivating a diverse talent pool is essential to sustainable business development. The Company embeds the values of Diversity, Equality, and Inclusion (DEI) into its corporate culture and practices. AUO recruits diverse talent across its international locations, providing a global platform to broaden employee perspectives and career opportunities. AUO upholds a policy of non-discrimination in hiring and promotion, regardless of gender, ethnicity, language, religion, or other differences.

○ Diverse and Inclusive Workplace

See the Spectrum: Understand diverse lives — go beyond bias, embrace empathy and curiosity

Strive for Equality: Defend everyone's inherent rights and support a fairer world

Social Inclusion: Foster an environment where all employees can feel safe, accepted, and listened to, as well as realize their potential

■ Migrant Worker Support

AUO is responsible for migrant workers during their careers in Taiwan. In keeping with the core spirit of "Sustainability and Inclusion," our vision for sustainable talent is expressed through the three aspects of: "zero recruitment fees, mid-level career advancement, and fostering an inclusive friendly workplace." Company structure and lifestyle services are integrated to ensure a safe and happy workplace for migrant workers throughout their careers. Up to 70.7% of migrant workers employed in Taiwan choose to renew their contracts with AUO.

○ Zero Recruitment Fees for Peace of Mind and Employment Stability

Since 2019, the Company has implemented a "Zero Recruitment Fees and No Prepayment" policy. In addition to zero recruitment fees, AUO also guarantees stable, long-term employment, so that migrant workers can dedicate themselves to their work. From overseas placement service charges and regulatory fees prior to arrival, to domestic service and legal fees after arrival in Taiwan—all expenses are fully borne by AUO. Migrant workers are never required to pay or advance any costs throughout the process of coming to Taiwan. AUO's zero recruitment fee policy is explicitly stated in overseas recruitment messaging. Upon joining the Company, new hire support services, monthly dormitory inspections, and annual audits of labor service providers enable continuous self-review and optimization.

Localization of International Talent for Smooth Career Transitions

AUO began investing in the "Mid-Level Technology Policy" in 2024. Senior migrant workers who have served as training cadres for a long time received Ministry of Interior mentoring and certification (16 certifications issued in 2025) and were nominated for outside awards (3 received the Outstanding Migrant Worker award from the city government in 2025); workers were also encouraged to transition to mid-level technical workers, so they can qualify for longer careers in Taiwan; as of 2025, 15 people have received mid-level technical worker certification with a pass rate of 100%; AUO is continuing to establish clear career tracks and skill certification schemes for migrant workers. A total of 45 employees completed external training and obtained their crane operator licenses, achieving a 100% completion rate.



A foreign technician scheme has been established to enhance their sustainable career development in Taiwan even before related laws have been passed.

○ Diversified Care Services Define New Norms for an Inclusive Workplace

AUO considers lifestyle support for migrant workers to be important for stable employment. Company support is expressed through the two axes of: "Better Dorm Life" and "Inclusive Workplace." AUO's large company-operated dormitories throughout Taiwan have international shops that sell snacks, condiments, and everyday items from migrant workers' mother countries to take the pressure off buying and transportation costs. Employee club mechanism is used to support ball sports, running competitions, and cooking exchanges that help employees from different countries and cultures bond with each other. At work, AUO has long worked to cultivate friendly workplaces. The Philippines Cultural Festival was first held in 2017 and evolved into International Friendship Week. In 2025, migrant workers in Taiwan from 8 countries held events such as photography exhibitions, cross-cultural team interviews, and exotic afternoon teas. The exhibition attracted more than 9,000 visitors throughout Taiwan.



The international shop sells specialty goods from migrant colleagues' homelands.



AUO encourages migrant workers to participate in healthy outdoor exercise.



The 2025 International Friendship Week opened at the head office.

Hiring of Disabled Employees

AUO is committed to providing equal recruitment opportunities and diverse job openings.

Since 2008, AUO has actively responded to the government's employment policy for persons with disabilities by identifying and redesigning suitable roles—including panel repair and access control positions—to better accommodate individuals with physical or mental disabilities. The Company also implements appropriate assistive tools to support employees in performing their duties effectively. AUO has consistently exceeded its legally required hiring quota for persons with disabilities, and since 2021, has received the Hsinchu City Outstanding Employer Award for exceeding the statutory employment target for five consecutive years.

Women in Leadership

AUO strives to promote gender equality and fair career development. A workplace culture based on diversity and inclusion is supported through company policies and actions.

In 2025, women accounted for 34% of the total workforce and 29% of global management positions. AUO is continuing to strengthen the cultivation of women in technology as well.

Internal Pledges and Systems | Diversity and Inclusion in Leadership: Promotion of Fair Development to Create Sustainable New Value

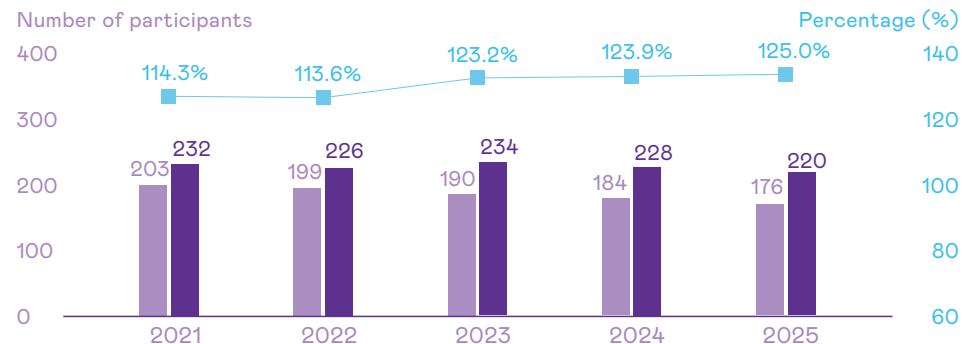
AUO believes that diversity in leadership is the engine that drives enterprise innovation and sustainable growth by bringing fresh perspectives and new ways of thinking.

In terms of target setting, clear targets for the percentage of women in management roles have been set. In terms of the review mechanism, quarterly HR evaluation meetings have been used since 2023 to assist department heads in tracking their management gender ratios and talent banks.

Cultivation of External Ecosystem | Empowering Women in Technology: Establishing an Inclusive Environment for Diversified Industry Talent

AUO is extending its commitment to diversity and inclusivity by actively cultivating the next generation of women in power. The A+ summer Internship, A Pro Semester Internship Program, and GOLF alliance provide outstanding female students with opportunities and online industry courses that help with their smooth transition into the workplace. AUO is also a long-term partner of "Girls in CyberSecurity (GiCS)," providing internship opportunities to students that excel during competitions and encouraging women to enter the information security technology field. This lays a robust foundation for the diversification of talent.

■ Statutory Employment Quota ■ Actual Number Employed
— Employment Ratio



Ratio of Women in Each Category		2023 Performance	2024 Performance	2025 Performance	2026 Targets
Management Role	Senior Management ^{Note 1}	9%	7%	10%	10%
	Middle Management ^{Note 2}	13%	16%	16%	15%
	Junior Management ^{Note 3}	29%	29%	30%	30%
	Overall Management	28%	28%	29%	30%
Overall Workforce		34%	34%	34%	34%
Revenue Generation Unit ^{Note 4}		26%	33%	27%	25%

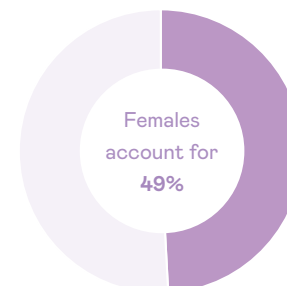
Note 1: Senior Management are managed in the two grades below CEO.

Note 2: Middle Management are managers three to four grades down from the CEO.

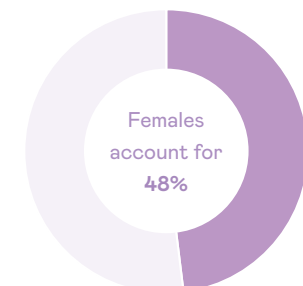
Note 3: Junior Management are managers who oversee non-management employees directly.

Note 4: Revenue Generation Units include business, R&D, and production units.

A+ Internship A Pro Semester Internship Program



Gap of Learning & Field (GOLF) - AUO Academy



4.2.3 Remuneration & Benefits

■ Ensuring a Competitive and Performance-Driven Compensation System

○ Proactive and Fair Setting of Remuneration

AUO participates in international market salary surveys annually and considers the local cost of living to ensure competitive compensation across regions. Remuneration is regularly inspected and adjusted based on position market standards and employee performance. In addition, employee remuneration distribution analyses are conducted by employee grade, job category, and gender in order to track the distribution of compensation to every employee. Employee remuneration and distribution are tracked to ensure their fairness. According to data from Taiwan's Market Observation Post System (2024), AUO ranks within the top 25% among listed optoelectronics companies in terms of the median and average salary expenses for full-time, non-managerial employees—demonstrating AUO's leading compensation competitiveness within the industry.

○ Performance-Driven Incentive Programs

AUO has developed differentiated short-term incentive programs based on corporate business goals, team targets, and individual targets. Differentiated short-term incentives were designed to boost employee excellence and the sharing of the Company's business operations, encouraging employees to deliver exceptional performance and align their contributions with the Company's operational outcomes, fostering shared success.

○ Strengthening Retention Through Long-Term Incentive Plans

To enhance long-term talent competitiveness and promote mutual growth between the Company and its employees, AUO has designed long-term incentive plans tailored to different roles. These initiatives aim to retain key talent and support the realization of shared objectives. For example:

- **Long-Service Bonus:** Technical workers are paid a long-service bonus after one year of service. The payment is regularly distributed after employees complete two years of service to provide talent with stability and encourage their continued contribution.
- **Equity Incentive Plans:** To attract, motivate, and retain key talent, AUO implements long-term equity incentive plans based on individual contributions and performance. These plans attract and inspire key talent, strengthening the Company's support for long-term targets.

■ Comprehensive Benefits Planning as a Reliable Pillar for Employees

Multidimensional insurance plans

Company-funded group insurance

Comprehensive Protection and Promotion of Green Transportation

AUO offers basic protections such as life insurance, accidental injury claims, health insurance, and others. Accidents while riding on public transport are now covered. Apart from offering employees more comprehensive protection, employees are encouraged to take public transport to reduce their carbon footprint and work together for a sustainable environment.

Unpaid Leave/ Expatriate Coverage

Trusted Support at Key Career Moments

AUO is taking action to safeguard employee careers. Employees who are sick or injured can still choose to retain their group insurance benefits. When they are on business trips or stationed overseas, they receive an exclusive overseas travel insurance plan that lets employees focus on moving forward.

Dependents' insurance

Extended Protection to Look After Employee Families

In recognition of the importance of family health and safety, AUO offers high-quality and affordable voluntary group insurance plans for employees and their families. Nearly 50% of employees have chosen to enroll themselves and their dependents in the insurance policy, reflecting strong confidence and trust in the Company's insurance system.

On-site service

On-Site Insurance Services for Immediate Employee Support

AUO collaborates with insurance providers to offer on-site service stations. If an employee is faced with an emergency or has safety concerns, they can receive the best professional consultation as well as professional support and claims assistance.

○ Working Hours Policy that Prioritizes Employee Rights

AUO has always strived to promote work-life balance among employees. In addition to a clearly defined policy on work hours, a real-time work hour management and monitoring mechanism is also provided to help managers track their teams' activities and provide employees with the support and care they need when necessary. At the same time, flexible overtime and leave systems are employed in combination by AUO to lower potential risks to physical and mental health from working long hours. AUO also believes that an engaging and balanced work environment will foster employee development during their careers.

Work Hour Policy

- May not work for more than 7 days consecutively
- May not work more than 12 hours a day
- May not work more than 46 extended work hours each month (except due to natural disaster or special events)

Work Hour Management Tool

- Digital Dashboard
- Regular work hour review report
- Abnormal work hours alert

Overtime Measures

- Those who need to work extended hours due to sales requirements are provided with overtime pay, compensatory leave, and other flexible options.
- The company ensures that overtime wages are paid in accordance with legal requirements, fully protecting employee rights

Leave Measures

- Employee are offered flexible leave arrangements. Special leave can be used for extensions based on individual requirements.
- Special leave that has not been used is converted into pay without leave in accordance with the law.

Stable and Reliable Retirement Security System

Pioneering the Employee Stock Ownership Trust Program

Since 2010, AUO has implemented the Employee Stock Ownership Trust Program, offering a matching contribution of 100% to 150% of the employee's monthly stock purchase amount. This initiative not only encourages saving habits but also helps employees plan financially across short-, medium-, and long-term horizons, contributing to a secure retirement. The program has received strong employee support, with over 80% of eligible employees in Taiwan participating as of the end of 2025.

Sufficient Protection Through Retirement Pension Contributions

For employees under the legacy pension system, the Company contributes 2% of their monthly salary to a retirement reserve account with the Bank of Taiwan, with annual actuarial assessments conducted by certified actuaries to ensure adequate funding. For employees under the new pension system, AUO contributes 6% of their monthly salary to each individual's pension account with the Bureau of Labor Insurance, in full compliance with the relevant retirement regulations and systems.

■ Family Support Programs Centered on Employee Well-Being

Comprehensive and Thoughtful Employee Assistance Programs

Employee care and family support programs accompany employees during key milestones in their lives

Diverse subsidies are provided for giving birth, raising children, and marriage. These exceed the statutory requirements for leave and help employees adjust to changing life roles, so they can maintain their work-life balance. To support the government policy to boost the birth rate, AUO began offering employees an annual stipend of NT\$3,600 for every child between the age of 2 and 6 to reduce the burden of care.

Flexible Unpaid Leave Options to Help Employees Balance Work and Family

Employees may apply for parental leave without pay in accordance with the legal provisions or choose to take a temporary leave of absence due to military service, major illness or injury, the need to care for immediate family members, or other special circumstances. They can return to work when necessary. Apart from unpaid leave, employees can also make flexible choices based on their own individual needs, creating an important buffer between family and work. In 2025, the post-leave retention rate was 73% for male employees and 79% for female employees.

Preferred Childcare Providers and Partner Merchants to Enhance Quality of Life

AUO collaborates with high-quality childcare service providers to offer professional care and exclusive discounts for employees with parenting needs. This support helps employees thrive in the workplace while enjoying a fulfilling family life.

○ Leave and Attendance Policies Surpassing the Legal Requirements

AUO introduced the "With Heart, With You" family care and child-rearing program, offering a suite of benefits that exceed the statutory requirements. In addition to providing 10 weeks of maternity leave during pregnancy, the Company also introduced paid parental leave, allowing employees to be fully present during key moments in marriage, childbirth, parenting, education, and companionship. AUO also offers flexible work hours. Where it does not impact on work performance or team collaboration, employees may adjust their work schedules based on personal needs. Moreover, AUO encourages employees to give back to the community by offering one day of paid volunteer leave per year. Employees are invited to participate in volunteer activities, fulfill their personal values, and contribute to the common good of society, business, and the individual in different ways.

Prenatal exam leave

Offer **10** days of paid maternity leave for each pregnancy

Paternity exam/paternity leave

Offer spouses of pregnant employees **10** days of paid paternity exam and paternity leave for each pregnancy

Maternity leave

Offer **70** days of paid maternity leave for each pregnancy

Engagement leave

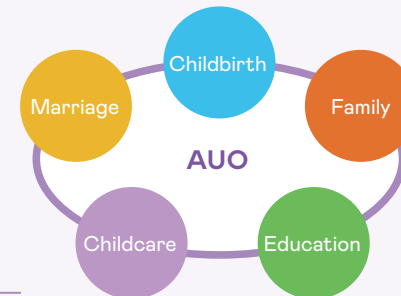
Offer employees who are engaged with **1** day of paid engagement leave

Marriage leave

Offer **10** days of paid marriage leave

Child hospitalization/care leave

5 days are granted each year to enable employees to meet their children's caregiving needs



Family leave

1 day is granted each year to enable employees to accompany their children for special occasions in their growth and development

Companionship leave

1 day is granted each year to enable employees to spend their precious time with their parents

First day of school leave

1 day of leave is granted on the actual first day of school for employees' children, allowing them to participate in this important moment in their children's lives

4.2.4 Happy Workplaces

AUO proposed the "WE CARE Program" to promote workplace welfare based on the spirit of a people-centered approach and holistic care. The Program aims to foster a safe, healthy, and friendly 5-star happy workplace. "WE" in WE CARE represents "We at AUO and Wellness." CARE represents the four aspects of Culture, Activities, Renew, and Environment. The Program promotes the goal of physical, mental, and spiritual wellbeing and balance for all AUOers. At the same time, we also hope to spread the WE CARE mission to our stakeholders and work with our value chain partners to safeguard health and safety in happy workplaces.

Culture Culture shaping

Exceed statutory requirements to foster an inclusive culture for holistic, safety, physical, mental and spiritual balance

Activity Specialty activities

Hosting of art, cultural and health promoting activities to deliver total employee care

Renew Innovative actions

Intelligent systems and digital tools were used to continue delivering employee benefits in response to the challenges of COVID-19 as well as the trends in mobility and AI technology

Environment Environmental design

Upgrading facilities throughout the Company from the employee experience perspective

We Care

Culture Shaping

○ Labor-Management Relations

Internal two-way communication mechanisms were actively implemented by AUO. Global union coverage is 43.88%, and organized unions operate at our Suzhou, Xiamen, Singapore and Vietnam sites. For employees "not in a union or not covered by collective bargaining agreements" and "not at a unionized operating location," their working conditions and terms of employment are determined in accordance with the requirements of local labor legislation, labor contracts, work rules, or their working conditions and employment provisions negotiated through statutory labor-management bargaining channels. In Taiwan, the "Regulations for Implementing Labor-Management Meetings" has been formulated based on Article 83 of the Labor Standards Act and policies announced by the Ministry of Interior to ensure that labor-management conferences are held on a quarterly basis at each site for the negotiation and discussion of labor-related issues. All employees can make recommendations to the Company through labor and management representatives. The quarterly labor-management meetings provide labor representatives with a clear picture of the Company's latest material business information, human resources situation, and labor-related communication topics. These promote the establishment of harmonious labor-management relations and cooperation between labor and management.

○ Open Channels of Communication

AUO works actively to establish a positive relationship with employees. Employees can provide their feedback through a variety of channels. They can also expect to be heard and receive a response. Internal communication channels include the General Manager's Mailbox, Sexual Harassment Complaints Mailbox, and site hotlines. The case closure rate in 2025 was 100%. Employee relations specialist are stationed at each site and random telephone surveys are conducted to check on employees' physical and mental well-being.

During times of business transformation, AUO emphasizes smooth internal communication to support alignment and mutual collaboration. Quarterly business briefings for managerial staff are held to communicate completed targets and key tasks. Taiwan sites held a total of 147 communication meetings during 2025. These in-person forums and town halls allowed employees to engage directly with executives in open, face-to-face discussions. Such initiatives aim to deepen the employee connection with the Company, amplify employee voices, and support the continued development of constructive communication mechanisms.

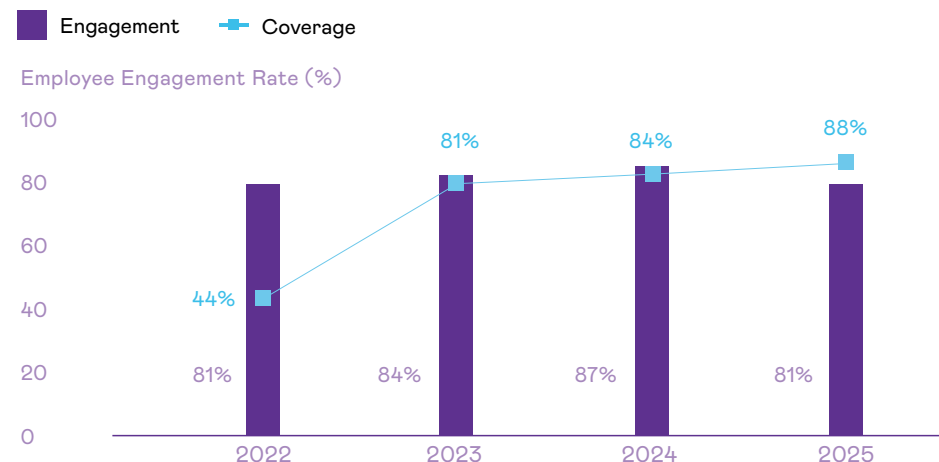
○ Q12 Employee Engagement Survey

To strengthen internal communication and drive cultural and behavioral transformation, AUO conducts an annual employee engagement survey based on the Gallup Q12 framework. In 2025, the survey was expanded to include DEI indicators aimed at assessing employees' perception of fairness in the workplace, building a friendly workplace, and providing guidance on how management performance can be optimized.

More than 30,400 direct and indirect employees at AUO sites across the world took part in the survey for a coverage rate ^{Note} of 88%. The survey findings were analyzed across demographic groupings including age, gender, and job type. The average employee engagement score across four dimensions—basic needs, managerial support, teamwork, and learning & growth—reached 81. Additionally, 79% of respondents reported feeling happy and expressed willingness to recommend AUO as a place to work.

The employee engagement survey project was also rolled out horizontally to Group subsidiaries, with the data provided by AUO to each site and the relevant units. Measures are taken to strengthen weaknesses such as employee experience, education and training, and department communications. These improvements are also tracked to provide a reference for optimizations to organization management and the Company's human resources policy.

Note: "Response rate" refers to the sample recovery rate.



Activities

○ Feast of Life

Feast of Life is AUO's exclusive oasis for the soul. The 2025 activities invited trailblazers from different fields to share their inspiring life stories and insights with employees. A total of 16 offline seminars were hosted in 2025, with a total attendance of more than 2,700.

Taiwan



Contemporary Art
SinGuang Elementary
School Ballad Team



Contemporary Art
@iamteacherchiang
on YouTube



Local Care
@594blackdragon
on YouTube



Think Big
Steven Chou, Asia's Top
Baseball Pitch Picker

Xiamen

The DEI-themed activities encompassed issues such as cultural fusion, the empowerment of women, and supporting people with disabilities. The "City Singers" were invited to perform for the vocal concert and communicate a message of cultural diversity and inclusivity. For the "How Brightly She Shines" seminar, the first internationally certified tree-climber in China was invited to share her experience; a multiculturalism seminar delivered completely in English was held for the first time to strengthen cross-cultural exchange and global perspectives. The soft-power activities fostered a friendly and inclusive organizational climate.



Suzhou

The Suzhou site curated the "Pules of Taihu" exhibition, a popular science education exhibition, as well as DIY workshops and thematic presentations. The exhibition showcased a millennium of hydraulic engineering, rice-growing civilizations, and poetry aesthetics around Taihu. Archaeologist Niu Yulong introduced AUOers to the past and present of the Taihu river basin to strengthen their understanding and consensus on the need for action on ecological conservation issues.



○ AUO Clubs

AUO is continuing to promote a workplace culture of respect and inclusion through multicultural club activities. Close to a hundred clubs have already been formed in different fields such as sports, arts & culture, and philanthropy to enrich employees' lives outside of work. AUO also set up 13 migrant worker clubs to promote cross-cultural exchanges as well as to provide support on working and living in Taiwan.



The basketball tournament is an annual highlight for the foreign worker dormitories that fosters great camaraderie.

○ AUO Sports Season

• Taiwan

The AUO 2025 Sports Season took the form of inter-site competitions, online sports passports, and on-site sporting activities to encourage employees to make sports a part of everyday life, as well as to enhance their awareness of the importance of health and regular exercise. The activities also proved effective in building organizational cohesion and for fostering a positive, energetic, and supportive workplace climate. During the event, more than 5,000 participants took part in the various sporting activities.



• Suzhou

The Suzhou site organized the "AUO Energy Run – Carbon Friend Circle" for its autumn road race. This was combined with the "Fantastic Plants at AUO" interactive design to integrate environmental and ecological education with sporting experiences. A triple mechanism of "Check-in, Points Collection, and Trivia Challenge" introduced employees to the characteristics and distribution of plants on the site.

○ AUO Family Day – ONE Together

• Taiwan

The six happiness values of: "Smile, Companionship, Glory, Inclusivity, Fun Together, Sustainability" served as the main theme for activities such as family-child interaction, cross-generational exchange, and multicultural engagement. Long service awards were also presented to long-serving employees to recognize their professional contributions and the support of their families.

• Suzhou

The "Carbon Ecosphere – Have a Grain Day" theme saw AUO partner with NGOs to host biodiversity themed events to promote sustainability and eco-conservation. The event focused on the three key axes of environmental responsibility, local memory preservation, and enhanced governance systems. Diverse interactive experiences were designed, including the circulation of used goods and repurposing of fruit shells. Local memories centered on farming culture were also passed on through the Youyuanju micro-film archives and the Youyuan life market.

• Kunshan

The Family Day event ran from day to night. During the day, the carnival set up interactive experiences such as family games, Lego funland, and small machinery. Company clubs were also invited to set up stalls and enrich the line-up of activities. A sustainable experience area was set up to present the four themes of biodiversity, recycling, local culture, and sustainability accomplishments in an interactive format. Kun Opera performances and cultural interactions were also introduced to strengthen the local connection. The DIY area incorporated local features and the site's sustainability accomplishments as well.

• Xiamen

The event was held at the historic Minnan houses of Shantou Village with the original villagers were invited to perform Minnan operas. The representative inheritor of intangible cultural heritage also showed off his Wind Lion making skills, while a province-level inheritor put on a puppet show. These performances reflected the importance assigned by AUO to the preservation of local culture and community inclusion.



○ Renew Innovative Actions

• Digital Welfare Communication Platform

AUO engages with AUOers through the digital AUO Club so company messages can be transmitted in real-time to foster an atmosphere for positive interaction and communication. To actively build a constructive relationship with employees, internal activities such as Family Day and Green Power for Earth are also integrated to let all employees take part in events and interactions at any time.

○ Environment Design

• AUO Sustainability Gallery

The AUO Gallery was formally renamed by AUO to become the AUO Sustainability Gallery in 2025. The physical paintings at the AUO head office were also replaced with "AecoPost ePaper Signage," an AUO group product. The Gallery not only serves as a field demonstration of AUO products but also reduces the carbon footprint from the use and transportation of wooden picture frames.

4.3 Talent Development

AUO places strong emphasis on employee growth and capability development. In addition to providing holistic, high-quality and diverse learning opportunities that enhance employees' professional competencies and long-term employability, AUO aligns career development roadmaps with organizational strategy and individual needs to support international competitiveness. A structured mentoring program is also in place to support onboarding and accelerate the integration of new hires. Internally, AUO leverages its corporate teaching resources to strengthen employees' technical ability, leadership capabilities, and execution effectiveness, advancing the company's ongoing value transformation. Externally, AUO extends training resources to the broader community, fostering talent development and amplifying the impact of its inclusive growth philosophy across the industry. In 2025, the average training hours per indirect employee across AUO's global operations were 76.67 hours, with an average training expenditure of NTD 4,372 per employee.

4.3.1 AUO University

■ Professional Courses and Talent Training

AUO University is the intra-group education, training, and talent development platform. A professional ability framework is constructed using the core competencies of the Group and is closely aligned with the Company's strategy. Guided by the three pillars of sustainable operations, AUO University's mission is to cultivate all-rounders and develop specialists. It provides AUOers with a diverse and comprehensive channel for on-the-job training and self-guided learning.

AUO University consists of the College of Science, College of Engineering, College of Leadership, College of Liberal Arts, College of Future, College of Sustainability, and College of Business. The seven colleges devise training roadmaps based on their target talent to provide common training courses for each part of the Company, forming a complete and flexible Group-level education and training system to support the continued growth of employees and the Company's strategic advancement.

Each department also sets up its own Training Executive Committee (TEC) responsible for implementing professional training within the department. Each TEC also develops its own training roadmap to assist employees with enhancing their professional knowledge and skills. The Academic Affairs Council reviews the completion rate of learning passports and assigned courses. In 2025, the completion rate was 99%.

■ AUO University Training Program Highlights

○ Leadership Development – Leadership Development Program

AUO rolls out a leadership development program based on the organizational direction and management requirements formulated by the Strategy Meeting. The College of Leadership runs a series of leadership development courses targeted at management every year to build a robust and pioneering leadership team. A total of 102,455 hours of global management training were conducted in 2025.

○ Culture Shaping – Global Collab

The Colleges of Liberal Arts, Business, and Leadership at AUO University launched the 2.0 Global Collab project. The Company's globalized operations and core culture are emphasized while cultivating the cross-cultural communication skills essential for international workplaces. This is aimed at improving team collaboration and fostering internationalized talent. The "Global Collab Area" set up by AUO includes courses from four key areas, namely cross-cultural communication guides, building mental resilience, business English, and high-efficiency communication. A total of 14 courses are now listed. A self-guided learning conversion rate of 32% had been accumulated by the end of 2025 through interactive missions and a feedback reward mechanism.



○ Digital Empowerment – Generative AI Learning Community

Since 2023, the College of Future has promoted the establishment of generative AI concepts and foundational hands-on training for all employees. In 2024, it advanced into Phase 2 by launching a "online coaching × offline practice" learning model, forming learning communities and rolling out practice-oriented development programs.

In 2025, efforts were further deepened to enhance AI-driven digital empowerment across the organization. Through application-sharing by seed members from cross-departmental digital teams and a series of AI seminars, the Company has progressively fostered a digitally work environment. At the same time, targeted initiatives were implemented to strengthen the digital capabilities of senior executives, improving operational efficiency and accelerating decision-making, thereby enhancing overall organizational effectiveness.

To address the diverse professional needs of different departments, a total of 41 project-based GPT systems have been developed. These AI tools have recorded a cumulative usage of 44,554 instances, demonstrating that employees are increasingly integrating AI into their daily work and transforming existing workflows. Through systematic instructional design, the College of Future has effectively enabled employees to move from learning to practical application, thereby enhancing overall organizational productivity.

In parallel, AUO University has continued to offer AI-related programs, strengthening both theoretical knowledge and practical capabilities across different technical domains and levels of expertise. To date, more than 1,700 participants have completed intermediate and advanced training programs, and a technical competency evaluation mechanism has been established to build a talent pool for smart manufacturing. Over 900 professionals have already obtained relevant certifications.

In response to the rapid advancement of generative AI technologies, AUO University launched a dedicated series of "Generative AI" courses in 2025 to equip employees with emerging skills and enhance innovation capabilities. By the end of 2025, more than 400 participants had completed the training, laying a critical foundation for the Company's smart manufacturing and digital transformation initiatives.



○ AUO Teacher's Day – New Era of AI Co-Instruction: Redefining the Value of Lecturers

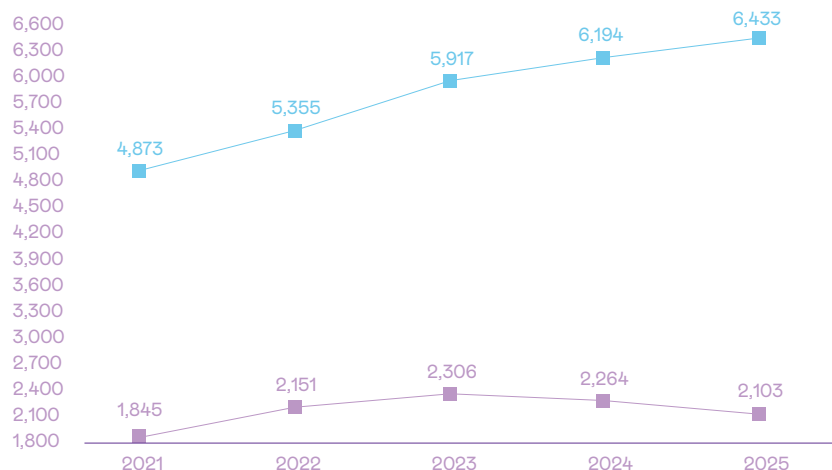
AUO believes that teachers are not just carriers of knowledge; they are also guides, innovators, and inspirations for learning. The Company is therefore continuing to enhance its internal instructor training strategy and integrate the latest changes in pursuit of sustainable talent development. The 2025 Teacher's Day chose "New Era of AI Co-Instruction: Redefining the Value of Lecturers" as its theme. Digital expert Chang Shu-Ping was invited to share a hands-on view of how AI tools are transforming online and physical education. This helps lecturers prepare for class efficiently, assist instructors with better preparation, and improves the interactivity of learning trackers.



— Total Number of Training Sessions Delivered by Internal Instructors

— Number of Internal Instructors Delivering Training

Participant person-times



■ Evaluating the Business Benefits of Employee Development

AUO evaluates course performance using the four levels of training evaluation from the Kirkpatrick Model, including Reaction (survey), Learning (testing/insights), Behavior (practical report), and Results (project outcome) based on the course objectives. In 2025, average course satisfaction was 9.6 (out of 10). Most of the courses reached the Learning and Behavior levels, so they helped drive positive business growth.

Employee Development Case: Systematic Improvement Program

Project Course Programmable Logic Controller (PLC) Development Training

Description

In alignment with the advancement of automation in the practice factory, this training program focuses on the hardware architecture of Programmable Logic Controllers (PLCs) and programming languages, combined with simulation software for hands-on exercises. Participants are trained to analyze and simulate PLC designs and applications, fostering expertise in automation control and laying a solid foundation for smart manufacturing. Through this program, trainees apply acquired knowledge and skills to real-world projects, effectively enhancing work efficiency and production performance.

L1 Reaction Evaluation

Average course satisfaction was **9.4** (out of 10)

Using the PLC Development Course as an example

L2 Learning Evaluation

100% completion of training and certification;
average test score: **94.3**

Using the PLC Development Course as an example

L3 Behavior Evaluation

100% completion of practical report after training

With the PLC Development Course and complementary work project as an example

L4 Results Evaluation

Quantification of contribution to business performance from investment in employee training and development programs:

- Cost savings through self-directed machine retrofitting: more than NT\$2.5 million
- Equivalent to energy cost savings of more than NT\$0.23 million
- Equivalent to material cost savings of more than NT\$1.76 million

Total project benefits assessed to be more than NT\$4.5 million

4.3.2 Sustainability for All

Through its College of Sustainability, AUO has designed a modular training blueprint that can be tailored to different groups. Training courses ranging from trending to general knowledge and basic to advanced are offered to boost the sustainability awareness and participation of all employees. Courses and activities organized by the College of Sustainability included global risk trend training, an introduction to ESG, green materials, and the ESG STAR Award that reached 26,000 exposures.

○ ESG STAR Award

AUO launched the 1st "ESG STAR Award" to encourage colleagues to start with where they live and work every day, then leverage their professional expertise and technical experience to propose innovative sustainability solutions that are worthwhile to implement. The competition not only offers a stage for colleagues to showcase their creativity but also encourages teams to make a difference from the bottom up.

The competition was centered around the three core dimensions of "Environmental Sustainability," "Digital Applications," and "Social Inclusion." A total of 800 employees took part of their own free will, and more than 150 sustainability proposals were received. The internal voting generated 4,700 views from employees interested in sustainability issues and strengthened the internal sustainability culture.



Rigorous screening by a panel of internal and external experts eventually produced a short list of 10 benchmark teams. The transformation proposals from employees demonstrated a very high level of breadth and depth. They encompassed a diverse range of fields, including carbon reduction for production lines, energy-efficiency improvement in offices, improving the climate resilience of products, digital management of the supply chain, smart employee health management, automation of the financial and accounting system, corporate philanthropy in practice, popular science education, as well as sustainable product applications. The outcomes of the competition not only highlighted the creativity and speed of AUOers, but they also showed that corporate sustainability is more than just about advocacy—it is real influence that can be incorporated into business operations to boost the competitiveness of each function.

To maintain the competition's momentum and expand its influence, AUO used the "AUO Smart Expo" and online thematic reports on the cultural platform to popularize success stories of winning projects. The competition has now evolved into a cross-departmental sustainability co-learning platform. Cross-disciplinary exchanges and brainstorming reinforced the organization's ability for action. Sustainability literacy accumulated by the enterprise over the years can now be converted into real core competitiveness.

○ Green Festival for Earth

AUO hosted the first Green Festival for Earth in support of "Earth Day" so that employees could experience sustainable living for themselves. A curated exhibition showcasing AUO's past sustainability actions and accomplishments was placed along AUOers' movement lines and in common spaces to create a light-hearted sustainability atmosphere in employees' lives. The Green Festival was hosted as a relay between Taiwanese sites with online feedback. The three main aspects of Knowledge, Lifestyle, and Action were used to launch a month-long series of sustainable living experiences. The physical site exhibits and online activities drew more than 17,000 participants.

• Knowledge Aspect – Transmit sustainability knowledge

Interactive backdrops were placed at AUO's 7 sites to transmit sustainability knowledge. A quiz format was used to introduce employees to climate change. The "Sustainable Da Vinci" plastic reduction exhibition invited migrant workers to create a fashion show at the opening ceremony using waste plastic and PET bottles. Four sustainability salons were held with Liao Xin-Yun (famous home curator), DontkJoanne (YouTuber), and Dr. Yen Tzung-Hai from Changgung sharing their sustainability software knowledge on minimalist home organizing and the hazards posed by micro-plastics.

• Lifestyle Aspect – To bring about a low-carbon lifestyle

Each site made use of small farmer stalls, sustainable merchandise, DIY experiences, low-carbon plant-based food, electric vehicle sales, and a used goods market. This year, employees were invited to become used goods stall holders by bringing idle items from home to sell for charity. The initiative supported the recycling of resources and boosted employee engagement.

• Action Aspect – Online advocacy

Included daily Tarot card draws, a waste sorting game, online artwork submissions, and low-carbon recipes. From awareness shaping to advocacy, from participation to response, employees could take part whenever and wherever they liked.

The Green Festival for Earth promoted the AUO sustainability culture through the three core axes of knowledge transmission, lifestyle and practice, and mobilization. Sustainability literacy was made a part of employees' everyday lives through education followed by actual practice.



AUO Foundation Chairman Paul SL Peng and CEO Amy Ku used their actions to invite AUO colleagues to practice sustainability in their everyday lives.



Interactive 3D exhibits at 7 AUO sites used fast and fun trivia quizzes to communicate sustainability tips to colleagues.



Filipino colleagues used recycled goods to create innovative, eco-friendly, and stylish clothing.



A total of 28 employees became used goods stall holders. Items in good shape that were no longer used at home were brought in to share resources.

○ Sustainability Literacy Survey

AUO began promoting the "Sustainability Literacy Survey" in 2021 to serve as an important reference for reviewing the year's accomplishments and employees' sustainability awareness. In addition to testing employee understanding of issues such as climate change, plastic reduction, and resource use, their everyday practices were also examined, including carbon-reduced diets, energy usage, and social engagement. This was used to understand employees' sustainability awareness and action preferences. The 2025 testing covered all employees in Taiwan, a total of 9,641 colleagues. The average score was 91.76, 11.7 points higher than the previous year. Overall sustainability literacy is therefore seeing positive growth. The survey's findings showed that more than 3,000 colleagues took part in social inclusion actions. More than 8,000 employees had also used AUO circulating products. This showed that AUO is incorporating sustainability concepts into employees' everyday activities.

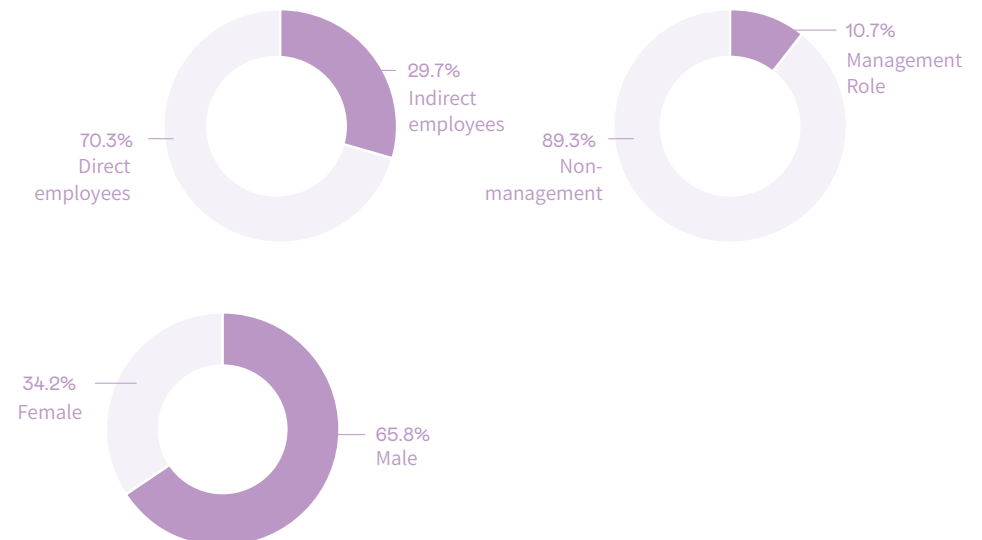
4.3.3 Performance Management and Diverse Career Paths

■ Performance Management System

AUO's performance management system is built on two core principles: supporting business growth and ensuring sustainability. Using Management by Objectives (MBO), annual strategic targets are linked to team or individual core performance evaluation indicators to ensure that everyone is on the same page. Real-time feedback, performance interviews, annual assessments, and PDCA cycles are used to promote two-way communication and teamwork. Performance outcomes include promotion, remuneration, or talent development. A fair and transparent mechanism strengthens employee growth and organizational competitiveness. Implementation, operating structure and methods are as shown below:

○ Distribution of Routine Performance and Employee Categories

In 2025, 100% of global full-time employees completed the performance management cycle.



PDCA Performance Management Cycle

Plan | Target Planning and Alignment

- Target Setting: Define work and development goals for individuals and teams using the MBO mechanism.
- Action Planning: Set strategies for the Company's annual action plan to ensure alignment with the Company.

Action | Improvement and Development Put into Action

- System Connection: Performance results inform key decisions, including training, rewards & remuneration, promotions, and career development.
- Positive Feedback: Managers provide affirmation and constructive advice based on evaluation scores.
- Development Support: Individual Development Plans (IDP) or Performance Improvement Plans (PIP) are initiated to support continuous improvement by employees based on the outcomes.



Do | Execution and Immediate Feedback

- Execution: Launch plan against planned target and carry out everyday work.
- Real-Time Feedback: Managers engage in ongoing conversations, provide timely feedback, and make agile adjustments through daily management practices.
- Phase Review: A mid-year performance review is conducted to assess progress toward goals.

Check | Review and Diverse Assessments

- Performance Review: Conduct performance interviews at the end of the year based on the employee's self-assessment and their supervisor's assessment.
- Build Consensus: Review the year's results and align the direction of future development.
- Diverse Assessments: AUO also adopts diverse evaluation methods to help managers gain a well-rounded understanding of each employee's performance.

Performance Evaluation System

System	Subject	Frequency	Implementation
Target Management	All AUO Employees	Once per year	• Concrete targets for each level/unit are rolled out hierarchically base on the annual business strategy • Managers and employees jointly discuss and set individual work goals and development plans based on unit targets
Multi-dimensional Evaluation		Twice per year	• Diverse Evaluation Indicators: Core competencies and target completion rate • Diverse Evaluation Targets: input may be gathered from cross-functional collaborators, invited by both employees and managers
Team-based Evaluation		Twice per year	• Feedback is provided based on relative performance within the team, and a bell curve distribution is applied to identify talent

Diverse Career Development Channels

Internal talent mobility is important to AUO. We respect and balance employee career needs against the Company's business requirements to provide diverse options for career development. Employees are encouraged to enhance their specialization, broaden their global and functional perspectives, and bring about joint growth for the organization and individual.

○ Deepening Expertise – Structured Development of Leadership and Professional Talent

AUO has designed a career development blueprint based on job responsibilities and complexity levels to systematically cultivate organizational leaders and professional experts, supporting continuous employee growth at every stage. Promotion pathways include:

- **Job Grade Promotion:** Progressive expansion of job scope and responsibilities based on professional maturity.
- **Position Promotion:** Implementation of the dual-track system for management and specialist roles. The internal promotion rate in 2025 reached 92%.
- **Expert Recognition:** Screening and certification mechanism set up for key technologies and specialties.

○ Broadening Horizons: Promoting Talent Mobility and Diversified Development

AUO has set up talent rotation and internal mobility mechanisms at the group and international level. "Trans-national/regional assignment" and "intra-group rotation of tasks and positions" are used to encourage employees to challenge more diverse career paths in a systematic manner. Flexible benefits and management measures for trans-national assignments also ensure proper support for talent even when they move between regions to promote the passing of organizational knowledge.

In 2025, the rotation rate for indirect personnel/departments reached 34% ^{Note}. AUO is therefore continuing to offer employees diverse opportunities for development and fulfilling its pledge on sustainable talent development.

Note: Rotation of indirect personnel only counts department-level changes. Assignments or projects may be adjusted or assigned within a unit to broaden and enrich an employee's professional field.

Global/Group Talent Development Program, GDP

- GDP promotes systematic planning of trans-national cultivation and careers to help AUOers maintain their international competitiveness in diverse markets.
- In 2025, the expansion of overseas assignments and two-way exchange mechanisms continued. Talent now rotates between Asia, Europe, the Americas, and other key markets for medium- to long-term assignments lasting from several weeks to two years. Through trans-cultural cooperation, participation in cross-disciplinary projects, and practical local learning, employees were able to broaden their international horizons and hone their market insights. This equipped them with the core expertise to meet future changes while also strengthening the resilience and sustainability of the business' global operations.



Job-bid

- Set up trans-national and inter-group talent mobility mechanisms with public posting of job openings, and encourage employees to expand into new departments and regions. A fair selection process and professional assessment tools assisted with the diverse development of talent, and forged a more flexible and inclusive career development environment.

Crafting of flexible benefits plans and supporting management mechanisms for international assignments

- AUO employees participated in global assignments. Whether deployed individually or accompanied by family, AUO provides comprehensive support and care throughout the process. This looked after both employees' families and careers, and improved the stability of expatriate assignments and talent retention.

Advance Preparations for Expatriate Assignments | Arrangement of advance preparations such as health exam, shipping of personal belongings, environmental inspection, and visa services

Essential Subsidies for Living in a Foreign Land | Regular inspection of local standard of living to design expatriate stipend as well as accommodation, transportation and telecommunications subsidies that maintain the quality of life

Expatriate assignments accompanied by family | Provide family stipends, children's education subsidies, and family housing to support home-building in a foreign land

Expatriate Care and Support | Entitlement to expatriate group insurance and SOS emergency overseas medical assistance services.

Expatriate Talent Rotation Mechanism | Rotation mechanism is activated at end of assignment for planning of career development upon return

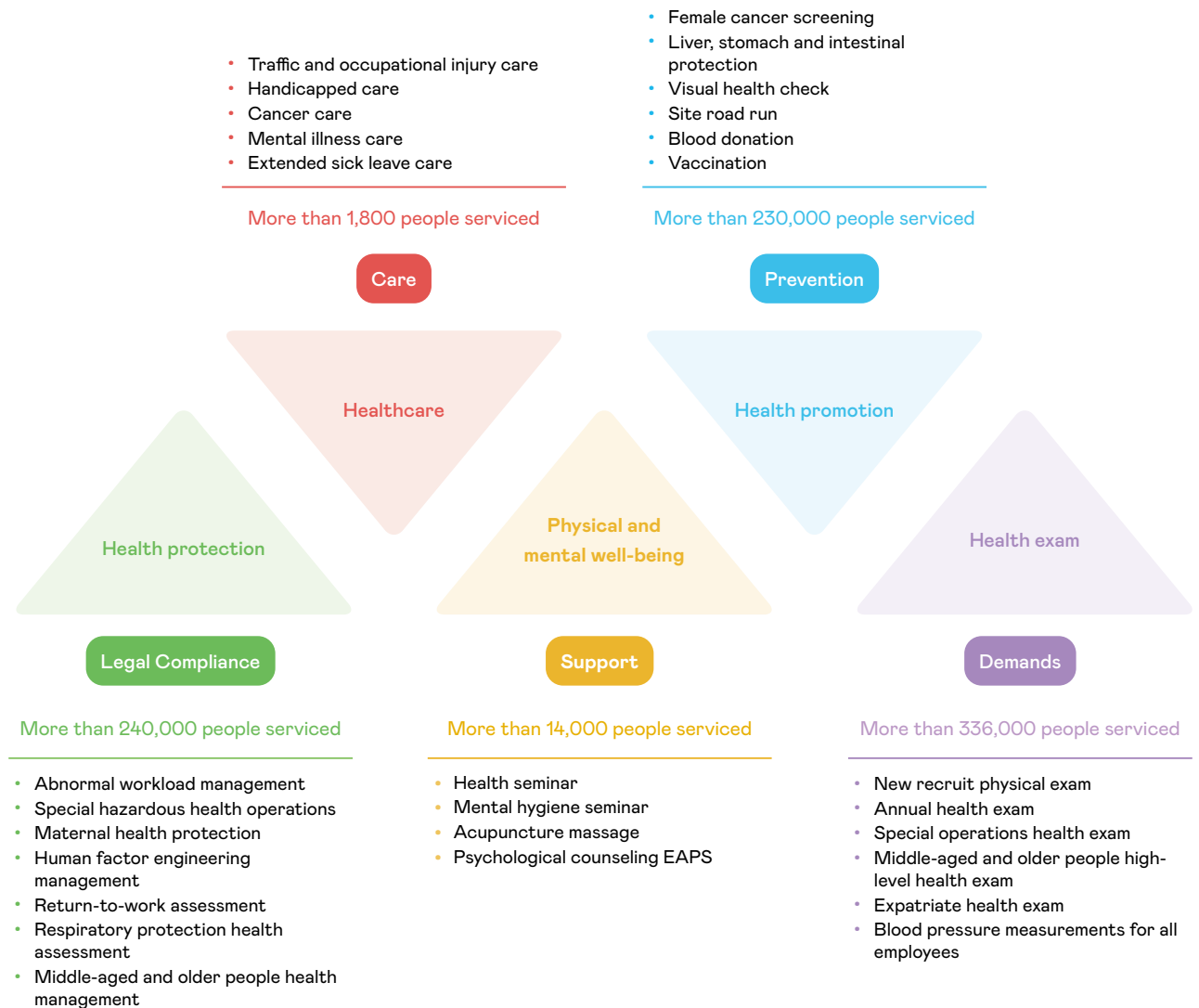
Chinese sites hosted expatriate friendship meetings and cultural exchanges such as CNY excursions, wrapping glutinous rice dumplings for the Dragon Boat Festival, baking mooncakes for the Mid-Autumn Festival, a Christmas banquet, and regular expatriate luncheons. Diverse festival activities boosted expatriate colleagues' and their dependents' sense of belonging in a foreign land with a familiar holiday atmosphere and cultural linkage. The activities encouraged colleagues to connect and support each other, and fostered team cohesion. These, in turn, reflected the importance assigned by the Company to cultural linkages and the sense of belonging for expatriate colleagues.

4.4 Health and Safety

4.4.1 Healthcare

AUO strives to foster a friendly and healthy workplace in support of SDG 3. Under the Employee Healthcare Plan, diverse, tailored health promotion plans are developed for each age group and different requirements to craft a comprehensive protection mechanism for physical, mental, and spiritual health.

The "Holistic Healthcare Plan" was devised by AUO based on the three principles of Healthy Environment Building, Health Risk Management, and Protection of At-Risk Groups. Health big data and the introduction of hospital resources allow all employees to monitor their own health and improve their well-being through a wide variety of activities. In 2025, the program supported and looked after AUOers by focusing on five key dimensions: Health Screening, Health Promotion, Health Protection, Healthcare, and Mind-Body Balance.



■ Maternal Healthcare for Employees

AUO provides support for women during pregnancy, childbirth, and breastfeeding in response to the increasing severity of declining birth rates, so they can balance their health and work.

Pregnancy Preparation Phase	Pregnancy and Childbirth Phase	Postnatal Recovery Phase	Women's Maintenance Phase
Protecting the health and safety of maternal employees	Pre-childbirth health support	Postnatal/Lactation support measures	Healthcare and support
- Fertility Planning Seminars - Provide the latest information on food and health education during pregnancy preparation - Signing of agreements with domestic artificial insemination institutions - Pregnancy gifts and joining employees in welcoming new babies	- Provision of guidance during pregnancy by professional nurses and prenatal health assessments by occupational medicine specialists - Establishment of a pregnancy tracking mechanism: During pregnancy, employees can apply for waivers on lifting heavy items, avoiding standing for long periods, and avoiding exposure to hazardous substances - Evaluate on-site hazards during pregnancy and ensure the safety of the workplace - Adjustment of tasks or work hours when necessary (flex-time, working from home, working at the closest site, flexible attendance)	- Provision of postnatal health advice by nurses - Postnatal health assessment by occupational medicine specialist - Lactation room and flexible lactation hours	- Female-only health exams (breast ultrasound, mammography, pap smear, gynecological ultrasound, and gynecological cancer blood tests) that can be performed on-site - No-gap subsidies on regular breast ultrasounds for women on shift work

■ Expatriate and Business Travel Health Management

Providing expatriate personnel or those on business trips with services such as information on local health, environmental hygiene, and safety alerts, as well as providing business travelers with applicable safety measures.

Health assessment and essential preparations	Staying up to date on business travel risks	Physical and mental health support	Emergency response
- Expatriate health exam (expatriate health exam, chronic illness assessment) - Health information reminder (vaccination, assessment of chronic illness medication, etc.) - Epidemic prevention kit for business trips provided depending on the destination	- Colleagues are provided access to the International SOS health website for querying the destination's weather, food safety, epidemics, and the accessibility of medical resources - Care guidance for business trips	- Provision of EAPS online mental counseling resources for expatriates and business travelers - Set up business travel support team: Provision of medical consultation, epidemic prevention policy, business travel advice, and flight queries	- Arrange for colleagues to seek local medical attention immediately and notify their direct superior - Call International SOS to provide medical advice, translation, and medical evacuation - Provide compensation from company insurance

■ Cardiovascular and Cerebrovascular Disease High-Risk Care

The number of people at risk of cerebro-vascular disease at AUO has been increasing every year. AUO launched the Safety_{abc} ZerO₂ initiative in 2025 to respond to this risk through more systematic health and safety management. As colleagues often lacked the motivation for self-improvement when there were anomalies in their health reports, AUO strengthened the role played by supervisors in healthcare by providing each unit with a list of those with anomalies. Supervisors are then expected to actively remind colleagues to take their health seriously by getting regular treatment and medication; health education from nursing specialists are also leveraged to encourage colleagues to reduce their risk index through exercise, weight management, and diet control.

The program is continuously tracked and improved using the PDCA cycle. Supervisors also receive regular feedback on improvements made by colleagues. The level of overall health risk has declined drastically since the initiative was launched. The return visit rate of 85.5% in 2025 was a significant improvement over the 70.02% in 2024.

Neuro-cardiovascular disease support at Taiwan sites in 2025	
No. of people with neuro-cardiovascular disease	815
Total frequency of return visits	697
Return visit rate	85.5%

First-Aid Training for All

Metabolic syndrome has a prevalence rate of 19% among AUO employees. Cohort studies in Taiwan found that metabolic syndrome increased the risk of coronary heart disease and stroke. Cardiovascular health is therefore a risk that should not be ignored. In 2025, AUO included CPR and Automated External/Electric Defibrillator (AED) in mandatory employee training for the first time to equip employees with first-aid training. The online course has been completed more than 10,000 times to date.

AUOTube Wellness Center Videos

AUO has now designed an online version and produced an online course. These are uploaded to our internal AUOTube multimedia platform to let colleagues read, hear, and learn about the latest health knowledge at any time. There are now 3 courses on the platform and they have been used more than 1,600 times.

4.4.2 Safe Workplace

Safety is a core risk management objective that is very important to AUO. On a cultural level, AUO raises the safety awareness of employees and introduces incentives to strengthen the safety culture and implementation of risk management. Performance rewards and promotions are also employed to recognize teams and individuals for outstanding risk management. In 2025, 112 outstanding safety officers were nominated in accordance with the Positive Thinking initiative and Safety Passbook scheme. The results were reflected in individual evaluations as well to recognize their contribution. The Safety Passbook scheme runs on an online platform for employee risk reporting, and rewards are paid directly to employees who report workplace risks. The amount of rewards in 2025 increased by 66% over 2024. This is expected to grow by more than 100% in 2026.

In the institutional aspect, AUO complies with environmental safety and health, water resource, and energy policies by effectively managing OHS risks at the source. A total mobilization approach is employed to build a safe workplace together. In 2025, global manufacturing sites continued to implement the ISO 45001 occupational safety and health management system and achieved 98.32% employee coverage^{Note 1}. Education and training, public education, and drills were also used to ensure that stakeholders fully understood their rights and responsibilities regarding safety and health. Taiwan sites also obtained CNS 45001 certification^{Note 2} and established a comprehensive hazard identification, risk assessment, and control process in accordance with its requirements. Total participation is overseen by the Occupational Safety Committee. For high-risk items, remediation through engineering and technical means is prioritized. For secondary risk items, department heads employ the JSA^{Note 4} job safety analysis method to carry out observations and improvements. More than 40,000 risk assessments were conducted in 2025.

Category	Number of people covered by the management system ^{Note 1}	Total number of AUO employees	Ratio
Employees	35,048	35,644	98.32%
Contractors ^{Note 3}	15,549,472	15,555,616	99.96%

Site	ISO 45001 Issue Date	ISO 45001 Expiry Date	CNS 45001 Certified
Corporate HQ / Taiwan Sites ^{Note 2}	2024/05/11	2027/05/11	✓
Kunshan Site	2024/05/10	2027/05/09	
Suzhou Site	2023/03/04	2026/03/03	
Xiamen Site	2023/04/07	2026/03/12	
Vietnam Site	2024/03/15	2027/03/14	

Note 1: Non-manufacturing sites are not included in the certification scope. This includes the Singapore site (decommissioned in 2024), the Slovakia site (restructured as a repair center), as well as overseas offices in Europe, the U.S., Japan, Korea, and local offices in Taipei and Kaohsiung. The Vietnam site was newly added in 2024.

Note 2: Taiwan sites include Huaya, Longtan, Longke, Hsinchu, Taichung, Houli, Tainan, and Kaohsiung.

Note 3: Contractor data is based on site entry person-times.

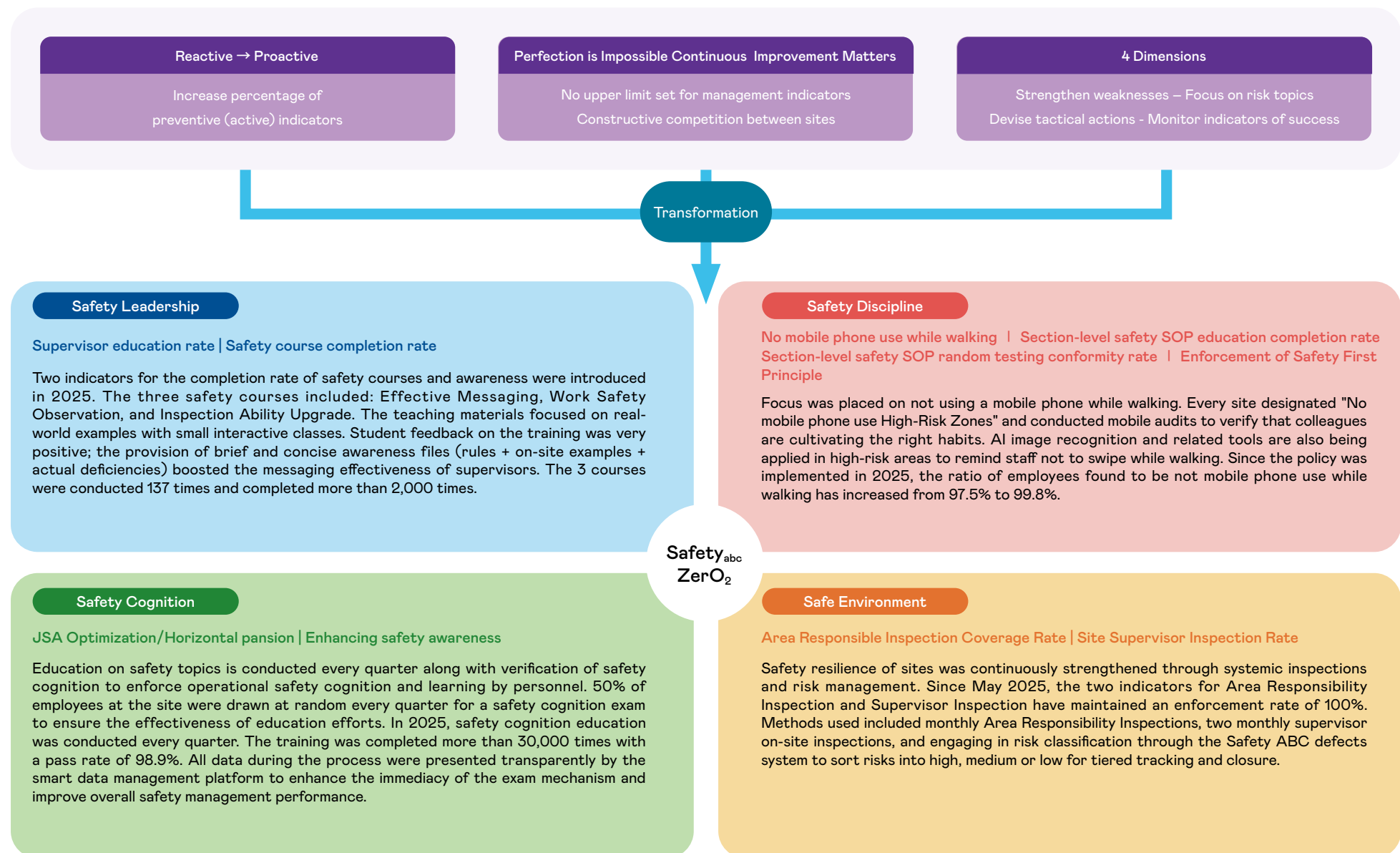
Note 4: JSA stands for Job Safety Analysis.

Total Safety Culture Improvement – Safety_{abc} Zero₂

A culture of safety is actively promoted by AUO to craft a safety and health workplace. AUO strongly believes that only with proper training and certification can employees perform their work without fear. Employees are also encouraged to put safety first and actively reject any tasks that may put themselves at risk.

AUO places great importance on employee participation and consultation. Employee representatives are elected to participate in the operations of the Occupational Safety and Health Committee in accordance with the law. These representatives are involved in revising safety and health work rules, investigating incidents, and conducting workplace environment monitoring. The OSH Committee is convened quarterly to review workplace safety issues. The membership includes supervisors and labor representatives. The Committee supports ongoing improvements to workplace safety, and analyzes the frequency of disabling injuries (FR) from past years to identify the root causes for targets not being met. Data showed that a high proportion of FR were not related to production or company activities. Reviews and adjustments were also made to accelerate the penetration of safety culture. A new era therefore dawned in 2025 with the launch of Safety_{abc} Zero₂. This not only enforced strict compliance with the relevant laws but also exceeded them in pursuit of even higher safety standards to focus the efforts of all employees and business partners on the common goal of "Zero Occupational Injuries."

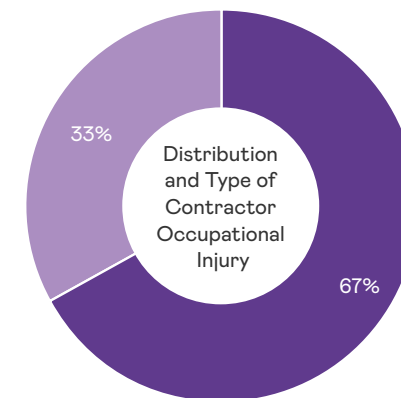
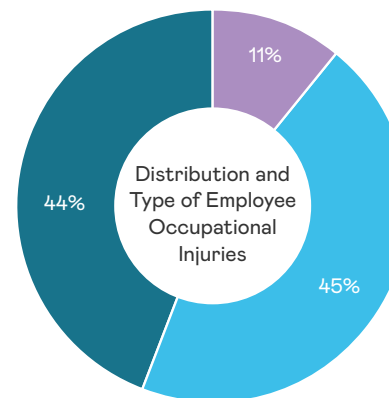
○ Safety_{abc} ZerO₂ – Four Main Management Aspects and Implementation Outcomes



Health and Safety Indicators

During the ongoing promotion of a safety culture and push to realize the goal zero occupational injuries, AUO established active and reactive indicators for self-management in order to review the performance of safety culture promotion. These included No. of Major Occupational Accidents, Frequency of Disabling Injuries (FR), Frequency of Contractor Disabling Injuries, and number of industrial safety accidents. All met their targets in 2025. Safety culture was also expanded to the living spaces of colleagues. Analysis of traffic accident data from employee communities as well as a survey census established the dangerous road sections and driving habits during employee commutes. Special measures were drawn up to help colleagues cultivate the proper safety concepts in their everyday life.

■ Stabbing/scratching/cutting ■ Pinching/rolling/crushing ■ Slipping/falling ■ Spraining/bruising



2025 Occupational Injuries

Major occupational accidents

0

Frequency of Disabling Injuries
(FR)

8

Industrial safety accidents

0.12

Employee Traffic Accident Cases

122

Contractor Disabling Injury
Frequency Rate (FR)

0.19

Note: Definitions for "major occupational accidents" and "occupational safety incidents" are based on AUO's internal classification system, which considers the type of incident, number of people affected, and severity.

Prevention and Improvement of Occupational Injuries and Disasters

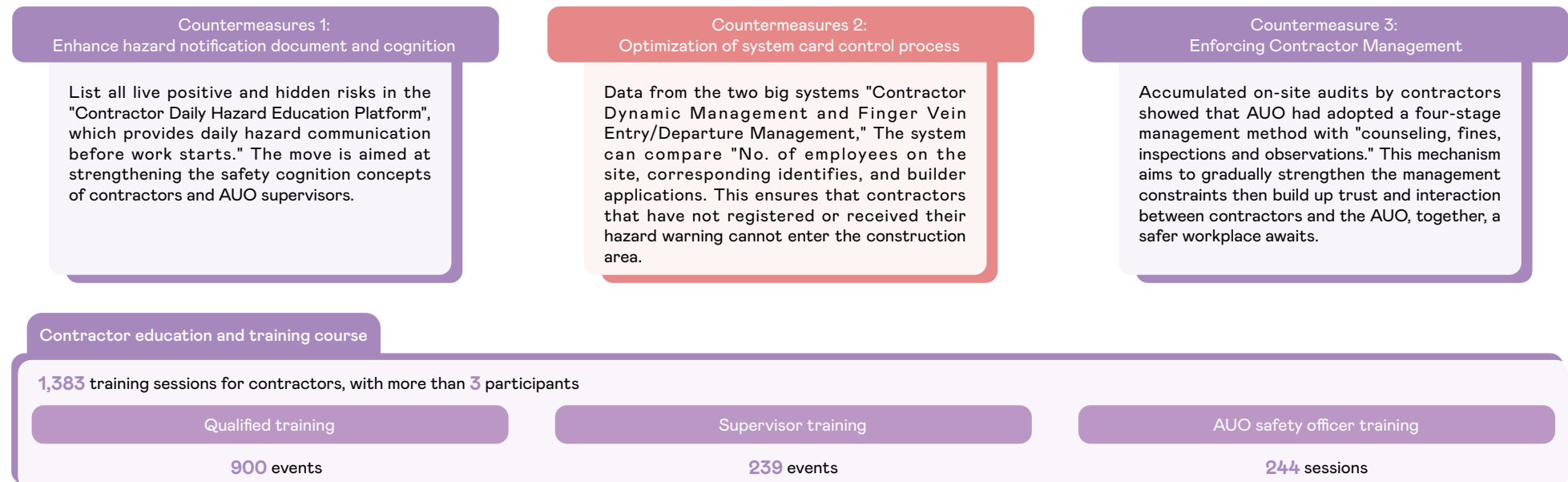
AUO adopts effective control measures based on review of accident and analyzing effective control measures adopted by each. These are rolled out to all AUO sites and the completion rate is 100%.

2025 Occupational Safety Risk Management Project Implementation Status		
Abnormal Expansion Item	Type of Abnormality	Content of Horizontal Expansion
Personnel Injured by Machine Guard Horizontal Deployment Project	Collision, impact	- Confirm that the machine's equipment cover is designed for fixing with screws. "Servicing or troubleshooting" added to the abnormality troubleshooting checklist. The removal of the mounted cover and integrity of the screws need to be checked. - If the cover screws are fixed and can't be repaired immediately, a hazard notification form should display a sheet of warning.
Employee Thumb Caught by Trolley Horizontal Deployment Project	Clamping, entangling, and crushing injuries	- When the departmental transportation, material trolley and flat bed are in use, the trolley is temporarily stored in the work area. When not moving, the trolley's parking space in the work area needs to be clearly marked. - Trolley must have number plates. - Impact or crush injuries from the pilot's operation need to be bandaged carefully.
Personnel falls during the machine horizontal deployment project	Falling	Conduct full inventory of machine equipment. Personnel moving the pedal-powered sewing machine up and down. Personnel can also move up and down, and may step on the Bastion. A register is created for management.

2025 Occupational Safety Risk Management Project Implementation Status		
Abnormal Expansion Item	Type of Abnormality	Content of Horizontal Expansion
Machine washing tank leak horizontal deployment project	Leak liquid	- Check the environmental leak sensor to see if signal had been cut off and make improvements - Conduct full inventory on whether water and chemical supply valves can function normally when electricity and air supply have been compromised.
Contractor personnel fingers sliced by machine	Stab, slice, cut	- Contractor carries out troubleshooting while machine is in motion. Safety training certification must be consistent with company employees. Completing the training certification and keep records. - Inventory the mechanical equipment on the site's automated production line. For equipment that can be manually operated when not in auto mode, the safety interlock mechanisms must still function normally.

Contractor Safety Management

During 2025, contractors experience 3 occupational injuries. One was a major occupational disaster with a disabling injury frequency (FR) of 0.19. Analysis narrowed the cause of the accident to "insufficient risk recognition before operations." To effectively raise the risk awareness of all contractor partners and reduce the occupational injury risk of contractors, AUO conducted an inventory of the key pathways used by the hazard announcement before a contractor can start working on-site. Three key countermeasures were also devised to ensure that every contractor and worker are clear about the corresponding safety requirements before work.



Note: Definitions for "major occupational accidents" are based on AUO's internal classification system, which considers the type of incident, number of people affected, and severity.

4.5 Social Participation

Philanthropic Investment (Taiwan)

✓ Achieved ✗ Not Achieved

Category	Item	2025 Target	2025 Accomplishments	2026 Target
Cash Unit: NTD	AUO Sustainability Scholarship Fundraising	NT\$ 8 million	✓ 9.42 Million	NT\$ 8 million
	Fund raising for Dream Fulfillment Fund.	NT\$ 3 million	✓ NT\$ 354million	Project Transformation
	Sustainable Agriculture Coalition – Purchasing of local produce, gift boxes, rice, etc. and other measures.	NT\$1.1 million	✓ NT\$13.82 million	NT\$1.1 million
Time	Volunteer service hours in Taiwan	8,000 hours	✓ 9,908 hours	8,000 hours
Charitable activities	Protecting Taiwan's green fortress through the Green Party.	10% reduction in Mikania micrantha settlement rate	✓ 49.82% reduction in settlement rate	20% reduction in settlement rate
	Ocean Party to protect Taiwan's coastline	Remove 2.5 metric tons of marine waste or attract 300 participants	✓ Remove 3.281 metric tons of marine waste	Remove 2.5 metric tons of marine waste or attract 300 participants
	Solar Science Education – Public outreach	4,600 visitors	✓ 13,922	4,600 visitors
	Environmental Education – Public outreach	4,200 visitors	✓ 13,293	4,200 visitors

AUO Foundation

The AUO Foundation was founded by AUO in 2019. The four legacy volunteer systems of charity, culture, green, and education were transitioned to the three axes of "Environmental Sustainability", "Sustainability Education" and "Co-Creation Partnership" in 2025. The management of four main environmental education venues and environmental advocacy were also used to mobilize all AUO employees, their dependents, suppliers, local communities and other stakeholders to continue exerting positive influence on society.

	Key Initiatives	Target Groups	Co-Creation Partnership
Environmental Sustainability	- Protecting the Taiwan Green Fortress - Protecting Taiwan's Blue Coastline - Climate Action - Sustainability Initiative	- Employees and their family, Suppliers - Employees and their family, Suppliers - Employees and their family - Employees	- Government, Community organizations - Social enterprises, Community - Social enterprises - Social enterprises
Sustainability Education	- Sustainability Literacy Scholarship - Wish Program - DADA's Magic Land - Environmental Education Facility of Taichung Site - Energy & Water Resources Education Center - Sidadun Kiln Cultural Museum	- Student, Teacher, Community - NPO, School, Student - Student, Teacher - Student, Teacher - Student, Teacher - Student, Teacher	- Employees. NPO, Government - Social enterprises - NPOs, Volunteers - Government, Volunteers - Community organizations, Volunteers - Government, Scholar, Volunteers

4.5.1 Environmental Sustainability

AUO supported the spirits of SDG 13: Climate Action, SDG 14: Life Below Water, and SDG 15: Life on Land by promoting the "Protect Taiwan by Hand" campaign. Starting with afforestation, removal of invasive vines and coastal clean-ups, we are now helping to preserve Taiwan's natural ecosystems.

■ Protecting the Taiwan Green Fortress

A 3.2 km stretch of Xiaoli River in Longtan was chosen in support of the UN "Convention on Bio-diversity" and "Bio-diversity Policy." The invasive species of "Mikania Vine" was targeted to removal and a "5-Year Mikania Control Plan" put into place. The Foundation has continued to work with local associations, schools and residents to watch over the ecosystem at Xiaoli River over the years. A range of advocacy initiatives have served to build stakeholder cohesion on building an inclusive green life in the river basin. To reduce the Mikania coverage rate, stakeholders were mobilized to remove the vines from the river basin ecosystem. The endangered indigenous "Swamp Shield-Fern" was also transplanted for the first time from the river banks to the Longke Site as a trial. It is hoped that ecological balanced can be achieved by subtracting Mikania and adding Swamp-shield Fern, putting the ideals of bio-diversity and environmental education into action.



■ Protecting Taiwan's Blue Coastline

As of 2025, 2 coastal clean-up events have been carried out across Houli (Taichung) and Guanyin (Taoyuan), resulting in 3 tonnes of marine waste being removed. The Ocean Party coastal-clean up was held by 226 AUO Group volunteers and local residents at the Baiyu Seawall in Guanyin, Taoyuan, in 2025. International Coastal Cleanup (ICC) records found that the three main types of marine waste in this area were, in descending order, PET bottles, plastic bottle caps and plastic bags. This highlighted the crisis of plastics in the ocean and the importance of tackling plastic reduction at the source.



■ Promotion of Sustainable Agriculture

AUO encourages employees to purchase local agricultural produce first to reduce the food mileage. The concept was extended to the ingredients of employee cafeterias, festival gifts, Shareholders' Meeting souvenirs, and support of agricultural products from local communities near our sites. AUO now partners with social enterprises and agricultural transportation/marketing companies to promote safe and high-quality Taiwanese fruits to support Taiwanese agricultural development through our actions.

2025 Accomplishments	Cumulative Accomplishments (2011-2025)
- AUO employees purchased NT\$1.72 million in environmentally-friendly fruit products and other agricultural produce. Neighborhood and contractor festive gift box purchases totaled 1,209 boxes, valued at over NT\$670,000. - Local high-quality rice subscriptions exceeded NT\$13.82 million	Employee purchases of environmentally friendly fruits and other agricultural products totaled NT\$ 33 million Over 1.6 million catty (approx. 960,000 tonnes) of rice purchased

Community Feedback

Longtan Site	Houli Site
- Procured high-quality local rice for group meals and care packages for isolated elderly residents - Funded scholarships to assist local underprivileged students - Adopted and maintained road cleaning in the nearby Gaoyuanli neighborhood	- Supported local agriculture by using locally-grown premium rice purchased directly from the Houli Farmers' Association in the employee cafeteria - Maintained community relations by providing emergency relief and funding for activities

4.5.2 Sustainability Education

AUO has four main environmental education facilities at its Taoyuan (Longtan) and Taichung sites. Popular science and environmental education courses are used to inspire children's interest in opto-electronics science and cultivate the seeds of sustainability. At the same time, AUO fund-raisers channel the spirit of charity from colleagues to sponsor disadvantaged children, support rural education, and expand the influence of sustainability education.

■ Sustainability Literacy Scholarship

Since 2006, AUO has launched a scholarship program funded by voluntary employee donations of one day's wages. More than NT\$180 million has been raised so far, benefiting more than 47,000 students.

- Starting in 2016, AUO organized the Dada Magic Science Camp, inviting scholarship recipients from junior high schools to participate in science-based educational activities free of charge, fostering an early interest in science.
- In 2020, AUO partnered with Teach For Taiwan (TFT) to promote the Campus Sustainability Literacy Program. The program integrates Taiwan's 2019 Curriculum Guidelines (108 Curriculum) to cultivate students' sustainability literacy. Led by teachers, students engaged in diverse learning projects such as community visits, hands-on activities, and environmental surveys. Students are guided through flipped learning to think about how to solve problems. Children's are encouraged to cultivate their thinking and expression skills, as well as explore their non-cognitive skills. These can then be applied to everyday life to build the children's self-confidence and sense of accomplishment.

2025 Accomplishments

- More than **1,800** employees took part
- Donations exceeded **NT\$9.42** million, benefiting more than **1,100** students
- The Campus Sustainability Literacy Program produced **12** research projects and benefited more than **130** students

AUO Sustainability Education Exhibition

In 2023, AUO hosted the Sustainability Education Exhibition, inviting teachers and students from the Campus Sustainability Literacy Program to showcase their learning projects. The curated exhibition featured the popular science lesson plans from AUO's environmental education facilities and imagery documenting learning on campus. In 2025, AUO gave its support to the "5-Year Promotion Plan for the MAPS Instructional Method" advocated by Wang Cheng-chung, a teacher at Shuangwen Junior High School in Nantou County. The initiative was aimed at improving the teaching knowledge and practices of rural teachers, assist students with self-guided learning, and alleviate inequalities in educational resources. Workshops were used to introduce colleagues to the promotion of sustainability literacy education at the company and highlight AUO's commitment to sustainability education.



DADA's Magic Science Camp

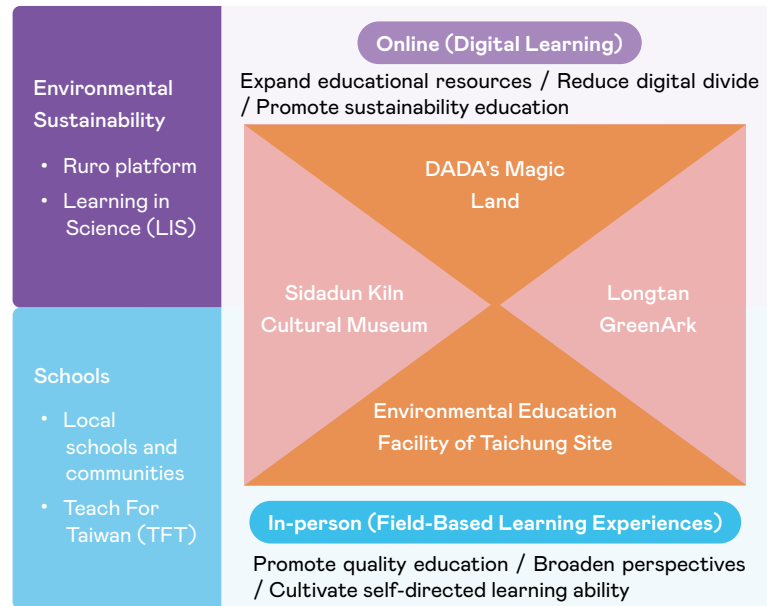
"DADA's Magic Science Camp" is a collaboration between AUO, the National Museum of Natural Science and the Yuan T. Lee Foundation. The one-day camp aims to inspire students' curiosity in optoelectronic science. In 2025, the Camp hosted 565 junior high school students and scholarships were offered as well.

The camp includes in-person courses on opto-electronic science. Challenge activities were also designed that made use of the different exhibition halls at the NMNS and the theme of bio-diversity included in 2025. The design of DADA's Magic Land exhibition hall also features scenario-based story-telling to boost student interest in exploring opto-electronics knowledge.

The camp is held concurrently online to cater for students in more distant regions. "Optical Digital Teaching Materials" were also co-developed with the team at Learning in Science (LIS) for horizontal deployment at the camp. Courses with guided learning showed students how to explore the rainbow world inside the white light in a scientific way. Students can review their learning progress as they complete their artwork to cultivate their independent thinking and problem-solving skills. Through hands-on experiments, they could verify the hidden wonders of opto-electronic science.



The Four Key Venues for Popular Science, Environmental and Cultural Education



DADA's Magic Land

The mission of DADA's Magic Land at the NMNS is to cultivate opto-electronics talent with sustainability literacy. The exhibit attracted more than 100,000 visits in 2025. Some of the exhibits have been updated to provide a better experience. Everyday scenarios and sustainability initiatives are incorporated into the design to make them more approachable for the audience. Field resources are being gradually incorporated into the curriculum as well. Use of one-time materials have been reduced in building an immersive experience suitable for all age groups. Collaborations with the Ruro platform and TFT foundation serve to introduce the curriculum to remote rural regions throughout Taiwan.



Environmental Education Facility of Taichung Site

The environmental education facilities at the Taichung Site offers has long offered learning experiences based around green factory and cultural preservation. The energy component of Green Factory was extended in 2025 by converting the company's "Net Zero Strategy" into the brand new "Net Zero Course." By aligning practical experience with Green Factory with the 2019 K-12 Curriculum and SDG Goals, AUO hopes to pass on more than just knowledge, but also cultivate future opto-electronics talent with climate resilience. At the same time, AUO broke down field boundaries and emphasized the inclusion of local communities by co-creating courses with nearby environmental education facilities. Externally, the National Science Council's Science Popularization Train brought AUO's sustainability philosophy to the countryside. In 2025 participation through different channels nearly reached four thousand people.

Local Neighborhood Engagement Program: Educational Shuttle Bus

The Taichung environmental education facility partnered with the Central Taiwan Science Park Administration to launch the "Different Factories - CTSP Green Tour" course. Teachers and students were carried by free CTSP shuttle bus to learn at the environmental education facility. On-campus teaching plans were also designed to introduce the sustainability philosophy to local schools. The two activities are intended as a way of giving back to nearby local schools. They also offer schools a way to address transportation difficulties and funding problems. Since the program was launched in 2024, Taichung site has increased its outreach to the six neighboring districts by 20%, benefiting 5,000 teachers and students at 10 schools.

Longtan GreenArk

GreenArk continued to strengthen the promotion of environmental education and conducted 25 classes of the approved curriculum that were attended by 966 teachers and students. The water resource sustainability philosophy was also incorporated into local education and community activities in conjunction with local partners. The "Water Adventure - Summer Camp" held in 2025 took employees' dependents on a field visit to Bade's irrigation ponds. A tabletop gaming course provided an integrated look at Longtan's irrigation ponds and 100% water recycling with no waste to reinforce the preciousness of water resources to the students.



Sidadun Kiln Cultural Museum

AUO Taichung site preserved the Sidadun Kiln in 2003 and co-developed "Walk-Study at Fuke" with Fuke Junior High School to promote local culture in 2010. The Cultural Museum was also converted into a 100% green electricity museum in 2022. AUO has been promoting the preservation of local culture for many years. The Sidadun Kiln Cultural Museum is linked to SDG 11: Sustainable Cities and Communities, and plays an important part in supporting sustainability literacy education. Over the course of 2025, the museum welcomed over 5,000 visitors from more than 50 school and group visits

Walk-Study at Fuke

AUO combined the issues of cultural preservation and green energy in 2025. Students from Fuke Junior High School were introduced to the local culture and sustainability issues through self-guided activities. A total of 720 teachers and students took part in 2025.

Dadu Mountain Discovery Tours

The Cultural Museum connected local development with urban green spaces by launching the Dadu Mountain Discovery Tours as a summer holiday family-friendly activity. Starting at Sidadun Kiln, participants learned local sustainable townships through the cultural heritage of Dadu Mountain, local industrial developments at CTSP, and the rehabilitation of Purple Crow Butterflies at the Taichung Site.



AUO Popular Science Train

The AUO Foundation supported the "Taiwan Popular Science Train" organized by the National Science and Technology Council for the third consecutive year. South Link stops were added in 2025 to reach students in more remote areas by stopping at 25 stations in 17 counties/cities throughout Taiwan. A curriculum on the three key themes of "Opto-electronics, Renewable Energy, Water Resources" was also co-developed with supply chain partners such as Merck and Da Fon. The opto-electronics course on "Spinning Light and Dark" let students use consumables such as recycled paper, polarizers and batteries to produce 100% recyclable polarized kaleidoscopes. The Renewable Energy course on "Sustainable and Energy-saving House" guided students through building their own energy creation and storage. The Water Resource course on "Water Cycle Guardian" showed students how precious water resources are through water purification and water quality testing experiments.

4.5.3 Co-Creation Partnerships

AUO is working with industry partners, NGOs, social enterprises, and community partners to expand our Group and stakeholder engagement as well as joint advocacy and support for sustainability issues. An internal employee co-creation platform was built to promote the philosophy of sustainable circulation and recycling. Volunteers are also recruited to support the neighborhood communities and environmental sustainability through connected influence.

Wish Program

AUO has implemented the Wish Program for 23 consecutive years, supporting over 130 social welfare and social innovation organizations in realizing their public welfare missions. The program has delivered more than 13,000 dream gifts and raised over NT\$31 million through the Dream Fulfillment Fund. In 2024, AUO continued its support for 12 nonprofit organizations by providing support for underprivileged groups, rural education, animal conservation, and international relief efforts. In addition to a renewal of the partnership with Zeczec, Taiwan's largest crowdfunding platform. AUO also invited the Google team to conduct AI empowerment workshops and provide NGOs with more inspirations on how to make use of AI tools to overcome their personnel shortages and fund-raising/marketing difficulties.

2025 Accomplishments

- **Christmas presents**
Raised 466 presents, benefiting 12 institutions
- **WISH Foundation**
NT\$3.54 million raised



Charity Club Services

Since 2013 AUO has progressively set up 7 support NGOs at each site. Employee volunteers are actively canvassed to combine the energy of all volunteers and invest them charity services. Each club has long focused on companionship and caring. The development and learning needs of local disadvantaged are monitored to exert a positive influence.

The WOW SAX band formed by AUO senior executives in Hsinchu County. Through public street performances, the band has helped raise funds for the construction of an all-weather sports court in the tribe. The group participates annually in the Naluo Tribe Music Festival, using music as a medium to foster the preservation and transmission of tribal arts and culture. The concert performances promotes the inheriting and passing on of arts & cultural indigenous people. The connection between business and local communities must also be studied.

In environmental sustainability, each charity also launches environmental protection actions including mountain clean-up and coastal clean-up. Employees are asked to protect the natural ecology and fulfill AUO's pledge to environmental sustainability.

In 2025, AUO's public service clubs recorded 43 volunteer participations, contributing a total of 852 service hours.



4.5.4 Overseas Actions

Philanthropic Investment (Overseas)

Category	Item	2025 Accomplishments
Cash Unit: NTD	Xiamen and Suzhou – 99 Charity Mart + "One Mu of Eco-Rice Field"	NT\$ 0.15 million
	Suzhou - Charity Moon Donation Project	NT\$ 0.5 million is a lot to be donating.
Charitable activities	Xiamen and Suzhou: AUO collaborated with the BenQ Foundation to build the "Fuhui Life Protection Park" and launched the "One Mu of Eco-Rice Field" initiative to adopt and look after ecological rice fields.	Adopted 15 hectares of rice fields
	Suzhou Site - Safety Experience Center	More than 2,000 people serviced
	Xiamen and Suzhou - Blood Donation Drive	-
	Xiamen - Donation of books to the new library at Xiang'an Torch Experimental School.	-

Suzhou Site - Safety Experience Center

AUO Suzhou's Safety Experience Center hosted 64 training sessions during the course of 2025. Internally, specialist safety training were organized for safety officers, equipment, personnel in high-risk roles and emergency response team members. Externally, safety tours were conducted for businesses, government agencies, and communities. In 2025 these included assessment visits related to the Fortune ESG ranking, as well as inspection and guidance by the Director General of Jiangsu Provincial Emergency Management Department.



Green Party

Kunshan

Extensive activities were designed for the Green Party including a plaque presentation for the compost demonstration site, tree leaf carbon voucher check-in, environmental and popular science education, cherry tree planting, flea market, green handicraft, and eco-knowledge quiz. Outside units such as the Kunshan Taiwan Investors Association, the Lishui Institute of Ecological Environment at Nanjing University, Tzu Chi Foundation, and Kunshan Lucheng Environmental Protection Volunteer Service Agency were invited to take part in building a sustainable ecosphere. Tree leaves collected on-site were used as the eco-friendly check-in carbon coupon for the event instead of printed coupons. Employees were also encouraged to take part in the keyhole garden activity and all the different DIY experiences on offer. At the same time, an eco-friendly compost project was launched by the Kunshan Site in 2024. Kitchen scraps and garden waste were mixed together and placed in on-site composting boxes where they were allowed to ferment and become natural eco-friendly fertilizer. The project promoted the recycling of organic resources within the site.



Xiamen

The theme of "Biodiversity Protection" was maintained for the Green Party. Focus was extended beyond the mangrove wetlands ecology to include conservation of marine biodiversity. The College of the Environment and Ecology, Xiamen University, was invited to give popular science education seminars on marine biodiversity during the event. Exhibitions on plastic reduction and environmental protection were also co-organized with partners. Interactive experiences such as fish stocking, guided tours of mangrove ecology at sea, and environmental challenges introduced participants to the importance of marine ecosystems and provided direct support to marine conservation.

Neighborhood Care

Xiamen - Supporting Farmers

Xinxu Township in Xiang'an District experienced a bumper cabbage crop. Xiamen Site took the initiative by having the site cafeteria purchase cabbages. A "Support the Farmers" event was also held to help farmers sell their produce. On the eve of the Dragonboat Festival, Xiamen Site partnered with the community to purchase Minnan-style glutinous rice dumplings from landless farmers. This helped preserve the local crafts and boosted farmers' income. In addition to providing an effective solution to the glut of agricultural produce, employees were able to enjoy seasonal ingredients and festival foods in a way that helps the farmers and fulfills our corporate social responsibility.

Cultural Preservation

Suzhou - Yeo Yuan Ju

The Quatang Barns were preserved by AUO during construction of the Suzhou Site and became Yeo Yuan Ju. The historic buildings embodying local people and culture were condensed to provide a glimpse into the livelihoods of Quatang people out of AUOers' respect for history and love of local culture. Yeo Yuan Ju is also one of the research and learning experience venues used by Suzhou Site and SIP AEFI for the Youth Empowerment Camp they co-host. The event introduces more people to Yeo Yuan Ju so they can learn about Quatang culture and AUO's sustainability philosophy. In 2025, Yeo Yuan Ju hosted more than 700 guests from the government, schools, customers, and suppliers.



Xiamen - Shantou Village

Shantou Village is a collection of traditional Minnan-style ancestral homes preserved during the establishment of AUO's Xiamen Site. The "Cultural Inclusion Project" was promoted by AUO Xiamen to breathe new life into these historic red-brick buildings through cultural visits, community engagement, and study tours for employees' dependents. It now serves as an important link between business, community, and culture.

In 2025, Shantou Village hosted more than 2,800 guests from the government, businesses, universities, and AUO. Total volunteer contributions exceeded 180 sessions and it is gradually becoming a key cultural hub through which AUO Xiamen can exert a positive influence on society.

The "Art Minnan - Green Future" summer camp was also hosted by the site. The event covered guided tours of the historic buildings, visit to the technology exhibition hall, and intangible cultural heritage experiences such as cut porcelain carving. Students were introduced through the interactions to the unique charm of Minnan culture, strengthening local cultural education.





5 AGILE INNOVATION

Chapter Highlights

Continued to strengthen patent deployment across the **three major pillars**. In 2025, over 120 Micro LED patents, over 60 automotive-related patents, and over 50 vertical application patents were filed, ranking second among corporate entities in Taiwan for invention patent applications.

Expanded AI-driven digital empowerment, with over **1,700 participants** completing advanced and expert-level training programs, and established competency assessment mechanisms to build a smart manufacturing talent pool.

Selected for the fourth time as one of the Clarivate **Top 100 Global Innovators** (ranked No. 35 globally), demonstrating world-class innovation capabilities.

Formulated the "**Artificial Intelligence Ethics Policy**" to establish a responsible AI governance framework, balancing innovation with risk management.

Adopted the PACT standard to drive **digital management of carbon and circular economy data**, enhancing transparency and credibility of carbon data.

Actively expanded a diversified energy portfolio by advancing geothermal development and participating in **Taiwan's largest single geothermal power project**, demonstrating capabilities in renewable energy development.

5.1 Technological Innovation and Market Strategy

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AUO possesses robust R&D capabilities and cutting-edge innovation. The Company actively advances its biaxial transformation strategy by focusing on the three core pillars: Display Technologies, Mobility Solutions, and Vertical Solutions. Our technical teams have developed roadmaps from a strategic perspective, fostering organizational innovation, exploring next-generation display technologies, and cultivating new application markets—aiming to lead the future of human visual experiences and drive technological progress.

Technological Leadership

Continue to develop high value-added products and diversified field applications based around biaxial transformation strategy

Innovation Mechanism

Promotion of Expert System and Innovation Incentivization activities, construction of knowledge management platform



Intellectual Property & Patents

Establish patent management measures and system, strengthen patent incubation and strategy



Please refer to 5.1.1 Intellectual Property Rights

R&D Incubation

Use systematic learning and development system to incubate quality R&D talent



Please refer to 4.3 Talent Development

Industry-Academia Collaboration

Ally with local and overseas universities, Introduce outside technologies to inspire new technologies



Please refer to 4.2 Talent Recruitment and Retention

5.1 Technological Innovation and Market Strategy

5.1.1 Intellectual Property

Intellectual Property (IP) rights are among the most important assets owned by AUO. The "Intellectual Property Management Policy," "Innovation, Patent and Trade Secrets Rule," and "Rule of Rewards on Patents and Inventions" were devised by AUO based on the management requirements and goals for IP rights.

IP Blueprint



■ Contribution to Business Operations and Yields from Risk Management and IP Rights

AUO values its IP and respects the IP of other parties. Through proactive IP management, AUO encourages employees to engage in innovation and create quality IP that enhances the Company's competitive advantage and profitability. At the same time, AUO monitors regulatory changes and uses legal means to protect company IP. A compliance mechanism is also set up for tracking information on IP risks and opportunities to provide decision-makers with a basis for value or risk judgments.

Dedicated personnel are assigned to evaluate and respond to IP disputes in a timely manner. Protection of the Company, customers, and shareholders is defined as the overriding principle of the AUO dispute resolution strategy to keep uncertainty in business management to a minimum. In the event of a major IP situation, past precedents are studied to provide a reference for risk assessment and the devising of concrete countermeasures.

The AUO Technology Advisory Committee (TAC) is convened at the start of every year, and an interim progress conference is held in the middle of the year. The IP Office, in particular, provides industry IP analysis reports on target technologies for sales/R&D units, experts, and managers to discuss and focus on, ensuring that organizational operations, technology, and development are aligned with the IP strategy. Once a patent application is granted, the IP department coordinates with the relevant departments to classify the awarded patent and thoroughly assess the asset value and status of the new IP. In the event that a key technology patented by AUO is infringed upon by a third party, the necessary evidence is collected and legal measures are taken to protect AUO's IP and market position. During patent disputes, patents owned by AUO not only serve as a weapon against infringing parties but also as an asset for mutual licensing. Litigation is expensive. Litigation in the U.S. is especially so and can amount to millions of US dollars. Having patents that can be weaponized will not only save on litigation costs but also offer a bargaining chip in mutual licensing talks aimed at creating value for the Company.



For actual cases or outcomes, please refer to the "Intellectual Property Management" section on the AUO website

Key IP Management Approach

Innovation and Patent System Platform

Tracking and analysis, statistical analysis, patent application, and management of innovative proposals

Hosting and promotion of education and training on IP-related issues

Both mandatory and optional courses are conducted based on the target audience and actual requirements

2025 Accomplishments

- Provided 17 courses on patent practice issues, conducting 26 sessions with a total of 1,528 participants.
- Provided 4 courses on intellectual property management, conducting 5 sessions with a total of 31 participants.

Promotion of IP innovation activities, as well as the rewarding of IP innovators

Rewards for patents, trade secrets, external publications, and the public presentation of patent certificates

In 2025, AUO publicly presented patent certificates as well as rewards for superior and class A patents at the quarterly business presentation meetings of its global sites (including Taiwan sites).

IP Strategy and Performance

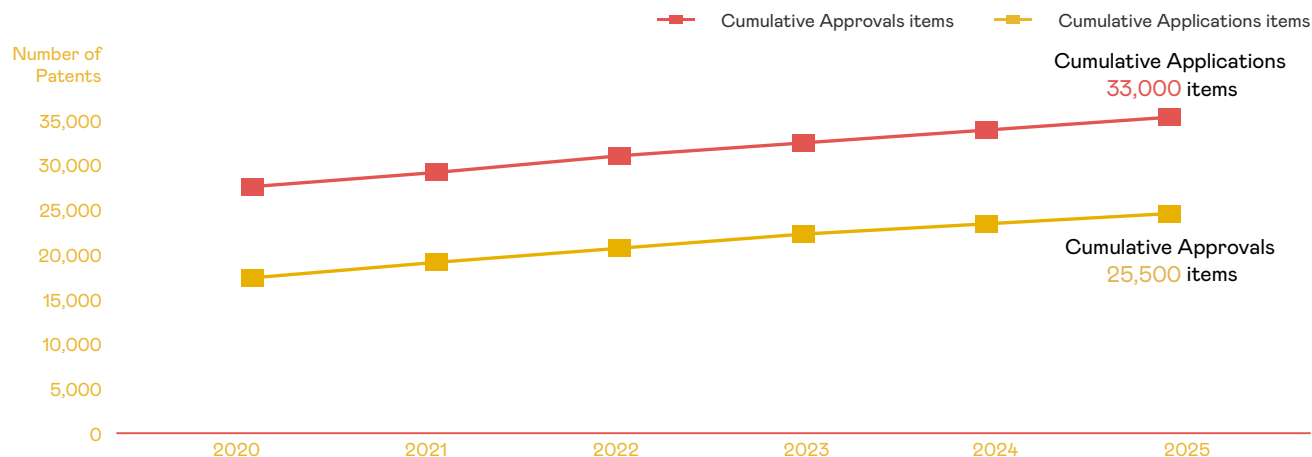
AUO encourages company-wide innovation and strategically deploys the value of its innovative outcomes. To strengthen AUO's patent portfolio in high-value-added products and to implement its three strategic pillars of: Display Technologies, Mobility Solutions, and Vertical Solutions, the Company has introduced technology development projects aimed at creating high-value patents (hereinafter referred to as "Patent Incubation Projects"). Innovations with high strategic value are actively leveraged for cross-departmental patent and R&D projects. In 2025, the number of Patent Incubation Projects remained in the double digits. In terms of invention patent applications, AUO files more than 300 invention patents in Taiwan every year with an emphasis on key technologies. In 2025 for example, Taiwan invention applications for automotive displays in the Mobility Solution domain reached 60; in Display Technology, Micro LED invention applications in Taiwan exceeded 120; and in Vertical Solutions, non-panel technologies such as antennas, medical devices, Co-Packaged Optics(CPO), and green energy-related inventions in Taiwan surpassed 50 cases.

AUO not only uses patent planning for IP protection but also provides dedicated proposal channels to actively encourage the transformation of competitive technical achievements into trade secrets. This includes introducing expert committee decisions to maximize the economic value of trade secret assets. AUO also provides monetary rewards. In 2025, over 10% of the innovation invention awards were granted for actively patented trade secret assets, with more than 70% of these belonging to technologies within the three strategic pillars.

Cumulative Patent Applications and Approvals in Recent Years

In 2025, AUO was ranked second among Taiwanese legal entities in patent applications and third in granted patents, earning strong recognition from international organizations.

As of the end of 2025, AUO had accumulated more than 33,000 patent applications with over 25,500 patents granted around the world.



Clarivate Top 100 Global Innovators

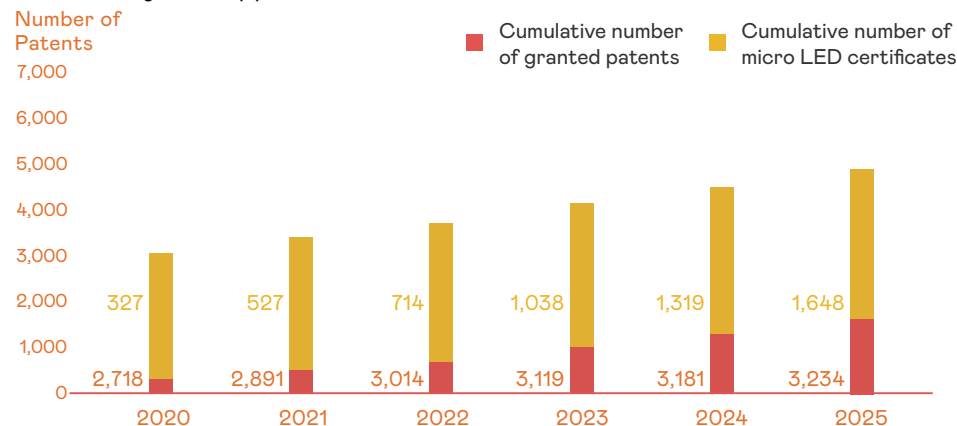
AUO was honored for the fourth time in 2025 as one of Clarivate's Top 100 Global Innovators and was ranked 35th in the world. AUO has made the list for four years in a row since its first inclusion in 2022.

Apart from the number of patent applications and awards, Clarivate also ranked the inventions of innovative organizations by the "International Factor" and "Invention Strength" of inventions that are protected in more than two countries by their scale and ratio. The "Invention Strength" metric is further broken down into four indicators: "Influence," based on the technological leadership of certain inventions, "Success," representing the economic ranking of a novel and effective invention, "Investment," which represents the level of investment at the country-level, and "Rarity," meaning the uniqueness of an invention in its development curve. Patent Incubation Programs are used by AUO to continue strengthening our patent strategy in high-value-added products. Product usage in the market is closely tracked and applications are filed in the most suitable countries during the patent priority right period in order to conform with the above metrics. The above methodology is why there is international industrial recognition of Clarivate's ability to accurately identify organizations that have made a contribution to innovation in the last five years. Inclusion in the Clarivate Top 100 Global Innovators represents a credible recognition of ability.

Green Patents

AUO is fulfilling its product environmental responsibility by actively developing production processes and products linked to energy conservation and carbon reduction. If an innovative technology reduces power consumption or involves alternative energy supplies, it can then be assigned to the energy conservation and carbon sector. The former includes Mini LED, Micro LED, OLED, LED light bars, and E-paper, while the latter includes processes, equipment, and products related to PV cells.

As of December 31, 2025, AUO has accumulated a total of 4,880 patents worldwide related to energy-saving and carbon reduction technologies. The percentage of Micro LED patents has continued to grow every year.



Industry-Academia Collaboration for IP-Driven Social Innovation

AUO actively promotes industry-academia collaboration by serving as instructors for intellectual property (IP) courses and providing guidance for innovative research projects. This effort helps disseminate real-world industry experience in IP management to the academic community, fostering a strong connection between academic innovation and IP value, thereby amplifying social impact. For example, senior executives from AUO's IP division were invited by academic institutions to serve as reviewers for the 2025 "National Science and Technology Council (NSTC) 2026-1 Research and Entrepreneurship Program" internal evaluation meetings. AUO is also continuing to participate in activities organized by industry associations and IP groups such as the "2025 Trade Secret Intelligent Management Expo" and "2025 Annual Conference of Licensing Executives Society Chinese Taipei (LESCT)." This networking and sharing of industry requirements and implementation experience on trade secrets, technology licensing, and litigation with peers helps the industry build a more internationally competitive IP environment.

5.1.2 Smart Implementation

177" Transparent Micro LED Display

The 177" Transparent Micro LED Display is seamlessly stitched together from multiple 42" Micro LED display modules. High transmittance, high brightness, and high gamut produce clear, vivid imagery while allowing for clear viewing of objects behind the display. The transparency can be used to present information while maintaining a sense of open space, making it suitable for smart retail, exhibition venues, or transportation applications.



The Micro LED technology itself offers high performance and low power consumption. The transparent design reduces the need for extra illumination, improving both energy efficiency and utilization for the application field.



Taiwan Excellence Silver Award

Implementing an Immersive and High-Performance Smart Cockpit Through Micro LED Technology

The 16" Ultra-Wide Color Gamut Automotive Center Console introduced blue light Chip-on-Board (COB) technology to automotive applications for the first time. Quantum dot film is also used to achieve a wide color gamut that is over 110% NTSC and high brightness. The display module offers high resolution and a slim design that can be highly integrated with the cabin interior to improve the quality of information presentation and driver accessibility. The high brightness and energy efficiency of Mini LED and quantum dot technologies reduce energy consumption by automotive systems in line with the needs of mobility solutions and sustainable development.



Gold Panel Award

Smart Cockpit Domain Controller Solution

The Smart Cockpit Domain Controller solution integrates QNX and Android Automotive OS through a single cockpit domain controller. Support for multiple displays, sensors, and AI functionality enables the collaborative operation of multiple vehicle systems. A virtualized architecture reduces the materials and energy consumption associated with the multiple sets of hardware in legacy vehicles, improving overall structural efficiency.

The solution improves system responsiveness, stability, and energy efficiency. It also offers a superior integrated experience for onboard entertainment, information display, and safety.



Implementing an Immersive and High-Performance Smart Cockpit Through Micro LED Technology

The AUO smart cockpit uses transparent Micro LED display technology to sculpt a seamless, integrated display interface. This, along with the Virtual Sky Canopy, XR Interactive Smart Window, and Morphing Center Control with integrated physical buttons, makes for informative displays and more intuitive controls. The Morphing Center Control can present itself as flat or physical buttons for different scenarios. Haptic feedback and AI value-added services enhance the quality and safety of human-machine interactions in the cockpit. The high brightness and efficiency of Micro LED help to reduce energy consumption; information integration and interface optimizations present driving information in a safer and more efficient manner, which aligns with the sustainability value of energy efficiency and a smart user experience.



Taiwan Excellence Silver Award

5.1.3 Sustainable Product

AUO has fused sustainability ideals into the product life cycle. From supplier cooperation and incoming material tracking, production data management and standards certification at the factory to helping customers create differentiated brand value, AUO is now building low-carbon, energy-saving, sustainable products that will provide consumers with even more environmentally friendly options.

Product Environmental Information Management

Market demand for products with a low carbon footprint is growing. AUO offers one-stop green solutions that encompass circular materials, low energy consumption, and product certification to help brand customers improve their market competitiveness and green recognition. In keeping with AUO's customer-centric philosophy, AUO studies customer requirements and targets before developing tailored solutions. These include setting the ratio of recycled materials and the introduction of energy-saving technology. The two parties also engage in in-depth technical exchanges to create the best outcome together. AUO provided customers with 222 green technology products in 2025.

Digitized Management

AUO continued to promote the digitized transformation of carbon management and the circular economy in 2025 to improve precision and transparency. For carbon management, the Partnership for Carbon Transparency (PACT) standard was introduced to existing data platforms to improve the standardization and consistency of product carbon footprint calculations. A data quality assessment module based on the standard was also added for quantitative management of source data based on their integrity, accuracy, and representativeness for assurance on the credibility of carbon inventory and carbon footprint results.

For the digitization of the circular economy, several modules were developed to enhance the life cycle management of recycled materials and circular products. These included procurement management for recycled materials, circular product shipment percentage statistics, as well as the automated calculation of product circularity indicators. Thanks to the digitized process, AUO improved the traceability of recycled materials, provided a quantitative representation of the use of recycled materials, and implemented the systematic management of the circular economy strategy at the organizational level.

○ Refinement of Product Carbon Footprint Calculation Methodology

The methodology for calculating product carbon footprints is developing rapidly thanks to the global push for carbon reduction. The EU Carbon Border Adjustment Mechanism (CBAM), for example, collects tariffs based on the product carbon footprint. Calculation precision is therefore very important. Product carbon footprint inventory and certification were implemented by AUO quite early. In recent years, calculation methodologies suitable for the panel industry were developed with the help of consultants. These were incorporated into an automated system to quickly generate precision data that satisfies the needs of the customers and stakeholders.

In 2025, AUO partnered with a third party to complete the verification process for the ISO 14067:2018 product carbon footprint standard using carbon footprint data generated by the system. Assurance on Use of Product Footprint Methodology (AUP) certification was obtained as well to show that the system logic and methodology satisfied the verification requirements. The reliability of the data was also highly regarded. In addition to in-house systems, AUO is continuing to monitor the latest international data exchange issues to ensure that carbon data is aligned with global standards and to improve the efficiency of data conversions in the future. Due to outside expectations of the transparency and quality of carbon data, AUO is placing special emphasis on data exchange standards. The Partnership for Carbon Transparency (PACT) structure proposed by the World Business Council for Sustainable Development (WBCSD) was used as a reference. The logic was also adopted by Catena-X, a European automotive data exchange platform.

Additionally, AUO is investing in R&D on the precision of its methodology. Two technical papers were also published in the Society for Information Display (SID) to explore how different calculation methods affect carbon footprint results. Panel material inventory and analysis of variance in emission coefficients are provided to industry and value chain partners for their reference in order to improve the precision and consistency of carbon data published by the display industry.

At the same time, AUO is employing sustainability knowledge cultivation to enhance R&D capabilities for sustainable product design and low-carbon technology. In 2025, AUO optimized the contents of sustainability cores and taped 3 core courses on Circular Economy Theory, Introduction to Net-Zero Emissions, and Circular Opportunities in the Low-Carbon Transformation. These served to strengthen employee understanding of sustainability trends and low-carbon requirements.

In terms of technology R&D, AUO is continuing to draw on refinements to the product carbon footprint methodology and actively participate in international academic exchanges in the international sustainable display sector. During the Society for Information Display (SID) Display Week 2025, 16 papers on display technologies from AUO were selected, including 6 on sustainable display techniques and green technology. The contents encompassed waste management, Cholesteric Liquid Crystal Display (ChLCD) applications, display green labels, product carbon footprint calculation methodology, and neural applications. The papers embodied the great strides made by AUO in terms of innovative materials, [environmental efficiency, and green R&D](#).

The continued accumulation of sustainability knowledge, methodology, and R&D results means AUO has now integrated Life Cycle Thinking throughout the product design process. Multiple aspects such as material selection, process efficiency, and energy efficiency are all considered concurrently to craft sustainable products with even lower carbon footprints and serve as a key strategy for the promotion of Scope 3 reductions in the supply chain.

Product Certification

Alignment with TCO 11

TCO Certified is a global IT product sustainability certification standard devised by the Swedish Confederation of Professional Employees that looks at product performance, user health and safety, environmental responsibility, social responsibility, and other aspects. AUO has adopted the latest TCO 11 standard and is continuing to strengthen its site energy management to ensure that products conform to international sustainable purchasing standards and assist customers with their own certification. The TCO standards are also regularly reviewed by AUO and improvements are implemented, including the use of renewable energy by factories, reduction of energy consumption in products, compliance with the approved chemical substances list, and participation in the Responsible Business Alliance (RBA) Validated Assessment Program (VAP), to improve product sustainability, provide all of the necessary information, and help customers obtain their TCO certification.

RBA Management

The RBA Code of Conduct defines the core standard for supply chain responsibility in the global electronics industry. It encompasses Labor Rights, Health and Safety, Environmental Responsibility, Ethical Standards, and Management Systems. AUO is in full compliance with the RBA Code and has made it a core strategic part of the Company's governance and supply chain management.

AUO sites regularly conduct RBA audits and obtain RBA Validated Assessment Program (VAP) certification to ensure their continued conformity with international standards and the enforcement of a responsible supply chain. The Longke site, Longtan site, Taichung site, Suzhou site, Xiamen site, Kunshan site, and Vietnam site have all completed their RBA VAP. The Longke site received a platinum certificate, the Longtan and Vietnam sites received a gold certificate, while the Taichung, Suzhou, Xiamen, and Kunshan sites received a silver rating. A high standard of responsible management is, therefore, maintained by AUO across different regions. Sustainable governance in the supply chain is continuing to be strengthened through institutionalized audits and information transparency. The ability for customers to query the details of the dispatching site through the RBA Online platform enhances customer trust as well.

Circular Materials

AUO began introducing circular materials to information technology (IT) displays, and it will continue to expand the scope of applications to include automotive products and vertical integration solutions. Different ratios of recycled materials have been introduced for product components such as plastic frames, glass, and metallic backboards. A variety of circularity plans are available for customers to choose from. Shipments of products containing recycled materials reached 17.89 million units in 2025. In the automotive sector, recycled materials have not only been introduced to panel materials but also to the casting of aluminum-magnesium alloy automotive parts. AUO is collaborating with value chain partners to promote the application of recycled materials. This includes working with upstream process makers to verify the feasibility of the materials as well as with brand-name customers on developing recycled options for high-quality optical materials.



For products made from recycled materials, please refer to 3.4.1 Circulation Management in this Report.

Low-Energy Design

AUO is continuing to apply Low-Temperature Poly-Silicon (LTPS) technology, the AHVA3+ transparent pixel design, and new high-efficiency color polarized materials to make continued improvements to the energy performance of products and ensure their compliance with the latest energy-efficiency standards. These are applied to high-end notebook and desktop display products to create energy-efficient, power-saving, and lightweight low-carbon products. These help customers meet their carbon reduction targets by effectively reducing energy consumption and the environmental burden. Shipments of energy-efficient displays in 2025 were estimated to have reached 13.06 million units. Changes in market demand, however, led to the annual sales target not being reached. In the future, the digitized market intelligence system will be updated to identify changes early. Technology upgrades, cost control, and differentiated applications will also be used to maintain AUO's competitiveness and demonstrate green innovation in different fields.

Low Energy Technology for Consumer Products

Application domain	IT products		TV products	Automotive display Solutions
	Notebook displays	Desktop computer displays		
Energy-efficiency technology focus	LTPS and low-frequency design	AHVA3+ technology	Design for improved transmission	Mini LED technology
2025 Accomplishments (Base Year 2021)	Benchmark product – 31.5" desktop display: Energy consumption reduced by 36%.		Benchmark product – 85" TV panel: Transparency increased by 10%.	Benchmark product – 23.6" onboard display: Energy consumption reduced by 37%.

Notebook Displays

LTPS technology, with its ultra-narrow bezel and energy-efficiency advantages, was applied by AUO to the high-end notebook market characterized by lightweight designs, narrow bezels, and long standby times. AUO then focused on the development and application of even more efficient technologies to reduce display energy consumption without compromising on image quality and integration. Extending the endurance of smart notebooks with AI computing not only achieved the goal of energy conservation and carbon reduction but also aligned with the future demand for smart devices that are eco-friendly and intelligent.



Desktop Displays

AUO adopted the new AHVA3+ transparent pixel design in response to the TCO 10.0 energy requirements for displays. High-performance colored polarized materials were also introduced to improve optical efficiency and reduce backlight power consumption. The continued improvements to product energy performance ensured conformity with the latest energy efficiency standards. The configuration was extensively applied to product lines of varying resolutions in the 23.8", 27", and 31.5" form factors.

HiRaso Outdoor Display

AUO's exclusive HiRaso ChLCD dual steady-state technology is an innovative e-paper solution with dual-steady-state and ambient light reflection properties to optimize energy efficiency. Power is only consumed when changing the image, and zero power is required to maintain a continuous, static image, making it 90% more energy efficient than conventional LCD technology.

HiRaso Panel PCs can be used between -30 °C and 85 °C. The wide temperature range provides reliable display performance even under harsh conditions. Products for transportation applications have passed IEC-61373 certification testing on shock and vibration resistance. Compliance with rigorous railway transportation safety standards ensures the consistent picture quality and colors, even in a transportation environment subject to frequent vibrations and extended operation at high temperatures. A longer service life ensures the reliability and durability of passenger information delivery.



5.2 Smart Transformation

5.2.1 AI Empowerment

Taiwan faces five challenges against a backdrop of global supply chain disruptions and resource shortages: water shortage, electricity shortage, land shortage, labor shortage, and talent shortage. Such structural challenges hamper business operations and growth. It is AUO's belief that digitization and artificial intelligence (AI) will be crucial to the more effective utilization of limited resources to improve operational resilience and competitiveness.

AI Governance and Sustainability Commitment

AUO is continuing to monitor the rapid evolution of AI and the emerging risks that this may bring. We also believe that it will have a deep and long-lasting impact on the society, economy, and environment. This issue has been incorporated by AUO into the risk management process of the Sustainability and ERM Committee for planning and assessment.

In response to the growing penetration of AI applications, changing social expectations, and the need to strengthen the fundamentals of corporate governance, the ["Artificial Intelligence Ethics Policy"](#) was formulated by AUO in 2025 to ensure that ethical principles are followed during the development and application of AI without compromising on innovation, rights protection, and sustainable development. The Policy hopes that value chain partners, such as suppliers, contractors, and customers, will follow the AI ethics principles below as well:

Sustainable Development

Consider long-term impacts and promote the efficient use of resources during the design and application of AI.

Stakeholder Engagement

Build communication channels to ensure that stakeholders are valued during the decision-making process.

Human Autonomy

Ensure that there is a mechanism for human supervision and intervention during the AI decision-making process.

Privacy Protection

Properly handle personal data in accordance with the relevant regulations.

Cybersecurity

Strengthen cybersecurity to protect against outside attacks and unauthorized access.

Transparency

The actions of AI and their decision-making logic must be comprehensible and keep the user fully informed.

Diversity, Equity, and Non-Discrimination

Avoid bias against certain groups or individuals during AI design, and promote tolerance and non-discrimination.

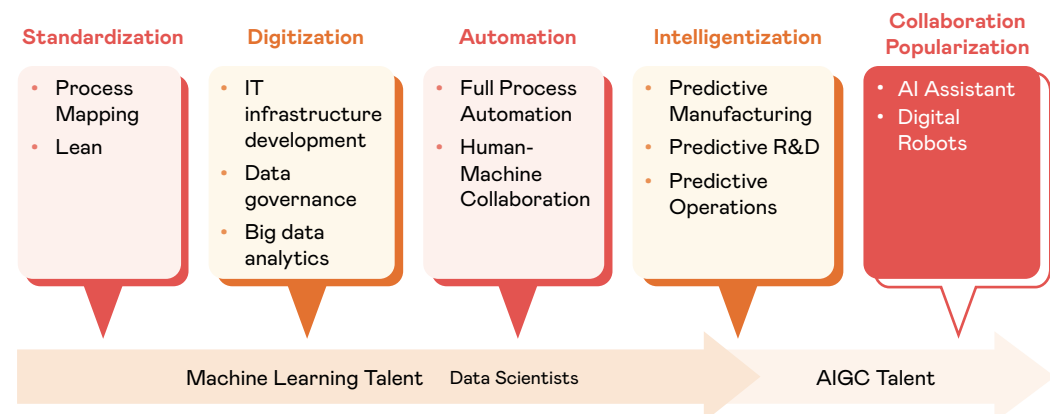
Accountability

Follow the law and maintain a high standard of ethics.

To put the Policy into practice, the "AI Governance Team" was established by AUO as a cross-function collaboration platform for promoting related policies, systems, and processes. AUO hopes to realize the responsible application of AI through an institutionalized governance structure and the continuous optimization of management measures.

AI Strategy Roadmap

The AI development roadmap of AUO is a steady procession of smart upgrades. Starting with smart manufacturing and digital transformation, AUO completed the five stages of: "Popularization of Standardization, Digitization, Automation, Intelligentization, and Collaboration" to gradually enhance our AI capabilities, strengthening our operational resilience and competitiveness. We have gradually moved beyond machine learning and data applications toward a new generation of AI transformation driven by Artificial Intelligence Generated Content (AIGC).



Key Accomplishments

AI is not just an innovative technology but also a key driver of sustainable development at AUO. AUO will be applying AI to fields such as manufacturing, operations, and talent. AI applications will continue to be introduced to other departments as well.

AI and Manufacturing

• Smart inspection and automation

Between 2018 and 2024, Automated Optical Inspection (AOI) +AI, smart cars, generalization models, and smart robotic solutions were introduced to effectively boost production efficiency and quality management.

• Smart water conservation

Related projects included smart water network management, smart regulation of process washing, acid-base conversion of high-salt solutions, and improvement of the pure water system purification media filtration cycle.



Please refer to 3.3 Water Resource Management in this Report.

• Smart energy conservation

Promotion of projects such as in-house LED modification of UV equipment, AI temperature prediction and control for ovens, and the introduction of smart inverter compressors and energy-efficient air compressors.



Please refer to 3.2.2 Improving Energy Efficiency in this Report.

• Smart Internet-of-Things (Device health management)

More than 15,000 AI models were deployed between 2018 and 2024, targeting data retrieval, device alerts, health assessments, and life expectancy estimation to improve equipment management and preventive maintenance.

AI and Talent

Between 2022 and 2025, the Future College of AUO University held 36 AI-related courses with a cumulative duration of over 370 hours that generated more than 29,500 engagements to promote the passing on of knowledge and talent incubation.

AI and Operations

• Worker safety management

AI image recognition was introduced at four sites at the end of 2025. The system encompassed seven inspection tasks and involved the deployment of 126 cameras, resulting in monthly savings of 79.5 inspection man-hours and improved workplace safety.

• Buyer agent

The buyer agent smart procurement system was introduced in 2025 to consolidate supply-and-demand data, improve responses to urgent orders, save on manual communication costs, and reduce the number of logistical trips.

• Smart warehousing and transport

AGVs and smart security mechanisms were introduced at the new site in Vietnam to improve the efficiency of warehousing and transportation while reducing carbon emissions and occupational safety risks.

Xiamen – Smart Security and Surveillance Management Platform

A smart security and surveillance management platform was deployed by the Xiamen site using Digital Twin technology. 3D modeling and AI analysis are employed by the platform to monitor personnel, vehicle, and material status in real time. Boundary intrusions

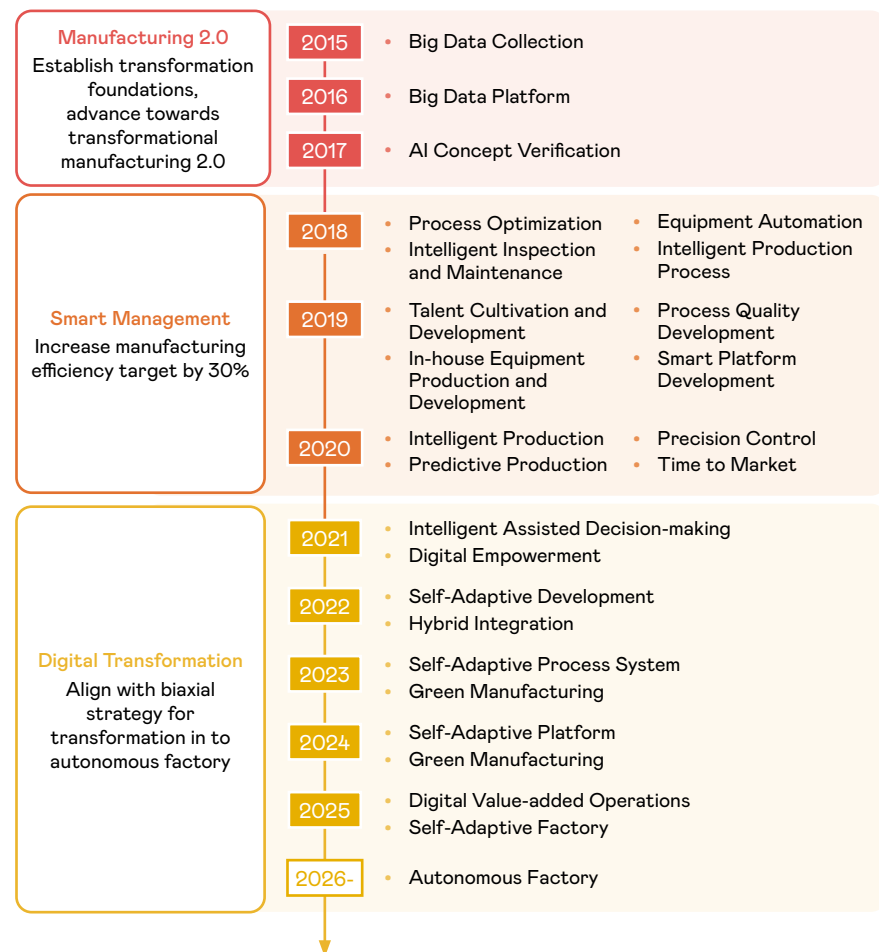


and abnormal operating behaviors can also be detected automatically and an alert issued immediately. The system is linked to the work order system, forming a closed loop management process for "Monitor - Alert - Response - Verify." Work orders can be automatically generated for all abnormal events for action. Innovative functions such as goods movement monitoring and voice hazard identification were also introduced by the platform. Moving from traditional reactive security to proactive prevention effectively reduced incident risk. In the future, the platform will continue to strengthen its sensing and automated response capabilities in order to upgrade the overall standard of operational safety throughout the site.

5.2.2 Manufacturing Reform

AUO is responding to the accelerating pace of market changes and the competitive environment by combining the ideals of smart manufacturing with sustainable production to improve the agility and adaptability of production domains. Technologies such as IoT, big data, as well as AI applications and platforms are also being developed to realize the automation and intelligentization of the production process. These not only improve manufacturing efficiency and productivity, but they will also give AUO a competitive advantage and build strong foundations in the new industrial era.

Smart Manufacturing Milestones and Vision



Smart AUO Exhibition (Taiwan)

The 2025 Smart AUO Exhibition's theme of "Smart Sustainability – Net Zero" reflects AUO's philosophy of promoting digital transformation and sustainable development side by side. The exhibition shared the wealth of experience accumulated by AUO in digital transformation and the circular economy, which has been converted into smart sustainability services for outside customers. A total of 2,272 people from more than 180 groups, including government agencies, industry experts, long-term customers, academic units, ecosystem partners, and Group colleagues, were invited to take part in the exchange.



The exhibits were divided into the inner and outer exhibition areas. The outer exhibition area featured carbon-neutral buildings that demonstrated how the green solutions of the AUO Group are applied through the four-stage process of: "Inventory, Reduction, Energy Creation, and Offsets." Examples included GHG inventory tools for organizations and value chains, an energy dashboard, net-zero smart building systems, and rooftop solar power systems. The inner exhibition area showcased AUO's accomplishments in low-carbon product development, energy conservation, waste reduction, and smart inspections. Self-adaptive management technology that leverages the software-hardware integration abilities of AI, and the strategic blueprint and ecosystem connections for the net-zero and sustainability domains, all embody AI's ability to fulfill its commitment to intelligent sustainability and net zero.

The presentation of the exhibition was reviewed using a full-process approach. Instead of the narrative approach used in past exhibitions, obstacles encountered in domains were dissected from the user's perspective to highlight core advantages. Real-world cases were also incorporated to explain how the solution overcame challenges in the domain and created commercial value.

The Smart AUO Exhibition has transformed into the best platform for expressing the green transformation of AUO. The AUOer spirit of bold innovation was applied to find new techniques and implementations by thinking outside the box. Solutions were then continuously optimized through field trials to apply the spirit of resource reduction and the circular economy during production and manufacturing.

Smart Management Innovative Learning Driven by Generative AI

AUO University offered AI courses for enhancing theory and practice in different technical fields and specialties. Advanced and high-level courses have been completed more than 1,700 times to date. At the same time, AUO set up a talent technical evaluation mechanism and smart manufacturing talent pool. More than 900 specialists have received related certifications so far. In response to the rapid development of generative AI technology, AUO University introduced "Generative AI" courses in 2025. At the end of 2025, related training had been completed more than 400 times.

Smart AUO Exhibition (Overseas)

○ Suzhou

Suzhou made AI its focus by compiling all the practical applications of AI technology in production processes, equipment management, sustainable management, and other fields to provide a complete picture of its industrial AI technical services. In smart manufacturing, the focus was on two core techniques. These were the in-depth application of "Intelligent Agents" in industrial scenarios, as well as the integration and introduction of "Embodied Intelligence" in the production domain. Manufacturing and management processes were then optimized using these techniques to forge a flexible and autonomous factory operations model.

Suzhou also engaged in collaborations with other local vendors. For example, cameras were integrated with multimodal large-scale models for AGV dispatching that shortened material ordering times. Autonomous vehicles replaced manual operations for the automated receiving and transfer of tooling between workshops. Collaborative robots were also introduced for loading/unloading operations for further manpower savings.



○ Xiamen

Xiamen used the theme of "Intelligent Sustainability – Net Zero" to showcase 12 examples of smart manufacturing and sustainable transformation. These included core technologies such as Life Cycle Impact Assessment, the O-Navi intelligence navigation platform, Large Language Model (LLM), and Artificial Intelligence Agent (AI Agent), as well as intelligentization applications such as AR/AI smart glasses and robotic dogs. Sustainability accomplishments in energy management, the circular economy, and social responsibility were all presented together.

Xiamen has made great strides in both intelligentization and green technology since the digital-intelligence transformation was launched in 2018. This included national recognition as a smart manufacturing demonstration factory and a green factory. In the future, Xiamen will continue to promote technologies such as AIoT and Digital Twin to further strengthen its smart manufacturing system based on the trinity of technical prowess, management ability, and product power.



○ Kunshan

Kunshan chose "Intelligent Strategy – Innovative Change" as its theme. The "integration of business data and building of knowledge bases" was emphasized to present AUO's accomplishments in the smart manufacturing field. The in-depth integration of AI, data, and full manufacturing processes was used to construct an intelligentized operating system through "converting data into knowledge and supporting decision-making through knowledge" to help businesses improve their operating efficiency and promote green transformation.

The exhibition was organized into four main themed exhibition areas. "Business Integrated Assisted Decision-Making" demonstrated the integration and visualized management of production, equipment, and security information; "Diamond Manufacturing Best Practices" presented how data can be applied to the optimization of production cycles, precision management, and smart maintenance. The "Cross-Function Operating Accomplishments" area used data governance, analysis, and smart applications to systematically convert scattered data into a knowledge base and deliver the benefits of smart manufacturing; "Digital Experts" employed concrete usage scenarios to demonstrate how complex data and engineering experience could be converted into knowledge tools that are easy to use.



5.3 Affordable Energy

Phase two of Taiwan's energy transition is now moving steadily ahead through strategies such as replacing coal with gas, diversifying green energy, implementing energy storage, strengthening grid resilience, and pursuing deep energy conservation. AUO has accumulated a wealth of technical integration abilities through its reputation for long-term contract fulfillment and power plant construction. We have now developed one-stop green solutions that are competitive internationally, sustainable, and resilient. By deepening our capabilities in energy creation, energy storage, energy management, and operations, we can help businesses and families improve their electricity efficiency, reduce their carbon emissions, and enhance their energy security. We hope to play the role of the total green electricity expert in supporting the acceleration of Taiwan's energy system.

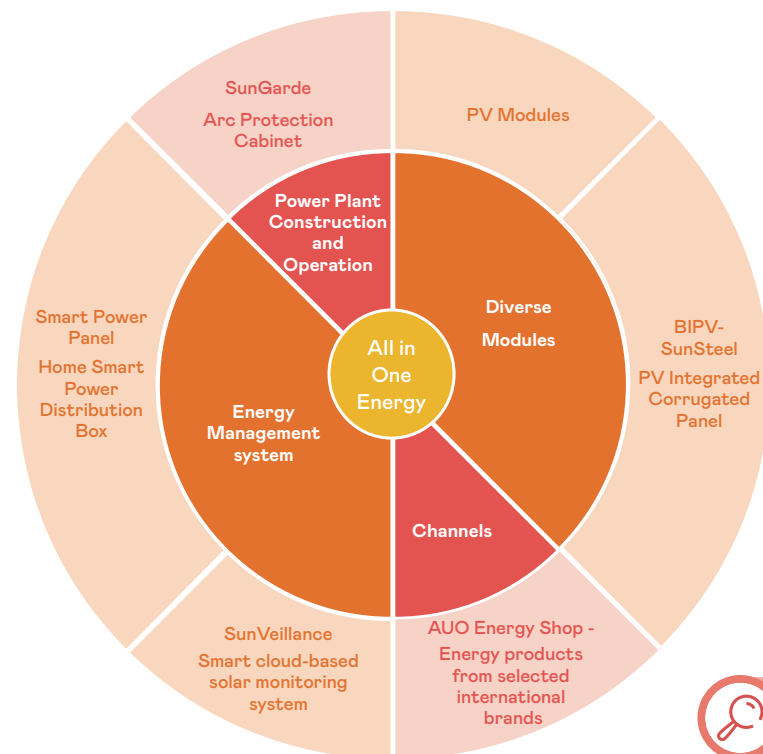
5.3.1 Energy Business Development

AUO's long-running energy business is involved with diversified green energy, smart energy storage, and deep energy saving. We also leverage our outstanding supply chain integration ability to work with ecosystem partners to complement each other in the industry chain, grow our "AUO Energy Shop" channel brand, and ensure that customers can enjoy consistent professional advice, installation, and operation in accordance with government subsidies and the diverse needs of the market. AUO continues to enhance its energy transition technologies, targeting the crucial decarbonization role of buildings in the 2050 Net-Zero Emissions roadmap. Energy solutions such as smart energy storage, building photovoltaics, total power plant construction and operation, and supporting energy conservation by businesses are being developed. AUO is constructing a green energy landscape centered around four major strategic domains and a diverse portfolio of products and services.

Four Renewable Energy Services



Diversified Energy Service Portfolio



AUO Energy website

2025 Awards

Smart Cleaning Robot

Features an ultra-thin aluminum shell weighing just 27 kg, achieving lightweight design without compromising structural rigidity. Equipped with specially designed nylon brushes and an automated navigation system, the robot uses sensor technology to detect its surroundings. Efficient dry cleaning controlled remotely through UI with no water lines required. Robot has passed full electromagnetic compatibility testing and is suitable for demanding outdoor environments.



Smart cloud-based solar monitoring system

Combines innovative technologies with visualized energy management, solar plant monitoring, and green electricity transaction management. The system not only draws on AUO's extensive experience in plant operations but also combines big data on power generation with AI technology to maximize plant power production.



○ AUO Shines at the Taiwan PV Awards

- Participated in the Taiwan PV Awards, one of Taiwan's most prestigious and credible solar energy awards programs organized by the Ministry of Economic Affairs.
- Recognized for outstanding engineering quality and project execution, receiving awards for ground-mounted and floating photovoltaic systems at the 2nd (2015), 8th (2021), 11th (2024), and 12th (2025) Taiwan PV Awards.

5.3.2 High-Quality Solutions

The completion and connection of AUO's first rooftop PV plant ushered in a new era for the Taiwanese energy industry, as it meant the Company has officially expanded beyond PV module manufacturing into power plant investment, construction, and operation. The continued accumulation of solar power general contracting expertise – from development, design, and purchasing to construction – established AUO as a leader in the energy industry. In response to trends in global energy transformation, AUO has embarked on an aggressive restructuring and transformation of the business, working with handpicked top international brands, strengthening product combinations, and enhancing our edge in technical consulting and operational services. By ensuring a reliable and high-performance experience for customers, AUO will grow our energy channel market even as we align ourselves with the requirements of policy subsidies and market diversity. AUO provides a wide variety of product services that are complemented by our extensive expertise and experience in power plant construction and operation and smart energy management. In addition, we are also moving aggressively into the low-carbon building industry by integrating PV applications with architecture. In this way, the urban blueprint of energy self-sufficient buildings can be realized.

■ Diverse and High-Performance Energy System Materials

AUO PV module products have long been recognized for their quality by tier-1 vendors in Taiwan and overseas. In response to government support for solar power as well as current trends and policies, AUO is putting customer needs first and allying with top international partners to provide a variety of modules targeted at different market applications. A strategic partnership was formed in 2023 with Sino-American Silicon Products Inc. to promote designs tailored to Taiwan's island climate. The high-quality modules for rooftop, floating, and ground-mounted domains combine high performance with high reliability to ensure consistent power generation even in harsh environments. PV module shipments in 2025 reached 233 MW^{Note}.

Note: The target was not met due to very challenging conditions in the energy industry, including an imbalance in supply-and-demand as well as stalled transformation efforts.

Total Provider of Power Plant Construction and Operation Services

Building on a foundation of high quality and stringent safety standards, AUO has constructed 434 power plants across Taiwan with a cumulative installation capacity of 554 MW since 2011. These include 192 MW of rooftop systems ^{Note 1}, 345 MW of ground-mounted ^{Note 2} systems (including ultra-high-voltage transformer stations), and 17 MW of floating systems ^{Note 3}. These installations span industrial facilities, agricultural and livestock operations, carports, and ground-mounted projects. With an average generation of 3.5 kWh per kW, the annual energy output is approximately 770 million kWh – equivalent to the annual electricity consumption of 170,000 households. In addition to extensive experience with the construction of high-precision rooftop solar for factories and ground-mounted projects with their own transformers, AUO also won the Top Solar Award from the Ministry of Economic Affairs for outstanding ground-mounted system performance in 2025, placing it firmly among Taiwan's top five energy developers.

AUO is also continuing to invest in the development, construction, and O&M of diverse solar power plant formats, offering turnkey EPC (Engineering, Procurement, Construction) services with a special emphasis on design and construction methods. With projects deployed across every county and city in Taiwan, AUO is committed to supporting the nation's sustainable energy transition.

Low-carbon, Inclusion, and Net Zero

Ground-side

Various types of land, including landfill sites, land subsidence areas, fishponds, or developed land.

Rooftop

All types of rooftops, including those of industrial plants, public buildings, or school facilities.

Floating

Different types of water surfaces, such as irrigation ponds or detention basins.

- ✓ **434** solar plants built across **16** counties and cities in Taiwan
- ✓ **554 MW** of installed capacity
- ✓ Project construction quality has won **5** MOEA Top Solar Awards
- ✓ Actual construction of ground-mounted solar power plant with UHV transformer station

Note 1: "Rooftop" refers to all types of rooftops, including those of industrial plants, public buildings, or school facilities.

Note 2: "Ground-side" refers to various types of land, including landfill sites, land subsidence areas, fishponds, or developed land.

Note 3: "Floating" refers to different types of water surfaces, such as irrigation ponds or detention basins.

Taichung

Outstanding Medium and Large-Scale System Award
Taichung Factory

Yunlin

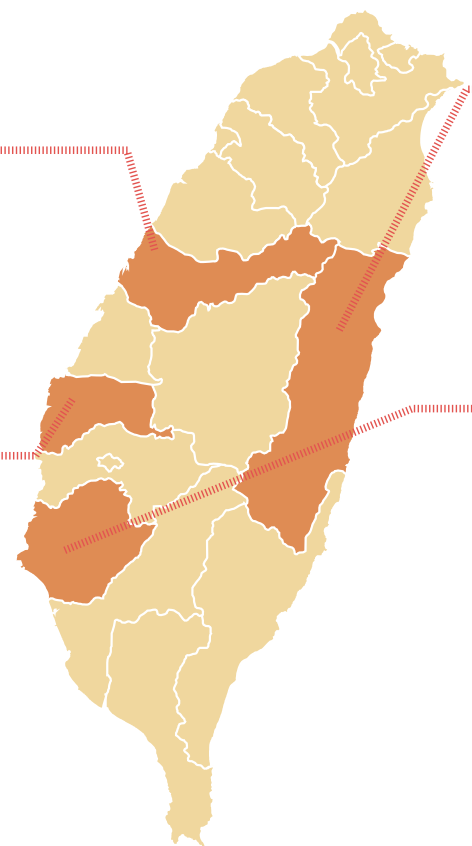
Outstanding Ground-Mounted System Award
Yunlin - Green Energy Education Park

Hualien

Outstanding Ground-Mounted System Award
Hualien Environmental and Green Energy Park

Tainan

Outstanding System Integrator Award
Tainan Guanmiao
Outstanding Ground-Mounted System Award
Tainan Public Detention Pond

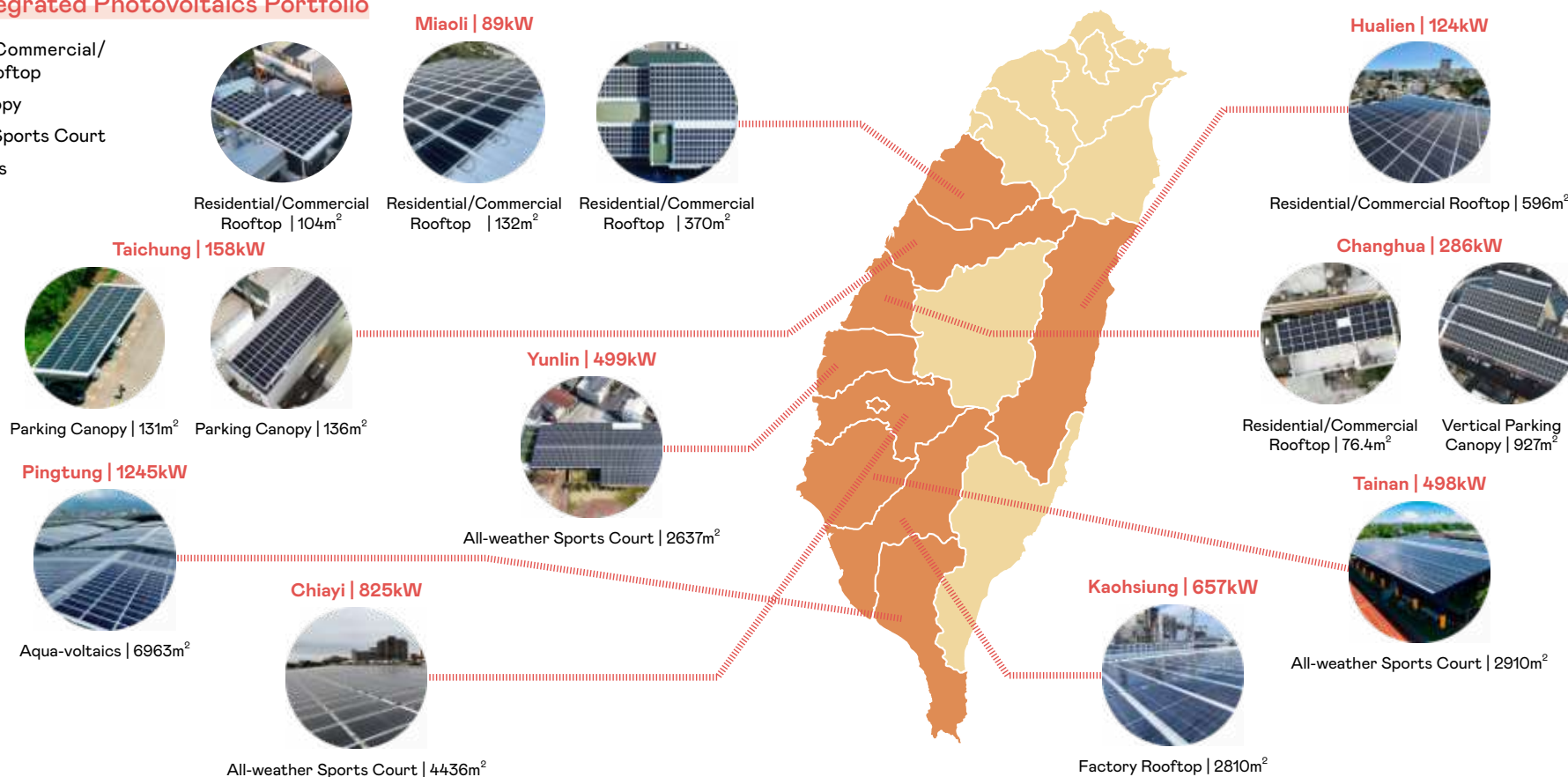


■ Building-Integrated Photovoltaics

Building-integrated photovoltaics (BIPV) combine the power-generating function of solar energy with refined architectural aesthetics by integrating solar products into construction materials, and is one of the methods used to realize carbon reduction in buildings. AUO Energy leverages diverse technologies and specialized materials to develop its building-integrated solar solutions, including the innovative "SunSteel" photovoltaic corrugated panel, which can be applied across various building types. Developed from the design stage through to implementation, this integrated solution enhances rooftop space utilization and improves power generation efficiency by 15%. Its advantages include fast installation, lightweight structure, weather resistance, leak prevention, and ease of maintenance, all while blending seamlessly into building architecture and delivering energy-saving, heat-insulating, and aesthetic benefits. To date, AUO has completed 13 BIPV projects across Miaoli, Taichung, Chiayi, Tainan, Kaohsiung, and Pingtung, spanning industrial plants, residential and commercial rooftops, parking canopies, covered sports courts, and dual-use aqua-voltaic installations, with a total installed capacity of 4.3 MW.

Building-Integrated Photovoltaics Portfolio

- ✓ Residential-Commercial/
Industrial Rooftop
- ✓ Parking Canopy
- ✓ All-weather Sports Court
- ✓ Aqua-Voltaics



■ Building the Largest Geothermal Power Plant Project in Taiwan

Geothermal power holds great promise in Taiwan. The energy team is continuing to invest in geothermal R&D, technology validation, and project development to diversify our energy portfolio and become a leader in renewable energy services. Geothermal engineering is a very complex discipline that not only tests a team's ability to cope with extreme environments but also requires the integration of multiple disciplines. Administrative compliance and contract performance in public projects add to the challenge as well. The team took part in CPC Corporation's "Yilan Tuchang Geothermal Project." Well No. 1 was successfully grid-connected in December 2025, while Well No. 2 is expected to begin supplying power in 2026 Q1. The milestone project will see "the largest single geothermal project in Taiwan" added to AUO's resume, highlighting our expertise and execution ability in the geothermal field.



5.3.3 Green Energy Compatibility & Inclusion

While developing its energy business, AUO remains committed to public welfare by upholding the core value of diversity education, social welfare, and ecological compatibility. Internally, AUO encourages employees to participate in the Sustainability Service Team. Externally, AUO is actively involved in charitable activities for supporting disadvantaged groups. The injection of tangible and intangible resources through the corporate value chain provide local communities near power plants with mentoring and assistance on health, education, economy, industry, and environmental ecology.

Diversity Education

Support and care for disadvantaged students, talent incubation, and promotion of arts and culture; participation in and support for Balanced Five-Education Development Plan

Social Welfare

Encompasses long-term elder care, emergency assistance, disaster relief, support for first responders, and immediate community assistance

Ecological Inclusion

Support for net zero and creation of ecological sustainability and inclusion through habitats, species, and empowerment

Sustainability Service Team

Go fast alone, or go far as a group. Building sustainable and friendly smart social welfare through service empowerment of employees

■ Local Inclusion Formula

○ Sustainability Service Team

Star Shining Energy^{Note} is committed to advancing the three core pillars of environmental protection, social responsibility, and corporate governance (ESG). In response to the growing trends of population aging and declining birth rates, the Company has prioritized long-term care for the elderly and educational support for children as key service areas. Employees from various counties and cities across Taiwan voluntarily participated in the Sustainability Service Team, engaging in a wide range of initiatives tailored to the needs of rural communities and townships. These efforts included supporting community care centers and shared meal services for seniors, assisting with environmental education programs, raising and donating funds for after-school tutoring, promoting and sponsoring youth sports development, offering free haircuts for the elderly, providing accessible taxi services for medical appointments, and conducting home visits for vulnerable groups. Through these actions, Star Shining Energy continues to bring a positive impact to society by delivering essential services to underserved populations.

Note: Star Shining Energy was jointly established in 2017 through a partnership between AUO, Taiwan Life Insurance, and Fubon Life Insurance.



Star Shining Energy Establishes the Sustainability Service Team

Rural Student Tutoring Fund

The AUO Energy business embraces localized management and is continuing to monitor the needs of frontline educators. The "Chasing the Sun with Technology" environmental education program was co-organized with the AUO Foundation to provide a globalized course that combines scientific knowledge with hands-on experience. Team-based competitions encourage students to learn through play and self-discovery, converting abstract concepts such as net zero and carbon reduction into lively and interesting everyday knowledge. The down-to-earth format allows children to learn about global issues such as clean energy and solar power principles in an intuitive way so they can learn well and enjoy learning.

In 2025, AUO continued its financial support for after-school tutoring programs at Wenguang Elementary School in Yunlin County, so that parents can concentrate on their work and students can focus on their studies.



Green/Screen House Vegetable Cultivation Zone

A two-hectare green/screen house vegetable cultivation experiment was set up at the Maocheng site in Kohu, Yulin, on non-arable land. Site facilities include a seedling greenhouse, opto-electronic greenhouse cultivation test area, opto-electronic green/screen houses, and an open-air test area. The site is equipped with spray- and drip-irrigation systems for conducting agricultural experiments. It cultivates seeds for cabbage, Chinese spinach, water spinach, green beans, and snake beans, as well as seedlings for sweet melon, eggplant, and okra. All the vegetables harvested are donated to senior citizen canteens and local elementary schools in the Kohu region.



Industry-University Collaboration: Ecological Monitoring and Rehabilitation

A long-term ecological consultation and monitoring project was set up at the Shengfeng Environmental Green Energy Park in Fenglin, Hualien, in collaboration with National Dong Hwa University. The first flux tower at a solar power site was constructed to support environmental and ecological research, including carbon dioxide flux monitoring, as well as studies on flora, fauna (birds, amphibians, and reptiles), and soil. The park serves as a practical site for ecological and environmental research. Ecological and water quality monitoring is also conducted at the Shengfeng site as required by law. A local ecological company was also commissioned to engage in ecological rehabilitation and research.



For more information, please visit the [Star Shining Energy website](#)

Environmental and Ecology White Paper

The Maocheng site engaged an ecological procurement team to compile an ecological white paper based on the key axes of "Sustainability and Symbiosis." Data is compiled for citizen science platforms such as eBird, iNaturalist, and TBN for an area that covers the site and a radius of 500 m. Ecological habitat development was emphasized by retaining 27 hectares of perennially water-logged ground on the south side as a "Water Observation" wetland. Tree species such as the Horsetail Tree and Black Mangrove were also extensively planted to create shade and breeding grounds for waterfowl. Observations indicated that more than 120 migratory bird species now visit the area, including protected species such as the Black-Faced Spoonbill. The number of species has also increased in a linear manner from the start of development, during construction, to the current maintenance and operation stage. The phenomenon of "migratory birds becoming resident birds" has also been observed at the power plant, making it a rare example of a power plant that has achieved harmony with the ecology and birds.





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AUO Mobility Solutions

- **Reporting Period** : January 1, 2025 to December 31, 2025
- **Scope of Reporting** : AUO Mobility Solutions Germany GmbH
- **Report Contact** :
Telephone : +49 (0) 2941 / 66 - 60 00
Fax : +49 (0) 2941/66-60 01
Email : info@bhtc.com
- **External Assurance** : Assurance of key data provided by KPMG in accordance with ISAE 3000 standards.

AUO Mobility Solutions, the leading supplier of climate operating / control units and HMI (Human-Machine Interface) system solutions to the global market, is committed to creating human-centric products and services.

We provide a comfortable driving experience for all passengers under every situation through climate control in the cabin as well as intuitive and ergonomic HMI systems.

AUO Mobility Solutions is a valued partner to the automotive industry. Together with our customers, we introduce pioneering technologies for the next generation of industry-leading automotive products. Our R&D success stories come from the meeting of challenges and boundless creativity. These become bespoke solutions for vehicle control systems, automotive control units and systems, Center Information Displays (CID), and integrated center stacks (ICS).

Company Name	AUO Mobility Solutions Germany GmbH
Founded	1999
CEO	Simon Hsu
Headquarters	Hansastraße 40, 59557 Lippstadt, Germany
Core Products, Technologies, and Services	Automotive air-conditioning control and Display HMI solutions for the automotive industry
Regions of Operation	Bulgaria, China, Finland, Germany, India, Japan, Mexico, Taiwan R.O.C., USA
Annual Sales Revenue (Unit: Million EUR)	709.628
Net Profit (Loss) After Tax (Unit: Million EUR)	-5.311
Website	https://www.bhtc.com/en
Statement of Operational Changes	We have completed the integration of the former BHTC organization and the AUO Mobility Solutions Business Group into the AUO Mobility Solutions Corporation. For historical reasons, this report for 2025 still covers the scope of the former BHTC Group (previously known as BHTC GmbH, now rebranded as AUO Mobility Solutions Germany GmbH). For the sake of simplicity, we will refer to it as AUO Mobility Solutions in the following report.

1. Products and Services

1.1 Technological Innovation and Market Strategy GRI 2-6

The goal of AUO Mobility Solutions is to further expand our HMI business while continuing to leverage our extensive experience in climate control systems. To achieve this goal, we adopted a customer-oriented strategy where our sales organization and product management team coordinate and work closely with all relevant departments within AUO Mobility Solutions and our supply chain to respond swiftly to market changes and customer needs. Technology and market demand also drive the development of our market strategies. Meetings are regularly convened to review and adjust our strategies based on customer communications, networking at trade shows, analysis of external market databases, and internal insights. not only help to main the competitiveness of AUO Mobility Solutions ensure but also strengthen our leadership in the automotive market through the promotion of industry innovation and business expansion.

1.2 Sustainable Product

Product Quality and Safety GRI 416-1

AUO Mobility Solutions applies a structured approach to managing health and safety-related product requirements for all its products. Relevant legal, customer and internal requirements are identified and managed within the Product Development Process (PDP), where requirements management is an integral element and responsibilities are assigned to the respective PDP roles. Health and safety-related requirements are documented and tracked using established systems and tools. Applicable regulatory requirements are also analyzed and documented within an internal standards and compliance framework. To ensure compliance with the relevant legislation, AUO Mobility Solutions regularly commissions external analyses of legal requirements for representative product groups. Assessments are performed on selected example products and focus on legal obligations applicable to AUO Mobility Solutions as a company. As the OEM acts as the legal in-market placer of the final product, additional regulatory obligations may apply at OEM level. The results of the analyses are documented and maintained within internal compliance documentation. Functional Safety and Cyber Security processes are embedded in the PDP and applied where relevant. For products with Automotive Safety Integrity Level (ASIL) requirements, functional safety requirements are implemented in accordance with applicable safety standards. In addition, AUO Mobility Solutions ensures compliance with customer-specific standards and IMDS (International Material Data System) requirements to support material transparency and product safety throughout the product lifecycle.

2. Sustainable Management

2.1 Board of Directors Composition

Board of Directors Composition GRI 2-9

Item	2025
Number of executive directors	2
Number of non-executive directors (not including independent directors)	3
Number of independent directors	0
Total number of directors	5

Board Diversity and Members GRI 2-9

By age and gender			
	50–59 years	60–69 years	70–79 years
Male	5	0	0
Female	0	0	0
Total	5	0	0

2.2 ESG Committee Operations GRI 2-22

The AUO Mobility Solutions sustainability strategy is aligned with the global challenges and opportunities defined by the United Nations Sustainable Development Goals. Sustainability is considered an integral part of AUO Mobility Solutions strategy, guiding key action areas toward selected SDGs to contribute to future-oriented developments in mobility and a sustainable society. These principles also form the foundation for defining KPIs, targets, and measures. A central ESG department was established as part of the integration into the AUO Group. The ESG team is responsible for all ESG-related topics across the international sites. To ensure effective strategic ESG governance, a company-wide ESG Committee was established. Participants from the management level include the CEO of AUO Mobility Solutions, top managers from operations as well as the CSO of AUO. The ESG Committee serves as a platform for company-wide ESG process management, assessment of material impacts, risks, and opportunities, strategic alignment, and definition and monitoring of ESG KPIs.

2.3 Stakeholder Management

○ Stakeholder Engagement Outcomes GRI 2-29

For the integration of stakeholders in the context of sustainability efforts, we are guided by the requirements of Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS). A stakeholder analysis was therefore conducted to identify the relevant stakeholders of AUO Mobility Solutions. The stakeholders were evaluated according to Power (influence on performance and activities), Legitimacy (entitlement to make claims) and Urgency (need for immediate action). The following diagram provides an overview of the key stakeholders identified by AUO Mobility Solutions and our approach to stakeholder engagement.

Stakeholder	Engagement Strategy	Communication Channels	Communication Issues	2025 Accomplishments
Employees	At AUO Mobility Solutions, our employees are our greatest asset, driving innovation and success through collaboration and passion. We foster a supportive environment with continuous learning, well-being initiatives, and a strong sense of community.	- Internal communication e-mails - Intranet - Notices on bulletin boards - Regular staff meeting - Townhall meetings - Employee surveys & evaluations - Work council	- Announcement - Personnel changes - Corporate & Sustainability events - News & achievements - Employee satisfaction - Employee development	- Local engagement and CSR activities (e.g. Mental Health Week and "Stadtradeln" in Germany, charity run for children and vulnerable communities in Mexico, Celebrating Dragon Boat and Children's Day in China, joining Concordia Charity Cup and Run2Gether in Bulgaria) - Conducted the employee survey as part of the Great Place to Work initiative to assess key aspects of our workplace culture - Successfully delivered our global Leadership Program, strengthening leadership capabilities across all participating regions - Continued support in the integration process AUO & BHTC
Suppliers	AUO Mobility Solutions's commitment to supplier engagement relies on collaborative, transparent and mutually beneficial relationships. We prioritize innovation, ethical practices and sustainability, ensuring that our suppliers share our commitment to quality and continuous improvement. Through open communication and strategic partnerships, we aim to achieve a reliable supply chain that supports the growth and success of our own operations and customers.	- Project meeting - On site exchange - CAQ system - Supplier audits - Supplier complaint management - Grievance mechanism - Strategic meetings with key suppliers	- Contracts and agreements - Supplier certifications - Product specifications - Quality performance - Delivery performance - Commercial performance - Product development - Supplier evaluation - Operational risk - Supply chain management	- Continuous update of Code of Conduct for Suppliers and Service Providers of AUO Mobility Solutions to strengthen sustainability requirements - Supplier Self-Assessment and Approval Form with focus on corporate sustainability - Successful trial of supply chain due-diligence software
Customers	At AUO Mobility Solutions, we put our customers first, fostering relationships and building trust through open and honest communication. Our dedication to technical and commercial excellence aims to create and maintain a strong standing as a strategic partner in all areas of current and future business. Furthermore, we actively respond to customers with localization requirements, help them meet their strategic & carbon footprint targets, and provide competitive prices to support their market success.	- Online project meetings - F2F project meetings - F2F meetings at fairs/ techdays - Communication to all customer groups & departments (single-source customer service scheme)	- Product development - Negotiations of current and new business - Contracts and agreements - Product specifications - Quality & logistics performance - Annual business performance reviews - Supply chain topics (shortage, PCN/ PTN etc.) - Promoting sustainability	- CES exhibition - Participation in Tech Days worldwide - Reached several agreements with the supply chain (e.g. green energy, CO₂ emission targets, and minimum recycling ratios)
Shareholders	As a subsidiary to our sole shareholder AUO Corporation, we focus on making our contribution to the overall success of both companies. Together, we want to improve our market positions, meet the needs of our customers and leverage the strengths of the newly joined-force.	- Shareholder's meetings - Regular reports - Crossover collaborations	- Financial performances - Market development - Top-line targets - Bottom-line targets - Organizational topics - Continuous improvement	- Change of CEO BHTC - Renaming of BHTC and its subsidiaries to AUO Mobility Solutions (change of registry entries) & assignment to Mobility Solutions business unit of AUO - Merging subsidiaries of both into one entity in US & Japan - Organizational changes towards a fully integrated & function-oriented organization - Progress in identification & realization of financial synergies for both companies - Progress in deployment of a single common IT platform

2.4 Risk Governance

○ Risk Management GRI 2-12

The risk management policy of AUO Mobility Solutions is built upon the standardized procedure of the AUO Group to ensure that risk is identified and assessed in a consistent and systemic manner. The process is conducted in close collaboration with the parent company with clearly defined steps that are updated and executed every year. All associated risks are assessed using the defined assessment standards and risk categories. Likelihood and potential impact are also considered in setting risk and management priority. Corresponding countermeasures are devised for risks that require action, with regular reviews of implementation effectiveness. The purpose of the risk identification process is to draw upon past experience and to take emerging risks into account. The outcome of the annual risk management process is systematically compiled and reported to the executive management team to support the decision-making process and ensure the sustainable development of corporate strategy.

○ Supply Chain Management

AUO Mobility Solutions operates across five distinct regions and follows the principle of local-to-local supplier management. This approach aims to strengthen supply chain resilience by prioritizing geographically close sourcing wherever feasible.

Adopting a local to local supply chain management strategy provides several key benefits:

- Dependence on non-local suppliers is reduced as much as possible to minimize the risk of global supply chain disruptions (due to epidemics, geopolitics, etc.)
- Choose local suppliers to shorten production and delivery cycles.
- Reduce long-distance transportation to not only lower logistics and transportation costs but also reduce the carbon footprint.
- Lower transportation distance to reduce the carbon footprint.
- Support sustainable procurement and local environmental regulations,
- Encourage close collaboration with local suppliers, along with enhanced communication and innovation.

In 2025, BHTC and AUO MSBG merged to form AUO Mobility Solutions. As a result of this integration, additional regions will be incorporated into the future organizational and operational structure.

To further strengthen supply chain resilience, the Company will continue to expand and refine the relevant strategies over time.

In the long term, our aim is to establish transparent, value driven partnerships with key suppliers. This strategy aligns with AUO Mobility Solutions' corporate objectives on resilience, sustainability, and cost efficiency, ensuring that the supply chain remains adaptable to evolving market and regulatory requirements.

Supply Chain Status

Region	Number
North America	57
Western Europe	155
Eastern Europe	20
South Asia	45
Asia-Pacific	140

Supplier risk assessment

Subject	Management Practice
Potential Suppliers	• Supplier self-assessment and approval forms • Financial review • VDA 6.3 Potential Process Audit • Definition of key contracts (e.g., supply framework agreement, supplier/contractor code of conduct, quality requirements, packaging and logistics policies, etc.)
Existing Suppliers	• Monthly review of commercial, project, logistics, and technical KPIs • Annual supplier risk assessment process

3. Environmental Sustainability

3.1 Disclosure of Environment-Related Data

Energy Consumption within the Organization GRI 302-1

Item		Energy Category	2025	
			kWh	GJ
Total Energy Consumed			36,097,083	129,949
Input	Purchased electricity	Renewable	30,959,512	111,454
	Self-generated and consumed		1,718,101	6,185
	Total renewable energy consumption		32,677,613	117,639
	Purchased electricity	Non-renewable	56,458	203
	Natural gas		1,866,815	6,721
	LPG		144,840	521
	Diesel		284,301	1,023
	Petrol		1,067,057	3,841
	Total non-renewable energy consumption		3,419,471	12,310
Output	Self-generated and sold	Renewable	245,837	283

Note: The data scope covers manufacturing sites in Germany, China, India, Bulgaria, and Mexico.

Energy Intensity GRI 302-3

Item	2025
Electricity consumption per unit of revenue (kWh/ thousands of EUR)	50.87
Energy consumption per monetary unit of revenue (GJ/thousands of EUR)	0.18

Note: The data scope covers manufacturing sites in Germany, China, India, Bulgaria, and Mexico.

Greenhouse Gas Emissions GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4

Unit : Tonnes CO ₂ e	2025	2024
Scope 1	1,021.06	926.78
Scope 2- Market-based	165.31	6,496.29
Scope 3	3,094,713.16	-
GHG Emission Intensity ^{Note}	0.002	0.01

Note: Calculated as (Scope 1 + Scope 2) / annual revenue (in thousands of EUR).

Other Emissions GRI 305-6 GRI 305-7

Unit: Tonnes

Item	2025
Ozone-Depleting Substances (ODS) (Unit: CFC-11 Tonnes Equivalent)	0
NOx	0.251
Sulfur Oxides (SOx)	0
Persistent Organic Pollutants (POP)	0
Volatile Organic Compounds (VOC)	0.705
Hazardous Air Pollutants (HAP)	0
Particulate Matter (PM)	0

Materials Used and Percentage of Recycled Input Materials

GRI 301-1 GRI 301-2

Input Item	Total Input (Tonnes) ^{Note 1}	Percentage of Renewable Materials Used ^{Note 2}
Metals and Alloys	2,717.35	0.66%
Composites	4,089.42	13.66%
Electronics and Their Components	17.10	0.00%
Chemicals and Lubricants	100.16	0.00%
Special Materials and Connectors	565.59	0.23%

Note 1: A key assumption is that suppliers provide accurate and complete data on materials used in automotive components, but data quality can vary. Exclusions may include materials or substances not required by law to be reported, particularly when quantities fall below regulatory thresholds. Uncertainties arise from changes in materials during product development or supply chain adjustments, and the complexity of global supply chains can make it difficult to trace the exact origin and composition of materials. All updated material reports of purchased parts from the past to 2025 are included in the calculation. With these limits, the calculation covers approximately 89% of all sold products.

Note 2: Suppliers are assumed to provide accurate data on recycled content, though this is often reported in ranges rather than exact values. Older projects did not require specifying recycled content, creating evaluation challenges and data uncertainty. The complexity of global supply chains further complicates verification of recycled content. If a recycled content is reported as a range, the arithmetic median is used for the calculation. All updated material reports of purchased parts from the past to 2025 are included in the calculation. With these limits, the calculation covers approximately 89% of all sold products.

Water and Effluents GRI 303-4

Chemical Oxygen Demand (COD) (Tonnes)	Biochemical Oxygen Demand (BOD) (Tonnes)	Total Suspended Solids (TSS) (Tonnes)
0	0	0

Waste Generated GRI 306-3 GRI 306-4 GRI 306-5

Item	Waste Generated	Waste diverted from disposal	Waste directed to disposal
Hazardous Waste (tonnes)	17.01	1.13	15.88
Non-Hazardous Waste (tonnes)	1,964.18	1,563.70	400.47

Water Withdrawal GRI 303-3

Unit: Megaliters

Category	Surface water (including rainwater)		Ground Water		Seawater	Water Output		Third-Party Water			Category Total	Total Water Withdrawal
	Freshwater	Other Water	Freshwater	Other Water		Freshwater	Other Water	Freshwater	Reclaimed water	Other Water		
Non-Water Stressed Region	0	0	0	0	0	0	0	5.46	0	0	5.46	70.92
Water-Stressed Region	0	0	10.59	0	0	0	0	54.88	0	0	65.46	

Water Discharge GRI 303-4

Unit: Megaliters

Category	Surface water (including rainwater)		Ground Water		Seawater	Water Output		Third-Party Water			Category Total	Total Water Withdrawal
	Freshwater	Other Water	Freshwater	Other Water		Freshwater	Other Water	Freshwater	Reclaimed water	Other Water		
Non-Water Stressed Region	0	0	0	0	0	0	0	5.46	0	0	5.46	68.47
Water-Stressed Region	0	0	10.59	0	0	0	0	52.43	0	0	63.01	

Waste Diverted from and Directed to Disposal GRI 306-4 GRI 306-5

Unit: metric tonnes

Category		Item	On-Site	Off-Site	Total
Hazardous Waste	Direct Disposal	Total	0	15.88	15.88
		Incineration (including energy recovery)	0	0.00	0.00
		Incineration (not including energy recovery)	0	10.17	10.17
		Landfill	0	5.68	5.68
		Other means of disposal	0	0.03	0.03
	Recycled	Total	0	1.13	1.13
		Reuse within the site	0	0.00	0.00
		Recycled	0	1.13	1.13
		Other means of recycling	0	0.00	0.00
Non-Hazardous Waste	Direct Disposal	Total	0	400.47	400.47
		Incinerator (including energy recovery)	0	2.70	2.70
		Incineration (not including energy recovery)	0	55.63	55.63
		Landfill	0	258.94	258.94
		Other means of disposal	0	83.20	83.20
	Recycled	Total	0	1,563.70	1,563.70
		Reuse within the site	0	75.29	75.29
		Recycled	0	1,488.41	1,488.41
		Other means of recycling	0	0.00	0.00

4. Growing Together

4.1 Disclosure of Employee-Related Data

Employee Diversity GRI 405-1

Category		Item	Male	Female	Less than 29 Years	30-49 years	More than 50 years
Overall Workforce		Percentage of all employees	66.0%	34.0%	17.4%	62.2%	20.4%
Management Role	Grade	Executive and Management Committees	90.9%	9.1%	0%	13.6%	86.4%
		Management Team	84.2%	15.8%	0%	58.9%	41.1%
	Total		85.5%	14.5%	0.0%	50.4%	49.6%
Employee Composition	Percentage of indirect employees		75.5%	24.5%	14.5%	68.3%	17.2%
	Percentage of indirect employees		47.2%	52.8%	24.6%	53.0%	22.4%

Hours of Learning and Development by Global Employees

GRI 404-1

Learning system	Average hours of learning		
	Male	Female	Average training hours
Learning Management System (LMS)	10 hours 14 minutes	8 hours 17 minutes	9 hours 24 minutes
LinkedIn learning	-	-	3 hours 58 minutes
Speex Learning	-	-	3 hours 35 minutes
Total	-	-	16 hours 57 minutes

Programs for Upgrading Employee Skills GRI 404-2

AUO Mobility Solutions encourages employees to embrace continuous learning. Diverse learning & development opportunities are provided to all employees to enhance and upgrade their existing skills or acquire new competencies. Upgrading skills includes technical training, soft skills workshops, leadership development programs, in-service training, and e-learning courses. The competency framework focuses on identifying and bridging competency or skill gaps to adapt to current and future needs. In accordance with the 70-20-10 learning model, it is recommended that 70% of learning comes from On-the-Job experience, 20% from Peer Mentoring and Coaching, and 10% from structured training programs. Through a unified global onboarding and cross boarding process, the Company is now promoting a digitally integrated learning and transfer mechanism that will help employees transition into new roles, and accelerate their cultivation of knowledge, skills, behaviors in order to become an effective organizational member.

Coverage of Periodic Performance and Career Development Reviews

GRI 404-3

The Annual Employee Performance Evaluation within AUO Mobility Solutions forms a part of the performance management system and is a global HR management process that applies to all indirect employees. During the end of the year evaluation, the Employee and Manager undertake a joint review of past accomplishments. Consensus is reached and development opportunities discussed as well. Two-way feedback is also collected to further strengthen cooperation and performance. The evaluation also includes the Employee's self-evaluation as well as the Manager's evaluation of behaviors and competencies, with an overall performance evaluation conducted by the Manager. Individual development activities are documented within the development plan to continue promoting employee skill upgrades and career development.

Employee remuneration

Compensation Philosophy

AUO Mobility Solutions provides competitive, performance-driven, and market-linked compensation and benefits packages consistent with local practices in different regions of the world. An array of benefits is utilized to recognize individual and group achievements so that rewards are consistent with employee contributions. It's critical for us to keep the employee remuneration at par with market standards to attract and retain the best talent. We are continuing to cultivate a high-performance and value-oriented culture to support the long-term organizational development of AUO Mobility Solutions.

Rewards Model & Pay Parity

Our Rewards Model is market linked and strongly recognizes Performance, Potential, Skills and Behaviors as critical parameters.

We ensure Pay Parity by following standard Mercer methodology of benchmarking Jobs irrespective of gender. Key Parameters of the methodology to map jobs are Job Family, Sub-Family, Specialization & Level focusing on increasing scope of role & responsibilities. Jobs are mapped with same approach irrespective of gender.

○ Employee subsidies and benefits

Full-time and part-time employees receive the same employee subsidies and benefits. Eligibility for some benefits may, however, be linked to their length of service or completion of a probationary period.

Parental Leave

Item	Male	Female
Number of employees eligible for parental leave	1,810	870
Total number of employees actually using parental leave	86	49
The number of employees expected returning to job after parental leave during the year	77	26
The total number of employees actually returning to job after parental leave	71	21
The total number of employees returning to job and still on the job for 12 months after parental leave	54	24
Reinstatement rate after parental care leave	92.21%	80.77%

Coverage of the Occupational Health and Safety Management System

GRI 403-8

Category	No. of employees	Ratio
Employees	1,463	55.58%
Contractors	147	35.08%

Note: This includes all sites with a valid ISO 45001 certification.

Occupational Illnesses of All Employees and Other Personnel (Contractors)

GRI 403-10

Employees	Employees	Contractors
Number of recordable cases of work-related illnesses	0	0
Number of fatalities resulting from work-related illnesses	0	0
Ratio of fatalities resulting from work-related illnesses	0	0
Main types of work-related illnesses	N/A	N/A

Occupational Injuries of Employees and Contractor Personnel

GRI 403-9

Employees	All	Male	Female
Number of work-related fatalities	0	0	0
Ratio of work-related fatalities ^{Note}	0	0	0
Number of severe work-related injuries	0	0	0
Ratio of severe work-related injuries ^{Note}	0	0	0
Number of recordable work-related injuries	5	4	1
Ratio of recordable work-related injuries	0.97	1.17	0.57
Working Hours	5,165,147	3,408,997	1,756,150

Other Personnel (Contractors)	All	Male	Female
Number of work-related fatalities	0	0	0
Ratio of work-related fatalities	0	0	0
Number of severe work-related injuries	0	0	0
Ratio of severe work-related injuries	0	0	0
Number of recordable work-related injuries	1	0	1
Ratio of recordable work-related injuries	1.03	0.00	3.03
Working Hours	969,185	639,662	329,523

Note: The formula is (severe/recordable) work-related injuries / 1,000,000 work hours * 100%.

AUO Display Plus

- **Reporting Period** : January 1, 2025 to December 31, 2025
- **External Assurance** : Assurance provided by KPMG in accordance with ISAE 3000 standards.

AUO Display Plus is a leading global supplier of industrial and commercial display solutions, offering a wide range of customized products tailored to customer needs. As a subsidiary of AUO Corporation, AUO Display Plus inherits over 20 years of expertise in display technologies and continues to drive AIoT innovation. The company actively advances smart display solutions across vertical markets such as enterprise, education, healthcare, and transportation, making intelligent displays ubiquitous.

Company Name	AUO Display Plus
Founded	May 28, 2020
Chairman	Tina Wu
President	Tina Wu
Headquarters	5F, No. 1 Gongye E. 3rd Rd., East Dist., Hsinchu Science Park, Hsinchu City
Core Products, Technologies, and Services	As a supplier of industrial and commercial display solutions, AUO Display Plus promotes AIoT innovations and actively advances smart display solutions across vertical markets such as enterprise, education, healthcare, and transportation.
Regions of Operation	Headquarters: Taiwan Offices: United States, the Netherlands, Japan, China, Canada
Total number of employees	474
Website	https://auodplus.com/zh-TW

1. Products and Services GRI 2-6

1.1 Technological Innovation and Market Strategy

AUO Display is focused on vertical integration and technological innovation in its core business of common and public displays. Key niche markets include industrial computers, outdoor displays, as well as fitness and entertainment equipment. Product differentiation and customization are emphasized to develop emerging applications and create a sustainable market strategy. AUO Display Plus has now successfully transitioned from a legacy display hardware manufacturer to a supplier of smart vertical application solutions.

In the education sector, AUO Display Plus supports the smart transformation of education to narrow the urban-rural digital divide in teaching, and enhance the efficiency and quality of information transmission on campus. A complete teaching ecosystem has been gradually constructed by AUO Display Plus by building total solutions through the integration of software and hardware. For enterprise applications, by satisfying the need for high-quality visualization displays in corporate lobbies and conference rooms, AUO Display Plus improved the efficiency of digital communications during meetings and delivered remote digital collaboration tools that greatly boosted management performance.

For the retail applications segment, a family of products was developed to meet market requirements based on labor shortages, self-check-out, and intelligent loss prevention. Market penetration and customer stickiness were strengthened through building stronger local connections and collaborative partnerships. At the same time, the Company employed a strategy of multi-location scaling to position itself in the large color e-paper industry. An alliance was formed with e-paper material supplier E-Ink to expand the development of next-generation green energy-efficient display applications.

In the medical field, AUO Display/Sensor technology was used to spearhead the push to become a supplier of precision medicine solutions that improve efficiency and doctor-patient relations. An example of this is the minimally invasive surgery solution. Reduced side-effects and shorter post-op recovery times mean savings in medical resources and medical/nursing manpower. AUO Display Plus will continue to increase product shipments and reach in order to amplify our influence on society and provide healthcare that gives patients, physicians, and society peace of mind.

1.2 Products and Services that Respond to Sustainability Goals

AUO Display Plus integrates sustainability principles throughout the product lifecycle. Environmental pledges are also put into practice through the differentiation strategies for each business group. The methods used by each of the four main business groups for promoting sustainable products are outlined below:

Common and Public Displays BU

The ratio of recycled materials in key components has been gradually increased. Examples: TFT glass, plastic frames, and LCM back bezels. The current focus is now on responding to the energy-efficiency requirements of global customers and the global push on carbon reduction. Since 2024, more than 20 models have been upgraded to deliver cumulative power savings of up to 7 million kWh per year, equivalent to a reduction of 3,600 tonnes in carbon emissions.

Smart Education and Enterprise BU

Products are designed to conform to applicable local regulations on safety, energy-efficiency, and environmental protection in the target market. Designs must be easy to recycle and environmentally friendly. We also pledge to take responsibility and meet the costs of product recovery.

Smart Retail BU

Focus is on developing the industry chain for the Aeco family of products, including key components (IC, e-paper thin-film FPL), modular production (in-house and external sourcing supply chain), a diversification strategy for manufacturing sites that takes geopolitical risks into account, as well as the building of overseas sales channels by leveraging software-hardware integration solutions. The goal is to provide the most comprehensive and complete packages for developing e-paper business opportunities.

Smart Healthcare BU

Efficiency, resource usage, and user experience are taken into consideration at the start of product development based around Display and Sensor technologies. This approach to design is implemented through medical applications, such as minimally invasive surgery solutions that improve clinical efficiency, lower the burden on patients, and reduce the consumption of medical resources. By incorporating sustainability elements into the product design process, the Company will continue to expand the influence of our product applications and help spur the balanced development of healthcare quality, efficiency, and resource sustainability.

Products with Class-Leading Energy-Efficiency

Product	Description	Reduction in energy consumption of single-chip products compared to the previous generation (%)
21.3" Medical panel	Significant reduction in system energy consumption through streamlining of IC architecture	36%
32" Gaming panel	Improvement of optical efficiency to reduce electricity demand from backlighting	42%
5.7" HMI panel	Improvement of optical efficiency to reduce electricity demand from backlighting	48%
8.4" HMI panel	Significant reduction in system energy consumption through streamlining of IC architecture	35%

Smart Healthcare

SurgiEyes Real-Time 3D Robotic Surgery Solution

Minimally invasive surgery has become a prevailing surgical trend, offering advantages such as minimal tissue damage, reduced patient pain, and shorter recovery times. Given the high reliance on imagery transmitted from monitors during surgery, AUO Display Plus developed the "Wide-Angle 3D Medical Display" specifically for minimally invasive surgical environments. Over ten thousand real-world deployments have been made to date. Through its high contrast ratio, Deep Red true red rendering, wide color gamut technology, and 4K ultra-high resolution, the wide-angle 3D medical display vividly presents clinical details such as organ textures and internal depth perception, allowing for more precise surgical execution.

AUO Display Plus has integrated the wide-angle 3D medical display with SurgiEyes imaging processing and transmission technology. SurgiEyes' one-to-many image distribution means the entire medical team can follow the lead surgeon's perspective in real time and immerse themselves in the 3D visualization. This enhances team collaboration efficiency, shortens the learning curve for less experienced surgeons, and improves opportunities for medical education and training. The 3D imaging controller received Class II medical device approval from the Taiwan Food and Drug Administration (TFDA) in 2025 and has been fielded in a number of medical centers, including the China Medical University Hsinchu Hospital. Several colorectal and urinary procedures with the da Vinci surgical system have been completed to date. Operating efficiency and precision were significantly improved while also providing high-quality clinical teaching.



Digitalized Traditional Chinese Medicine (TCM) Diagnostic Solution

AUO Display Plus' subsidiary, AUO Health, has developed a Digitalized TCM Diagnostic Solution, currently the only system in Taiwan that integrates the traditional TCM diagnostic methods of inspection (visual observation), inquiry (questioning), and palpation (pulse-taking) into a single digital platform. The TCM diagnostics model has been redefined through digitalization and AI technology. By transforming diagnostic results into data and visual formats, a more effective and scientific medical experience can be delivered that addresses the longstanding challenges of standardization and reliability in traditional medicine.

The core technology involves two key systems: The Pulse Detecting System employs high-sensitivity, multi-point array pressure sensors to recreate the three techniques of pulse diagnosis, and the Pulse Waveform Analysis Software uses algorithms and signal processing to rapidly analyze key pulses. The Pulse Detector is now certified by the TFDA. The Tongue Image Capture System uses AI-powered "Tongue Image Recognition Software" with color accuracy algorithms and image recognition to help physicians rapidly tag tongue feature, shortening the testing and assessment time. The system has now been introduced by leading TCM clinical and academic institutions in Taiwan, including the China Medical University, Taipei Tzu Chi Hospital, Tri-Service General Hospital, MOHW Taipei Hospital, Taipei City Hospital, the Show Chwan Memorial Hospital in Changhua, and the Chang Gung Memorial Hospital in Taoyuan.

In 2025, AUO Health partnered with the Ma Kuang United Clinics of Traditional Chinese Medicine to participate in the "MOEA Asia Bay 2.0 Program" to promote the training of AI models and the collection of big data. Consultation and patient waiting times were successfully reduced by 30%, boosting overall consulting efficiency and the quality of physician-patient communications.

Smart Retail

AUO Display set up the NXEPD Corporation as a joint venture with E-Ink, the global leader in e-ink technology. The new company specializes in the manufacture of large, color EPD modules in Taiwan. A full, resilient industry chain has been constructed that spans materials, modules, and whole products. Continued promotion of upgrades to product specifications and the diversification of application domains mean reliable and competitive smart displays can be supplied to retail brands on a long-term basis.

AecoPost Smart E-Paper Signage Solution

The AecoPost E-Paper solution focuses on overcoming the "non-synchronization between sales price and promotions" in retail and commercial domains by preventing customer disputes at checkout and risk to brand reputation. A cloud content management platform is integrated with real-time Wi-Fi updates to update the pricing, promotional content, and announcements on all remote devices simultaneously. The system eliminates customer inconvenience and business risks from inconsistencies between sales promotions and update delays.

The core technology is based on the latest full-color panel from E-Ink. This is combined with AUO Display Plus' exclusive AecoColor+ color algorithm to boost color brightness, saturation, and visual impact in high-brightness environments. The result is product displays and promotional messages that are even more eye-catching. The system supports centralized cloud scheduling. A standard API is also provided for rapid integration with the customer's existing CMS or ERP to greatly reduce the digitalization time. The mobile app also supports real-time updates to individual machines, catering for both centralized management by large chains or agile deployment by the store. Our product lines cover every form factor, from 13.3" (A4 equivalent), 20.3" (A3 equivalent), and 32" large-sized displays. Applications include shelf labeling, sales promotion posters, pricing announcements, and large in-store information display walls.



AecoTag Electronic Shelf Label Solution

In response to the challenges posed by omni-channel retail and low-carbon transformation, AUO Display Plus launched the AecoTag electronic label solution based on "Timely Updates, Accurate Information, and User-Friendly Operation." We help the retail industry reduce its paper consumption and manual label replacement stress so that digitalization and sustainability can both be realized at the same time.

AecoTag uses e-paper technology from E-Ink capable of displaying static images with zero power consumption. The 2.7" label, for example, can be updated 4 times a day but still maintain a battery life in excess of seven years, reducing the amount of electronic waste and energy consumption. Sub-1GHz wireless technology allows a single gateway to manage up to 4,000 labels over a larger area, reducing the need for infrastructure development. The system can also use the cloud platform and API to connect seamlessly to existing ERP and POS systems, ensuring the stability and accuracy of data.

AecoTag Demonstrates Sustainability Value. On the environmental side, digital upgrades reduce waste from paper and ink. Low power consumption technology can also improve energy efficiency. On the Society side, automation reduces store manpower requirements while ensuring that pricing information and cashier data are aligned, increasing consumer confidence. In terms of Treatment, the centralized management center can monitor label status and battery power in real time, boosting management transparency and operating efficiency.



○ Smart Education

Campus Information Display Solution

Development on a new range of 43"/50"/55"/65"/75"/86" smart campus electronic bulletin board solutions began in 2025 Q1, with mass production and market launch planned for 2026 Q1. The product features Satis Deploy software developed by AUO Display Plus that greatly optimizes the unboxing and software installation process for users. Once the product is connected to the network and turned on, the embedded system will use cloud services to automatically detect the hardware configuration and then intelligently download and install the corresponding software versions. The seamless integration of software and hardware on the display platform offers the perfect solution to the pain point of product installation and activation.

AUO Display Plus and AVOCOR are responsible for hardware production and integration, while Rise Vision provides CMS and media playback functions. The new UI features an intuitive CMS that comes pre-loaded with a library of templates that users can quickly apply to save on design time. The streamlined UI means even laypersons can release all kinds of information with ease. A more stable and efficient school bulletin platform with rich functionality will enhance the efficiency and quality of information delivery on campus.

○ Customer Partnerships

Naked Eye 3D Wall Immersive Experience for National Highway Service Area

AUO Display Plus and its subsidiary, Jector, partnered with retailer President CVS to introduce a digitalization solution that integrates advanced display technology and software/hardware application services at the Qingshui Service Area. Large LED display equipment was combined with the architectural motif to create the first naked-eye 3D display wall and immersive visual display in a national highway service area to enhance the transmission of spatial information and the overall service experience. The digitalization application not only improved the quality of information presentation in the business domain, but it will also help build a more interactive, modernized public service environment.



AUO Display Plus and S-Bahn Hamburg Partner on New Energy-Saving Concept Train

AUO Display Plus and S-Bahn Hamburg, a subsidiary of Deutsche Bahn AG, the largest railway operator in Europe, have collaborated to introduce the 28.5" HiRaso Panel PC to train systems. The industrial-grade embedded solution with integrated energy-saving display technology and processing capability can be applied to deliver clear, dynamic guidance across various applications—from passenger information systems to bicycle and luggage areas. Train information can be delivered in a more timely and reliable manner while also improving the overall passenger experience.



The HiRaso Panel PC leverages the reflective and bistable properties of a Cholesteric LCD to deliver an information display that uses almost zero power. The lower energy demand during operation is aligned with the principles of an environmentally friendly and energy-saving design. The new application not only supports the efficient communication of information by transportation operators but will also give a boost to Deutsche Bahn's promotion of green and low-carbon transportation. As such, it will play a key role in the development of intelligent and sustainable cities.

2. Sustainable Management

2.1 ESG Committee Operations GRI 2-22

AUO Display Plus understands the importance of sustainability to long-term business competitiveness. The direction of the sustainability strategy is, therefore, overseen directly by Company Chairperson and President Tina Wu. Chairperson Wu is also the chair of the "Sustainability and ERM Committee" at AUO, the parent company of AUO Display Plus, and is directly involved in the parent company's sustainability decision-making and risk control mechanism. This ensures that the sustainability strategy of AUO Display Plus is aligned with that of the Group.

2.2 Stakeholder Management

○ Stakeholder Engagement Outcomes GRI 2-29

Stakeholder	Connection with AUO Display Plus and Engagement Focus		Communication Channels	2025 Accomplishments	
Professional display technology partners	Connection: - Supplier of professional display products - Partner for medical-grade display technologies	Engagement Focus: - Refinement of low-power design and technology - Introduction of new hardware design concepts - Entry into the certified supplier system - Establishment of trust in technical expertise - Establishment of strategic long-term partnerships	- Regular high-level technology meetings - Technology Day events - Product roadmap alignment - Technology Roadshow - Project progress meetings - Factory site inspections	✓ Product roadmap alignment completed ✓ Promoted the integration of new technologies ✓ Obtained ASL certification from a leading international medical vendor	✓ Obtained an RFQ for a cross-platform flagship project ✓ Advancement of multiple mass-production projects ✓ Completed the inspection of a localized factory
Sustainable Supply Chain Partners	Connection: - Global brand leader in industrial automation - Benchmark customer for ESG cooperation	Engagement Focus: - Focusing on ESG data targets - Meeting of supplier carbon reduction targets - Closer cooperation on a sustainable supply chain - Promotion of carbon inventory and certification - Product carbon footprint management	- ESG Workshop - Regular sustainable procurement meetings - CDP data exchange platform - Supplier collaboration mechanism - Sustainability certification counseling	✓ Viewed as an important ESG partner ✓ TZOP2.0 zero-carbon project initiated ✓ CDP data disclosure and integration completed	✓ Established a mechanism for collecting supply chain carbon emissions data ✓ Confirmation of the Phase 4 pathway for sustainable collaboration
Retail Channel Digitalization Customers	Connection: - Telecommunications retail stores - Chain convenience stores - Chain cosmetic stores and pharmacies - Channel system integrators	Engagement Focus: - Promotion of CMS+ESL integration solutions - Company-owned store → Franchise store scaling - RMN solution upgrades - Enhanced after-sales service - Exploration of new business models	- Regular executive meetings - Project teams - Regular service reviews - Collection of user feedback - Solution upgrade discussions	✓ Become an authorized ESL supplier to chain convenience stores (POC – 2 stores) ✓ Deployment to 400+ stores in the telco channel completed	✓ Deployment of CMS to 25 stores in the beauty and cosmetics channel completed ✓ Gradual development of standardized solutions ✓ Confirmed the large-scale promotion plan for stores in 2026

Stakeholder	Connection with AUO Display Plus and Engagement Focus		Communication Channels	2025 Accomplishments	
Consumer Electronic Display Customers	Connection: - Leading global consumer electronic brands - E-paper display product customers - System design partners	Engagement Focus: - Introduction of e-paper products - Collaborative development of new products - System design alignment - Software function integration - Market demand alignment	- Periodic Procurement department meetings - Technical exchanges by the R&D department - Tracking of product development - Discussion of demand by the Marketing department - Review of the annual strategy	✓ Continued to monitor the introduction of e-paper products ✓ New products undergoing the certification process ✓ Continued to provide technical support	✓ Confirmation of the direction of cooperation for the year ✓ Completed alignment of system architecture
Media	Actively communicate transformation and sustainability progress to stakeholders through diverse social media platforms		- Industry trade shows - Press releases - Social media (recruiting websites such as 104 and LinkedIn)	✓ Participate in two or more industry trade shows (e.g., Touch Taiwan and the Healthcare+ Expo)	
Employees	Care for employees' physical and mental wellbeing, and cultivate a friendly workplace. Foster an internal sustainability culture at AUO.		- Internal publications (semiannually) - Welfare committee (quarterly) - Pillar ABC, All hands meeting (semiannually) - Labor-management meetings (quarterly) - External communications mailbox (irregularly) - Club activities (irregularly) - Questionnaire surveys (irregularly)	✓ Convened 4 labor-management meetings ✓ Convened 4 welfare committee meetings ✓ Organized employee bonding activities ✓ Encouraged colleagues to take part in charity events	

2.3 Risk Governance

○ Quality Management Policy

AUO Display Plus activated the "Governance, Risk, and Compliance (GRC)" Task Force in August 2025 to build a comprehensive product information security management system. "Security by Design" was adopted as the core philosophy to ensure security throughout the product lifecycle. Progress is reported to the Chairman on a monthly basis.

A product conformity framework was constructed and a product security policy was issued by GRC in accordance with the IEC 62443 international standard. Risk identification is conducted during the initial product design stage to ensure security rather than relying on remediation. At the same time, internal secure development environments and testing guidelines were established to protect the value of our core technologies and intellectual property. To reduce the risk of vulnerabilities and strengthen our management of anomalies, AUO Display Plus also set up a Product Security Incident Response Team (PSIRT) under the GRC to establish a standardized vulnerability disclosure and response process to keep risk at a manageable level. In the future, AUO Display Plus will continue to organize information security training, enhance the security awareness and professional abilities of developers, and closely monitor local market regulations and industry security intelligence so that we can respond actively to regulatory changes.

○ Supply Chain Management

Management Practice and Risk Assessment Mechanism:

Tiered Management

Suppliers are classified as "Key Suppliers" or "General Suppliers" based on the value and importance of the procurement. High-intensity management is enforced for the top 8 key suppliers (accounting for 90% of the procurement value).

Risk Assessment

Key suppliers are required to fill out a self-assessment questionnaire and undergo regular due diligence for CMRT. "High-risk suppliers" were designated based on their self-assessment responses or if they were located in regions with high geopolitical risk.

Auditing and Mentoring

Key suppliers are required to conduct RBA VAP and third-party audits. Audit coverage of key suppliers in 2025 reached 82%.

Continuous Improvement

Suppliers are required to submit corrective and preventive measures in response to deficiencies found during audits.

State of the Supply Chain

Total Number of Suppliers	
Type	Number
Key Tier - 1 Supplier	8
General Suppliers	47

■ 2.4 Compliance

○ Violations GRI 2-27

In 2025, AUO Display Plus did not incur any violations related to environmental protection, occupational safety, or labor practices.

3. Environmental Sustainability

■ 3.1 Human Rights Management Policy

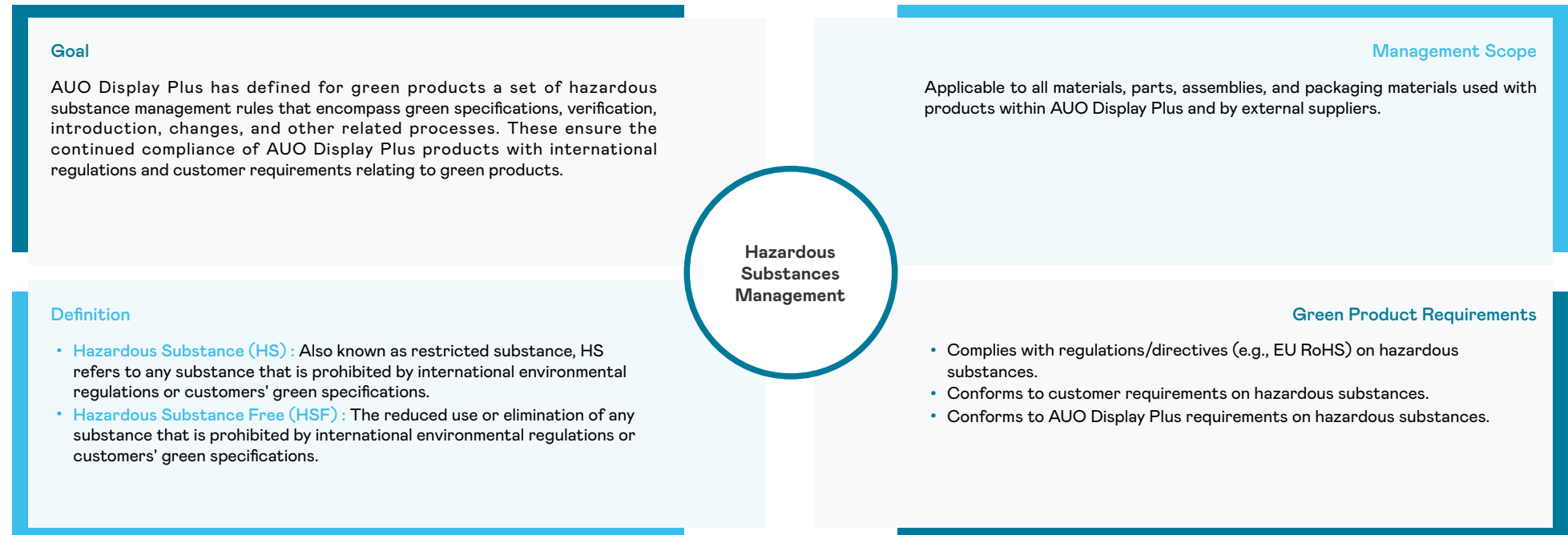
Most of AUO Display Plus operating locations are offices, and there are no production facilities. The corporate headquarters is located at the Hsinchu Science Park in Taiwan and leases space from the headquarters building of AUO, the parent company. In terms of energy management, AUO Display Plus adheres to and cooperates with the existing AUO energy management policy and measures. All energy monitoring, facilities maintenance, and energy-efficiency management (including the operation of the air-conditioning system, lighting system, and other public facilities) at the headquarters building are centrally managed by the parent company. AUO Display Plus actively cooperates with the energy-efficiency guidelines of the building as a tenant. Energy conservation and carbon reduction are also implemented where possible (e.g., the use of equipment and lighting management in office areas) to contribute to sustainable environmental goals. In addition, the GHG emissions of AUO Display Plus are already included in the scope of AUO's GHG inventory.

○ Waste Management GRI 306-2

Waste removal and disposal are contracted to licensed operators in accordance with waste sorting principles; most waste disposal involves non-hazardous waste such as scrapped machinery and metal hardware. We also ensure compliance with environmental protection regulations throughout the process. Waste reduction goals continue to be set. Recycling and reuse are prioritized to reduce the ratio of direct disposal. AUO Display Plus does not have any production sites, so no materials are used. The total mass of materials used in the production and packaging of key products and services was, therefore, zero. Total non-hazardous waste amounted to 5.16 tonnes in 2025.

○ Hazardous Substances Management

Hazardous substance management guidelines were established by AUO Display Plus to ensure the Company's products conformed to environmental requirements and fulfilled our commitment to environmental protection. Key points include:



4. Growing Together GRI 404-1

○ Talent Sustainability Strategy

Faced with declining birth rates and an aging population, AUO Display Plus is planning ahead to ensure that we have the professional talent we need to respond to the challenges of a fast-changing market. Talent sustainability is emphasized and a people-centric philosophy is followed to create a caring and friendly work environment, foster a diverse and inclusive culture, and establish a career development platform that supports long-term employee growth. To take better care of employee needs at each life stage, we have adopted the core philosophy of the "Family Support Program" in accordance with the AUO Group's talent sustainability policy by continuing to offer better-than-statutory employee benefits such as marriage and maternity leave. Paid parental and companionship leave have been introduced as well to help employees take better care of their families.

○ Global Recruitment Policy

AUO Display Plus has global operating locations in the United States, the Netherlands, China, and Japan as part of the AUO globalization strategy. We strive to provide diverse display solutions in fields such as smart education, smart retail, and smart healthcare. Advanced display technologies are incorporated into everyday applications through the in-depth integration of software and hardware as well as enhanced customer experiences to drive domain innovation and value upgrades.

To strengthen our future competitiveness and promote technical innovation, "Plus Talent Plus Career" for a value-added future at AUO Display Plus was adopted as our recruitment policy. The Company now actively seeks talented professionals with the "PLUS" attributes of Pioneering, Leading, Unity, and Strength. We hope to partner with such talent in pushing back the boundaries of display applications, and opening up even more scenarios and possibilities.

○ Diversity and Inclusion – Shaping of DEI Awareness

AUO Display Plus supports the DEI policy of the AUO Group by implementing the values of Diversity, Equality, and Inclusion. Employees are also encouraged to take part in the DEI Month activities hosted by the Group. Seminars and diverse networking activities on the theme of "Respecting differences, inclusion, and companionship" were held to provide employees with a more complete understanding of DEI and how to practice it in their work. Through resource sharing and inter-company participation, we strengthened employees' acceptance of the DEI culture while also enhancing the organization's sensitivity and engagement with DEI issues as a whole.

4.1 Disclosure of Employee-related Data

Number of Employees (by Employment Contract Type) GRI 2-7

Gender	Employment Contract	Taiwan	United States	Malaysia	China	Other	Total
Male	Permanent	273	5	1	0	1	280
	Temporary	0	0	0	0	0	0
	Non-guaranteed hours	0	0	0	0	0	0
	Total	273	5	1	0	1	280
Female	Permanent	190	0	0	2	0	192
	Temporary	0	0	0	0	0	2
	Non-guaranteed hours	0	0	0	0	0	0
	Total	192	0	0	2	0	194
Unspecified	Permanent	463	5	1	2	1	472
	Temporary	2	0	0	0	0	2
	Non-guaranteed hours	0	0	0	0	0	0
	Total	465	5	1	2	1	474

Gender	Employment Type	Taiwan	United States	Malaysia	China	Other	Total
Male	Full-time	0	0	0	0	0	0
	Part-time	0	0	0	0	0	0
	Total	0	0	0	0	0	0
Female	Full-time	0	0	0	0	0	0
	Part-time	2	0	0	0	0	2
	Total	2	0	0	0	0	2
Unspecified	Full-time	0	0	0	0	0	0
	Part-time	2	0	0	0	0	2
	Total	2	0	0	0	0	2

Gender	Employment Type	Taiwan	United States	Malaysia	China	Other	Total
Male	Temporary Employees	0	0	0	0	0	0
Female		0	0	0	0	0	0
Unspecified		0	0	0	0	0	0

Note: The number of employees is for AUO Display Plus only.

Employee Diversity GRI 405-1

Category		Item	Male	Female	Less than 29 Years	30-49 years	More than 50 years	Persons with disabilities
Overall Workforce		Percentage of all employees	59.1%	40.9%	4.4%	74.5%	21.1%	0.0%
Management Role	Grade	Percentage of junior management	71.7%	28.3%	0.0%	69.8%	30.2%	0.0%
		Percentage of middle management	75.0%	25.0%	0.0%	56.3%	43.8%	0.0%
		Percentage of executive management	80.0%	20.0%	0.0%	10.0%	90.0%	0.0%
	Overall	Percentage of management	73.4%	26.6%	0.0%	59.5%	40.5%	0.0%
	Employee composition		Percentage of indirect employees	59.1%	40.9%	4.4%	74.5%	21.1%
Percentage of indirect employees			-	-	-	-	-	-

Hours of Learning and Development by Global Employees GRI 404-1

Region	Indirect employees	Direct employees	Management Role	Non-management	Female employees	Male employees
No. of employees globally (Taiwan)	1,886.5	-	847	1,039.5	625.5	1,261

○ Programs for Upgrading Employee Skills

Learning and development for AUO Display Plus employees are closely linked to the AUO University. Employees actively take part in diverse training courses offered by the College of Science, College of Business, College of Sustainability, Future College, and College of Liberal Arts. In 2025, 33 training classes on different topics were attended by 860 people. Block release training is organized for employees from requesting units based on the topic so they can apply what they learn to business development at their unit; some courses are also open to all employees to encourage the absorption of knowledge, skills, and trends from different fields. The exchange of business practices in multiple domains helps to inspire innovation.

Coverage of Periodic Performance and Career Development Reviews (%)

Region	Indirect employees	Direct employees	Management Role	Non-management	Female employees	Male employees
No. of employees globally (Taiwan)	468	-	75	393	197	271
Global percentage	100.0%	-	16.0%	84.0%	42.1%	57.9%

Employee Remuneration

Remuneration Philosophy

AUO Display Plus considers employees to be crucial to the sustainability of the Company, so we offer a competitive, performance-oriented remuneration system. Salary adjustments and bonuses are made based on the Company's business performance and individual performance. We ensure that remuneration is consistent with employee contributions and share our operating results with employees.

Equal Pay and DEI Incentives

AUO Display Plus strives to practice the values of "equal pay for equal work" and "gender equality." The remuneration policy is based on role, specialization, scope, and grade. Remuneration is assessed using the same standard regardless of gender, race, or age to build a diverse and inclusive workplace. AUO Display Plus also introduced the "Employee Stock Ownership Trust Program" to enhance talent retention and support the long-term targets of the Company. Cash incentives are offered to encourage employees to share in the Company's growth and fulfill our sustainability commitment to growing together.

Employee Subsidies and Benefits GRI 401-2

Item		Global	Total
Maternity allowance	cases	7	7
	NTD	42,000	42,000
Child care subsidy	cases	39	39
	NTD	140,400	140,400
Bereavement	cases	27	27
	NTD	27,000	27,000
Marital subsidy	cases	9	9
	NTD	54,000	54,000
Emergency assistance	cases	-	-
	NTD	-	-
Hospitalization	cases	6	6
	NTD	6,000	6,000
Company-funded group insurance	cases	5,838	5,838
	NTD	2,741,934	2,741,934

Parental Leave GRI 401-3

Item	Male	Female
Number of employees eligible for parental leave	8	6
Total number of employees that applied for parental leave	0	3
Expected Reinstatements for the year	1	1
Actual reinstatements from parental leave	1	1
Total number of employees still in-service 12 months after reinstatement from parental leave	0	0
Percentage of reinstatements after parental leave	100%	100%
Retention rate after parental leave	0%	0%

○ Occupational Safety and Health Management Policy GRI 403-1

AUO Display Plus works tirelessly to protect the environment, conserve energy, and look after our employees. We seek to balance corporate growth with the fulfillment of social responsibility in our push for sustainable development. AUO Display Plus, therefore, commits to providing the necessary resources for implementing this policy in accordance with the above philosophy.

• Compliance with the laws and commitments

- » Comply with, and aim to exceed, all the applicable laws and regulations related to the environment, safety, health, and energy.
- » Uphold all voluntary commitments related to the environment, safety, health, and energy.

• Reduction of environmental burden

- » The principle of "designing for the environment and energy" is applied to all products and activities to reduce environmental and energy impacts throughout the business process.
- » Develop advanced technologies and management systems to support the procurement of energy-saving products and services, and maximize the efficient use of resources.

• Promotion of safety and health

- » Adopt best practices and technologies for hazard prevention and risk control.
- » Improve workplace safety, promote employee health, and prevent occupational injuries and diseases.

• Strengthening of communication mechanisms

- » Promote stakeholder communication and engagement, and make improvements based on their feedback.
- » Voluntary disclosure of EHS and energy-related information to promote transparency.

• Cultivation of sustainability culture

- » Enhance EHS and energy training/skills to boost awareness and their practice.
- » Participate in external EHS and energy-related organizations or activities to share the values of diversity.

• Improvement of management performance

- » Conduct periodic reviews and improvements to continuously upgrade EHS and energy performance.
- » Leverage the value chain to generate overall synergies.

Coverage of the Occupational Health and Safety Management System

GRI 403-8

Category	No. of employees	Ratio
All employees	474	100%
Contractors	10	100%

Note: The number of employees is for AUO Display Plus only.

Occupational Injuries of Employees and Contractor Personnel

GRI 403-9

Item	All
Number of work-related fatalities	0
Ratio of work-related fatalities	0
Number of severe work-related injuries	0
Ratio of severe work-related injuries	0
Number of recordable work-related injuries	0
Ratio of recordable work-related injuries	0.00
Working Hours	948,314

Other Personnel (Contractors)

Item	All
Number of work-related fatalities	0
Ratio of work-related fatalities	0
Number of severe work-related injuries	0
Ratio of severe work-related injuries	0
Number of recordable work-related injuries	0
Ratio of recordable work-related injuries	0
Working Hours	20,000

Note: Work hours are calculated based on 8 work hours per day and 250 work days in a year, for a total of 20,000 hours.

Occupational Illness of Employees GRI 403-10

Occupational illness in all employees			
Item	All	Male	Female
Number of recordable cases of work-related illnesses	0	0	0
Number of fatalities resulting from work-related illnesses	0	0	0
Ratio of fatalities resulting from work-related illnesses	0	0	0
Main types of work-related illnesses	0	0	0

Occupational illnesses of other workers (contractors)			
Item	All	Male	Female
Number of recordable cases of work-related illnesses	0	0	0
Number of fatalities resulting from work-related illnesses	0	0	0
Ratio of fatalities resulting from work-related illnesses	0	0	0
Main types of work-related illnesses	0	0	0

4.2 Human Rights Policy and Commitment GRI 2-23

AUO Display Plus strives to promote and protect the basic human rights of all employees and stakeholders. We have adopted a human rights management policy that is consistent with AUO and complies with the local laws of each operating location. Since 2021, AUO Display Plus has established a comprehensive human rights management framework and strategy based on the Group's governance approach. Due diligence is conducted on human rights to systematically identify, prevent, and mitigate potential human rights impacts. The use of child labor and any form of forced labor are strictly prohibited by AUO Display Plus. We also guarantee employees' freedom of association and collective bargaining rights. At the same time, we also promote a fair and inclusive workplace culture free from discrimination. We work to ensure that our recruiting, compensation, training, and promotion systems do not discriminate on the basis of gender, race, age, religion, and other factors.

○ Management Measures for Human Rights Policy

Prevention and Management Mechanism

- **Source Management:** All new suppliers/contractors must undergo a review process and pledge to adhere to the Company's standard of business ethics before they can work with us.
- **Periodic Audit:** Existing suppliers undergo a Quarterly Business Review (QBR) and annual audits to ensure their continued compliance.

Response and Remediation Process

- **Start Investigation:** Once a complaint is received, it is processed and investigated by the auditing unit.
- **Handling of Violations:** If a complaint is verified (e.g., a supplier violation of the labor laws or business ethics), the supplier is given a deadline to undertake corrective action in accordance with the contract. Orders may be suspended or the contract terminated depending on the severity of the situation to contain negative impacts.

○ Management of Unlawful Infringement in the Workplace GRI 2-25

To build a safe and friendly workplace, AUO Display Plus continued to strengthen our preventive and protective measures against unlawful infringement and sexual harassment in the workplace during 2025. Internal workplace safety self-inspections were also conducted for 83 managers to thoroughly review the implementation of unlawful infringement prevention and workplace safety in each department. A course on the "Prevention of Unlawful Infringement in the Workplace" was also set up for managers to strengthen management understanding of workplace safety, whistleblower protection, and legal responsibility. At the same time, AUO Display Plus issued a "Zero Tolerance Announcement" to all employees to communicate our zero-tolerance approach to violence and sexual harassment in the workplace, as well as our pledge to build a safe, dignified, and friendly workplace.

○ Complaint Channels GRI 2-26

A variety of accessible complaint channels have been set up by AUO Display Plus to serve as the primary window for receiving complaints related to the workplace and supply chain. These ensure that employees and related stakeholders can file complaints without fear of retribution. All complaints are handled confidentially. Privacy protection and confidentiality principles are strictly followed during the investigation process to protect the rights of the complainant.

Complaints Mailbox: Integrity@auodplus.com

Eligibility: The channel is available to all stakeholders including employees as well as supplier partners, and their employees.

SASB Index

AUO Display Plus referenced the Hardware and Software & IT Services industry metrics defined by the Sustainability Accounting Standards Board (SASB) for the disclosure of operating strategies and activities.

Hardware

Metric Code	Disclosure Topic	Disclosure Metric	Response
TC-HW-230a.1	Product Safety	Description of approach to identifying and addressing product information security risks	Secure Software Development techniques are now being introduced across the board, including threat modeling, vulnerability scanning, black/white box analysis, penetration testing, and Continuous Auditing plans to ensure the early identification and correction of vulnerabilities at the product design stage. A secure supply chain review mechanism has also been set up, then combined with secure communication protocols and encryption models to further strengthen the level of data protection, minimize system risks, and improve overall protection against attacks. Assurance of product information security is achieved by ensuring compliance with international standards throughout the product lifecycle.
TC-HW-330a.1	Employee diversity and inclusivity	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	The gender distribution of the Company's employees is 59% male and 41% female. Executive management consisted of 10 people and accounted for 2.1% of all employees, with 80% being male and 20% female. Non-executive management consisted of 69 people and accounted for 14.5% of all employees, with 72.5% being male and 27.5% female.
TC-HW-410a.1	Product Design & Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	The terminal products of AUO Display Plus can be categorized into two types: AUO-manufactured and non-AUO-manufactured products. All products manufactured by AUO comply with the "Green Product Management Specifications," under which the controlled substances list fully covers the IEC 62474 declarable substances (100% coverage). In addition, in accordance with internal procedures, all materials are required to complete Green Product (GP) verification prior to mass production to ensure compliance with hazardous substance management requirements before being introduced into production.
TC-HW-410a.2		Percentage of eligible products, by revenue, that meet the criteria for EPEAT registration	Products manufactured by AUO account for approximately 92% of AUO Display Plus' total product revenue (excluding subsidiaries), indicating that the majority of its products are subject to hazardous substance management and material disclosure mechanisms aligned with IEC 62474 requirements. None of the whole products shipped by AUO Display Plus have met the requirements for EPEAT registration. Registration and the obtaining of necessary certifications will be carried out in the future in response to customer requests.
TC-HW-410a.3		Percentage of eligible products certified to an energy efficiency certification	None of the whole products shipped by AUO Display Plus have obtained energy-efficiency marks. The obtaining of necessary certifications will be carried out in the future in response to customer requests.
TC-HW-410a.4		Weight of end-of-life products and e-waste recovered, and percentage recycled	Most of the products shipped by AUO Display Plus are not terminal products, so end-of-life recovery information cannot be obtained directly.
TC-HW-430a.1	Supply Chain Management	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	AUO Display Plus has adopted a risk-oriented supply chain management strategy. The 8 key Tier-1 suppliers that accounted for up to 90% of annual procurement by value are prioritized for audits of their production facilities. The 2025 audit results were as follows: (a)Percentage of facilities audited: 82% The 8 key suppliers amounted to 11 production facilities, of which 9 had completed RBA VAP or equivalent third-party audits. (b)Percentage of high-risk facilities audited: N/A According to the RBA SAQ risk assessment, all of the production facilities were rated as "Non-High Risk" this year.
TC-HW-430a.2		Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	The audit findings and improvements at audited facilities were as follows: (a)Priority non-conformances: No major non-conformances involving forced labor or child labor were found. The detection rate was 0%. (b)(1) (2) Non-conformance rate and corrected rate: For the 2 suppliers (2 facilities in total) that had not completed a VAP audit, AUO Display Plus required them to sign the RBA Commitment Letter and will check their progress on third-party audits in 2026.

Metric Code	Disclosure Topic	Disclosure Metric	Response
TC-HW-440a.1	Material Sourcing	Description of the management of risks associated with the use of critical materials	AUO Display Plus carried out a "Key Material Sourcing Risk Investigation" of key suppliers targeting (1) Identification & conflict minerals management, (2) Country of origin risk, and (3) Supply Continuity Strategy (aka BCP). The three aspects are each outlined below: - The internationally accepted RBA Conflict Minerals Reporting Template (CMRT) was used to conduct due diligence on the entire supply chain. A "Conflict Minerals Free" policy is strictly enforced, with suppliers required to source their metals from RMAP Conformant Smelters approved by the Responsible Minerals Initiative (RMI). - Suppliers are required to disclose the Country of Origin for key materials. Countries under international sanctions or with high geopolitical risk are removed from sourcing. Due diligence found that every part of the supply chain currently conforms to international and customer regulations, with no infractions found. - Suppliers were directed to adopt the following strategies for the sake of supply continuity: (1) Dual/Multi Sourcing: 75% of key suppliers have already established dual or multi-sourcing. (2) Buffer Stock: For materials with a longer lead time, suppliers have committed to maintaining a buffer stock level of 4 to 8 weeks. (3) Long-term contracts and alternative materials For certain scarce materials, suppliers are encouraged to sign Long-Term Agreements (LTA) or introduce Recycled Content as alternatives.

Metric Code	Activity Metric	Response
TC-HW-000.A	Number of units produced, by product category	The Company employs an outsourced production model, so it does not have its own production units. All product manufacturing is handled by the AUO Head Office.
TC-HW-000.B	Area of manufacturing facilities	The Company does not have any self-owned manufacturing sites. All products are produced using the OEM/ODM model, and all production facilities are organized the AUO Head Office.
TC-HW-000.C	Percentage of production from owned facilities	N/A – The Company follows a 100% outsourced manufacturing model.

Software and Information Technology Services

Metric Code	Topic	Disclosure Metric	Response
TC-SI-130a.1	Environmental footprint of hardware infrastructure	- Total energy consumed - Percentage of grid electricity - Percentage renewable	AUO Display Plus leases offices from the GRC office building of AUO. In terms of energy management, AUO Display Plus adheres to and cooperates with the existing AUO energy management policies and measures.
TC-SI-130a.2		- Total water withdrawn, and percentage of each in regions with High or Extremely High Baseline Water Stress - Total water consumed, and percentage of each in regions with High or Extremely High Baseline Water Stress	AUO Display Plus offices are located in the GRC office building of AUO. Water resource management is centrally managed and monitored by the AUO Facilities Department.
TC-SI-130a.3		Discussion of the integration of environmental considerations into strategic planning for data center needs	AUO Display Plus leases its offices from AUO. The operating decisions of AUO take all related risks and opportunities into account, and include an evaluation mechanism for trade-offs. Please refer to the section on sustainability-related financial information in the AUO 2025 Annual Report under "2.2.1.4 Sustainability-Related Risk and Opportunity Policy Trade-Offs"
TC-SI-220a.1	Data privacy & freedom of expression	Description of policies and practices relating to behavioral advertising and user privacy	- The IMPRESS CMS digital display management platform developed by AUO Display Plus provides mainly digital content/display device management and advertising schedule management capabilities. It does not create files on individual users and retail customers, or track their behavior, nor are we involved in the resale or commercial exchange of data. Information security and protection of user privacy are fundamental to IMPRESS. The system is designed to process only the minimum necessary data. Data may also be used only for pre-defined business purposes. - Some retail domains have introduced AI Camera for domain analysis aimed at helping businesses assess the exposure of displayed marketing content and their audience attributes. The data collected by the system includes domain traffic numbers, image views, audience age and gender statistics, estimated probability of viewing the displayed content, as well as device IDs for identifying the devices that the data came from. All related information is only used for analysis of domain operations, and to support more efficient advertising content management and service planning.

Metric Code	Topic	Disclosure Metric	Response
TC-SI-220a.1	Data privacy & freedom of expression	Description of policies and practices relating to behavioral advertising and user privacy	• Data protection measures » Analysis is conducted by the terminal device and anonymized. Images used for identification are not retained, and only the detected numerical data is uploaded to the cloud system. » No identification of individuals is performed during the process, nor does the system exchange sensitive data with members, transactions, or device holders. » If the camera's field of view needs to be established during the installation process, video may temporarily be captured to verify the effective area. This is deleted immediately once the process is complete. • Data retention period Raw detection data is retained for three months by default in accordance with internal management guidelines. Expired data is automatically deleted by the system. The data is only used for necessary purposes such as system operations and reporting statistics. The Company will continue to review the related operating processes.
TC-SI-220a.2		Number of users whose information is used for secondary purposes	The IMPRESS system is provided to retail customers for use in retail media management. The broadcasting and viewing statistics generated by usage scenarios are only used for their core purpose of analyzing advertising effectiveness. The data is not used for other commercial purposes and contains no personally identifiable data. The data collected by IMPRESS and the AI Camera falls under the category of demographics and does not identify individual users. The number of users whose information is used for secondary purposes is, therefore, 0.
TC-SI-220a.3		Total amount of monetary losses as a result of legal proceedings associated with user privacy	NT\$ 0
TC-SI-220a.4		(1) Number of law enforcement requests for user information; (2) Number of users whose information was requested; (3) Percentage resulting in disclosure	• Number of law enforcement requests for user information: 0 • Number of users whose information was requested: 0 • Percentage resulting in disclosure: N/A
TC-SI-220a.5		List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	No such list is available, as no IMPRESS core products or services were affected by government-required blocking, content filtering, or censoring during the year.
TC-SI-230a.1	Data security	(1) Number of data breaches; (2) Percentage involving personally identifiable information (PII); (3) Number of users affected	Information security and protection of personal information are very important to AUO Display Plus. Cyber security is continuously being enhanced in accordance with the ISO 27001 international standard and internal policies. Internal audits and external ISO 27001 verification found no data breaches or leaks of personal information. The values of metrics (1), (2), and (3) were, therefore, all 0. The information security management measures employed by AUO Display Plus are detailed below. • AUO Display Plus has established a comprehensive cyber security governance framework based on the U.S. National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF). The framework encompasses the cyber security policy, risk assessment, employee education and training, and incident reporting mechanisms. Penetration testing and vulnerability scanning are also conducted regularly to ensure the safety of customer and employee data. • When customer contact details are updated, in addition to the contract for customer transactions, the system will also send a Privacy Statement to the contact person as a reminder (https://bis.auodplus.com/privacy_statement.aspx) • All of the Company's internal operational information platforms display warnings to remind employees about the secure use of personal information. » To protect the Company's confidential information, intellectual property, and personal information, there is to be no collection, processing, or use of such data within the system except where it is required for work. The collection, processing, and use of the aforementioned information must comply with Company rules and receive proper authorization before they may be collected, processed, and used in a legal, reasonable, and appropriate manner. Non-compliance will be held legally liable under both civil and criminal law.

Metric Code	Topic	Disclosure Metric	Response
TC-SI-230a.2	Data security	Description of approach to identifying and addressing data security risks, including the use of third-party cybersecurity standards	The approach to managing data security risks included: • Technical control measures Azure Active Directory (AAD), Multi-Factor Authentication (MFA), Firewall policy, USB management, and the USB control policy • Organizational measures (policy, training, and incident response plan) ADP Business Continuity Plan (BCP), and data security and BEC education & training • Third-party certification: ISO 27001 certified
TC-SI-330a.1	Recruiting & managing a global, diverse & skilled workforce	Percentage of employees that are foreign nationals	The percentage of foreign nationals (not Taiwanese nationals) that require a work visa amounted to 3.8% (18 people) of all employees.
TC-SI-330a.2		Employee engagement as a percentage	Response to Q12 averaged 7.98 Actual percentage calculations: Employee engagement as a percentage = Score of voluntary respondents / Total number of responding employees
TC-SI-330a.3		Percentage of (1) gender and (2) racial/ethnic group representation for (a) Executive management, (b) Non-executive management, (c) Technical staff, and (d) All other employees	The gender distribution of the Company's employees is 59% male and 41% female. Executive management consisted of 10 people and accounted for 2.1% of all employees, with 80% being male and 20% female. Non-executive management consisted of 69 people and accounted for 14.5% of all employees, with 72.5% being male and 27.5% female.
TC-SI-520a.1	Intellectual property protection & competitive behavior	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	NT\$ 0
TC-SI-550a.1	Managing systemic risks from technology disruptions	Number of (1) performance issues and (2) service disruptions; and (3) total customer downtime	Related data was not tracked during the year.
TC-SI-550a.2	Managing systemic risks from technology disruptions	Description of business continuity risks related to disruptions of operations	• Disruption risks » Cloud service or network anomaly » Hardware or software malfunction anomaly » System upgrade or configuration error anomaly » Cyber security incident or malicious attack • Primary management measures » Server monitoring and alerts mechanism » Periodic cyber security scanning and testing » Periodic backup of important data and the establishment of a recovery process » When an anomaly occurs, the relevant units are notified and the anomaly is dealt with in accordance with procedures » Continued correction and optimization of software » Pre-commissioning quality testing process

Note: The number of employees is for AUO Display Plus only.

Metric Code	Activity Metric	Response
TC-SI-000.A	• Number of licenses or subscriptions • Percentage of cloud infrastructure	• Customer count: 60; serviced terminals: 14,384 • 100%
TC-SI-000.B	• Data processing capability • Percentage of outsourcing	• A single cloud environment system can support up to 9,797 terminals. The service is also scalable. • No outsourcing of data processing

Metric Code	Activity Metric	Response
TC-SI-000.C	• Amount of data storage • Percentage of outsourcing	• A single cloud environment system can store up to 2,438 GB. The service is also scalable. • No outsourcing of data processing

AUO Crystal

- **Reporting Period:** January 1, 2025 to December 31, 2025
- **Scope of Reporting:** Taiwan (Taichung)
- **Report Contact:** HR@auocrystal.com
- **External Assurance:** All of the relevant data was verified by an independent third party and presented using internationally accepted indicators. Greenhouse gas emissions were verified by DNV in accordance with the ISO 14064 standard; assurance for GRI was provided by KPMG in accordance with the ISAE 3000 standard.

AUO Crystal Corporation, formerly known as "AUO Energy Technology Corporation," was officially established in 2009 as a subsidiary of AU Optronics. In 2010, the Company was renamed "AUO Crystal Corporation." As part of its global deployment strategy, the Company has established manufacturing and service bases in various regions to provide the most timely customer service. AUO Crystal has the capacity to manufacture high-quality monocrystalline silicon wafers. The Company collaborates with leading international vendors on the R&D and processing of semiconductor materials, as well as customized solutions for silicon-based materials. AUO Crystal strives to create value for customers and contribute to a sustainable environment.

Company Name	AUO Crystal Corp.
Founded	May 22, 2009
Chairman	David Chang
Headquarters	No. 335, Section 2, Houke Road, Houli District, Taichung City
Core Products, Technologies, and Services	Semiconductor chips, semiconductor silicon rings, and silicon carriers
Regions of Operation	Taiwan (Taichung), Japan (Tokyo, Kochi)
Total number of employees	239
Annual Sales Revenue (in NT\$100 million)	1,152,507
Net Profit (Loss) after Tax (Unit: NT\$1,000)	1,313,059
Website	https://www.auocrystal.com/index.php

1. Products/Services

Semiconductor



- Semiconductor silicon wafers
- Semiconductor silicon materials

1.1 Technological Innovation and Market Strategy GRI 2-6

AUO Crystal aligns with the AUO Group's sustainability direction, advancing strategies under three major pillars: Environmental Sustainability, Inclusive Growth, and Agile Innovation.

Product Operations

Process and Cost Optimization: In addition to enhancing various performance specifications of silicon products, AUO Crystal continuously integrates and internalizes mature cost optimization concepts from the green energy industry to improve overall market competitiveness.

Market Deployment and New Business Development

Consolidation of the solar business as well as the disposal of plant and non-core assets were used to boost the working capital, improve the financial structure, and concentrate our resources on semiconductor material and processing services that have already made a successful transition. Standard silicon wafer and niche silicon-based material supply services in particular have now tapped into the global demand for silicon wafers and high-tech products.

1.2 Sustainable Product

Hazardous Substances Management GRI 416-1

AUO Crystal products and materials are 100% Green Production (GP 100%). All products and materials conform to international regulations and customer requirements on hazardous substances.

Product Energy Consumption GRI 302-5

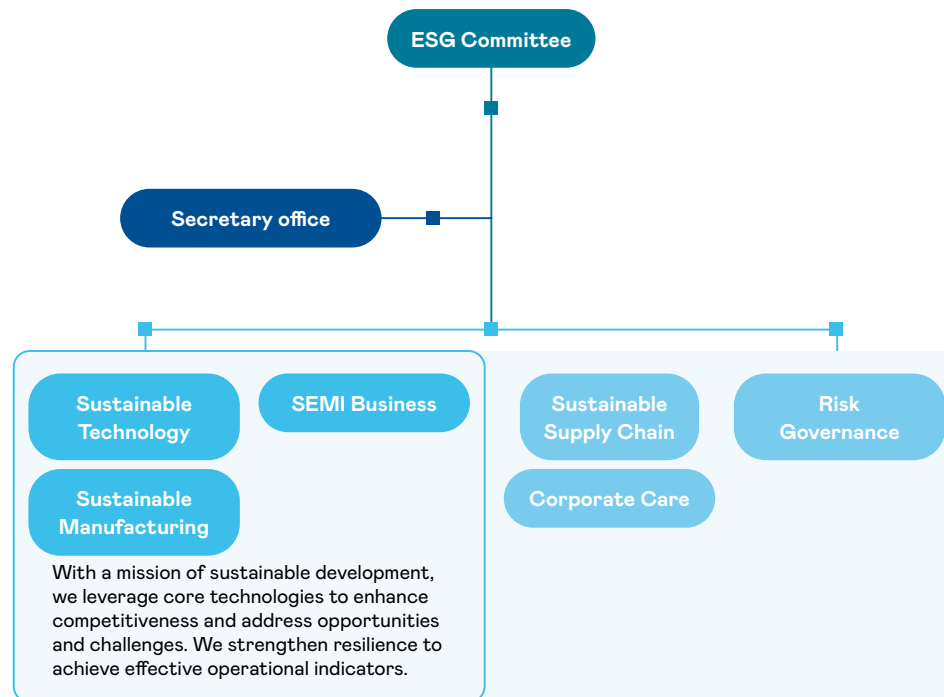
AUO Crystal is committed to advancing energy-saving technologies by optimizing hardware, materials, and production processes to improve yield and reduce energy consumption.

Product	Energy Consumption	Description
Crystal Ingot	Increased by 52.28% compared with the previous year.	Base year of 2024; difference in energy consumption during production
Chip	Increased by 201.21% compared with the previous year.	Base year of 2024; difference in energy consumption during production

2. Sustainable Management

2.1 ESG Committee Operations GRI 2-22

To improve the management and efficiency of social responsibility through effective project implementation and the horizontal integration of resources in line with global business development trends, as well as to ensure our corporate sustainability by conforming to stakeholder expectations on environmental protection, social care, and corporate governance, the ESG Committee was established by AUO Crystal in 2022 for regular monitoring and confirmation of progress. The Committee is led by the Chairman and supported by top-level executives serving as the chairs of sub-committees. It includes designated officers and a Secretariat responsible for coordinating operations and information. The Committee is organized into the following functional sub-committees: Sustainable Technology, Sustainable Manufacturing, Semiconductor (SEMI) Business, Sustainable Supply Chain, Corporate Care, and Risk Governance. The ESG Committee holds monthly meetings to set goals, track progress, coordinate cross-departmental resources, and implement ESG action plans across the company.



2.2 Sustainable Development Approach CSR 3 GRI 2-23

In response to trends and needs in global climate change, AUO Crystal firmly believes that sustainability is a path that must be taken. In the face of an unpredictable and volatile environment, we integrated our operational strategies to demonstrate resilience in the core business, work alongside partners with a long-term vision, and continue to focus on doing the right thing. The ESG Committee is guided by the "CSR 3" approach: Corporate Governance, Social Engagement, Emission Reduction, and Recycle & Reuse. AUO Crystal practices forward-thinking and implements smart, efficient, and innovative energy-saving production and resource recycling methods. By building a customer-centric value chain, the Company strives to contribute to a sustainable future for humanity.

Corporate Governance

- Comply with the laws and uphold business integrity
- Emphasize shared economic value and stakeholder return
- Encourage innovation and advanced R&D
- Effective risk management ensures stable operations.

Social Engagement

- Promote human rights and employment freedom
- Uphold commitment to sustainable development
- Provide a safe, healthy, and harmonious workplace
- Deepen social, cultural, and public welfare engagement

Reduce

- Enhance production efficiency
- Design energy-efficient processes and equipment
- Implement energy management

Recycle & Reuse

- Commit to Green Production
- Promote circular use to reduce waste and create value
- Enforce pollution prevention and reduce environmental burden

2.3 Stakeholder Management GRI 2-29

Stakeholder Engagement Outcomes

Stakeholder	Connection with AUO Crystal and Engagement Focus	Communication Channels	Communication Issues	2025 Accomplishments
Government/ Academics	Participate on an ad hoc basis in forums and seminars to consult with experts and gain external perspectives on the latest industry trends and regulatory priorities.	- Forums - Conferences - External communications mailbox	- Industry-academia collaboration - EHS practices - Regulatory consultation	- Participated in 38 government-organized forums/seminars - Cooperated in 7 government audits/supervisions
Suppliers	Manage suppliers and contractors through ESG principles; ensure quality cooperation through capability assessments, regular audits, and evaluations.	- Project meetings - In situ exchange - Supplier audits - Anti-corruption inbox	- Sustainable Development - Circular economy - Operating Risk	Average supplier QBR evaluation score: 78.5
Customers	Respond proactively to customer needs; understand ESG perspectives; analyze global trends; actively participate in customer ESG programs, and integrate best practices into AUO Crystal's management system.	- Project meetings - Customer satisfaction surveys	Sustainable product	Average customer satisfaction score: 89%
NGOs	Actively collaborate with NGOs and social enterprises to promote joint projects, leveraging their expertise and passion to amplify impact.	- Foundation - External communications mailbox	Social Care	1 employee charity sales session
Media	Proactively communicate sustainability progress to stakeholders through diverse social media platforms.	- Exhibitions - Press releases - Social media	- Operating performance - ESG branding	Operating reports
Employees	Care for employees' physical and mental wellbeing, and cultivate a friendly workplace. Foster an internal sustainability culture at AUO.	- Internal announcements - Club activities - Labor-management meetings - Welfare committee - Internal communication mailbox - Business briefings	- Business status - Social engagement - Employee care	- Labor-management meetings - 4 sessions - Welfare committee meetings - 4 sessions - Strategic goal meeting - 1 session - Goal deployment meetings - 4 sessions - Business outlook briefing – 1 session - Club activities – 2 sessions
Investors	Engage transparently with investors to demonstrate transformation capabilities and sustainability performance. Proactively update on business performance to address concerns.	- Annual board meetings - Financial report	Operating performance	Publish financial information
Neighboring Communities	With facilities in Houli (Central Taiwan Science Park) and Kochi, Japan, AUO Crystal maintains strong community relationships through regular interactions and local engagement.	- Regular on-site visits - Ad hoc community engagement events - External communications mailbox	- Agricultural product promotion - Facility environment maintenance communication	- Organized 1 community agricultural product group purchases - AUO Foundation activities – 2 sessions

2.4 Risk Governance

Management Organization and Policy GRI 2-12

A Risk Governance Sub-Committee has been established under the AUO Crystal ESG Committee. The ESG Committee is chaired by the Chairman, with tier-1 executives serving as the chairs of each sub-committee. They oversee the sub-committee officers and work together to implement risk management action plans. To enhance corporate governance and risk control capabilities, the company continually refines its risk management policies and procedures, and has implemented the Risk Management Policy and Procedures to ensure effective execution of risk management practices. Responsibilities include:

- 1 Establishment of company-level risk management, monitoring of risk changes and trends, as well as the effective allocation of personnel and resources.
- 2 Maintaining the sustainability of the Company by ensuring that risk is minimized and kept within the Company's risk tolerance, as well as the optimization of business yields.
- 3 Enforcement of the risk management mechanism, providing stakeholders with a variety of communication channels, as well as engaging in continuous improvement and the co-creation of value.

Supply Chain Management

AUO Crystal manages its suppliers and contractors based on the three ESG pillars of Environment, Society, and Governance. These encompass various dimensions such as product/service quality, green products, manufacturing operations, cost, environmental/health/safety risks, labor management, and ethical standards. New suppliers and contractors are subject to capability assessments, and only those who pass the review process may become approved partners. Existing partners undergo regular audits and evaluations to ensure the quality of collaboration.

Whistle-blowing information is provided for violations of professional ethics. The Company adheres to the highest ethical standards in its business transactions. Please report any illegal behavior in supply chain management directly to AUO Crystal: integrity@auocrystal.com

Supply Chain Status

Type	Number
Photovoltaics (PV)	2
Semiconductors (SEMI)	193
Silicon Materials (SI)	0
Facility Engineering	16
Waste	3

Supplier risk management mechanism

Subject	Management Practice
New Supplier	Required to sign three key documents: Integrity Commitment, Non-Disclosure Agreement (NDA), and Non-Infringement Agreement
Existing Suppliers	Key material suppliers are evaluated through Quarterly Business Reviews (QBR) or semiannual assessments. Suppliers must complete the Supplier/Contractor CSR Audit Self-Assessment Form

2.5 Compliance

Violations GRI 2-27

In 2025, AUO Crystal did not incur any violations related to environmental protection, occupational safety, or labor practices.

2.6 Participation in Associations GRI 2-28

Name of Organization	Role	2025 Membership Dues
Taiwan Science Park Industrial Association	Member	NT\$ 126,000

3. Environmental Sustainability

3.1 Disclosure of Environment-related Data

As part of the AUO Group's overall transformation strategy, in 2025, AUO Crystal consolidated its solar business and disposed of plant and non-core assets to concentrate resources on semiconductor material and processing services to meet the growth in global demand for high-tech wafer products. The above adjustments to the organization and business structure meant most of the Company's production facilities were sold or idled during the reporting period. As a result, there were significant changes in environmental data—such as energy usage, GHG emissions, water usage, and waste production—compared to the preceding two years. The main reason for the variance in related data was the change in reporting boundary and configuration of production capacity.

Energy Consumption within the Organization GRI 302-1

Item		2025 (GJ)	2024 (GJ)	2023 (GJ)
Total Energy Consumed	Renewable	6,662	7,129	2,633
	Non-renewable	72,390	116,127	269,953
Purchased electricity		0	0	0
Self-generated and sold	Renewable	2,082	2,389	2,340
Self-consumption		4,580	4,740	293
Purchased electricity		72,390	116,127	269,858
Purchased steam		0	0	0
Natural gas	Non-renewable	0	0	0
LPG		0	0	0
Diesel		0	0	95
Petrol			0	0

Note: The conversion factor is based on the heating value data announced by the Energy Bureau, MOEA.

Energy Intensity GRI 302-3

Item	2025	2024	2023
Electricity Consumption per Unit Production Area (kWh/m ²)	129.65	66.3	20.19
Energy consumption per Unit Production Area (GJ/m ²)	0.47	0.24	0.07
Electricity consumption per unit of revenue (KWH/thousands of NTD)	18.55	21.51	15.59
Energy consumption per monetary unit of revenue (GJ/thousands of NTD)	0.07	0.08	0.06

Reduction of Energy Consumption GRI 302-4

AUO Crystal has adopted intelligent detection systems in its production processes to replace manual inspections, thereby enhancing efficiency and reducing non-value-added time. At the same time, the Company continues to refine its energy-saving technologies by observing macro system changes in electricity consumption, then improving hardware equipment and materials to increase yield rates and optimize energy consumption.

Item	2025	2024	2023
Energy savings	6.54%	5.31%	1.08%

Note: Calculated as Total annual savings of production sites in Taiwan / Total actual electricity consumption for the year.

Greenhouse Gas Emissions GRI 305-1 GRI 305-2 GRI 305-3

Unit: TonnesCO_{2e}

Item	2025 年	2024 年	2023 年
Scope 1	4.51	20.26	116.57
Scope 2- Location based	9,531.41	15,290.03	37,030.46
Scope 3	-	18,605.65	-
GHG Emission Intensity ^{Note}	0.008	0.01	0.008

Note: Calculated as (Scope 1 + Scope 2) / annual revenue (in thousands of NTD).

Other Emissions

GRI 305-6

GRI 305-7

Unit: Tonnes

Item	2025	2024	2023
Ozone-Depleting Substances (ODS) (Unit: CFC-11 Tonnes Equivalent)	0	0	0
NOx9	0	0	0
Sulfur Oxides (SOx)	0	0	0
Persistent Organic Pollutants (POP)	0	0	0
Volatile Organic Compounds (VOC)	3.43	9.30	39.18
Hazardous Air Pollutants (HAP)	0	0	0
Particulate Matter (PM)	0.00309	0.00457	0.032

Materials Used and Percentage of Recycled Input Materials

GRI 301-1

GRI 301-2

Input Item	Category	2025		2024	
		Tonnes	Percentage of recycled materials used	Tonnes	Percentage of recycled materials used
Polycrystalline Silicon (V-poly) (V-Poly)	Non-renewable	1.9	2%	89.1	35%
	Renewable	100.6	98%	164.8	65%

Note: Percentage of renewable materials used = (Total renewable materials used / Total materials used) × 100%

Water Withdrawal and Discharge

GRI 303-3

GRI 303-4

AUO Crystal maintains a process water recycling rate that exceeds the industrial park standard. The Company is committed to developing and applying various water treatment and recycling technologies, aiming to optimize water-saving solutions and continuously increase the volume of recycled water.

Unit: Megaliters

Megaliters	2025		2024		2023	
	Surface water (incl. rainwater)	Total	Surface water (incl. rainwater)	Total	Surface water (incl. rainwater)	Total
	Freshwater		Freshwater		Freshwater	
Water Withdrawal	130.64	130.64	188.82	188.82	493.60	493.60
Water Discharge	59.04	59.04	88.08	88.08	395.77	395.77

Water Discharge

GRI 303-4

Item	2025
Wastewater (Megaliter)	59.04
Chemical Oxygen Demand (COD) (Tonnes)	3.72
Biochemical Oxygen Demand (BOD) (Tonnes)	0.22
Total Suspended Solids (TSS) (Tonnes)	0.31

Waste Management

GRI 306-1

GRI 306-2

To ensure that waste generated by our Company's operations can be disposed of legally, properly, and safely to minimize its environmental impact, the Waste Disposal Procedure was established to regulate the storage, disposal, and management of all waste at the Company's production sites.

- We will ensure that all domestic and process waste is disposed of properly.
- We will integrate the environmental management system into the business operation system and minimize any negative impacts on the environment.
- We will adhere to the 3R principles of environmental production by introducing processes that facilitate the replacement of existing materials, and strive to recycle, reduce, and reuse all waste.

3.2 Refinement Plans and Outcomes

Energy-Efficiency Improvement for Adsorption Dryers

Adsorption dryers use negative pressure regeneration where large amounts of atmospheric air are heated before adding drying agents to capture water vapor. Regeneration of saturated reagents, however, requires large amounts of electricity each time. AUO Crystal improved the energy efficiency of existing adsorption dryers by analyzing dew point temperature trends, reviewing the regeneration parameters, and extending the variable cycle settings. The changes were effective in reducing the frequency of regenerations. Introducing the improvement reduced the average monthly electricity consumption of the equipment by up to 38.38%. Energy consumption and, therefore, carbon emissions were both reduced.

Waste Generated GRI 306-3

Unit: Tonnes

Item	2025			2024			2023		
	Waste Output	Waste diverted for disposal	Waste directed to disposal	Waste Output	Waste diverted for disposal	Waste directed to disposal	Waste Output	Waste diverted for disposal	Waste directed to disposal
Hazardous Waste	0	0	4.53	1.27	0	1.27	0	0	0
Non-Hazardous Waste	0	641.11	0	625.98	533.03	92.95	1,079.28	916.14	163.14

Waste Diverted from and Directed to Disposal GRI 306-4 GRI 306-5

Unit: Tonnes

Category		Item	2025		2024		2023	
			Off-site	Total	Off-site	Total	Off-site	Total
Hazardous Waste	Direct Disposal	Total	3.43	3.43	1.27	1.27	0	0
		Incineration (including energy recovery)	3.43	3.43	1.27	1.27	0	0
		Incineration (not including energy recovery)	0	0	0	0	0	0
		Landfill	0	0	0	0	0	0
		Other means of disposal	0	0	0	0	0	0
Hazardous Waste	Recycled	Total	1.10	1.10	0	0	0	0
		Reuse within the site	1.10	1.10	0	0	0	0
		Recycled	0	0	0	0	0	0
		Other means of recycling	0	0	0	0	0	0
Non-hazardous Waste	Direct Disposal	Total	116.53	116.53	92.95	92.95	163.14	163.14
		Incineration (including energy recovery)	116.53	116.53	92.95	92.95	163.14	163.14
		Incineration (not including energy recovery)	0	0	0	0	0	0
		Landfill	0	0	0	0	0	0
		Other means of disposal	0	0	0	0	0	0
Non-hazardous Waste	Recycled	Total	524.58	524.58	533.03	533.03	916.14	916.14
		Reuse within the site	0	0	0	0	0	0
		Recycled	524.58	524.58	533.03	533.03	916.14	916.14
		Other means of recycling	0	0	0	0	0	0

4. Growing Together

The Company integrates Corporate Social Responsibility (CSR) into its operational strategies, including company policies, internal management practices, implementation procedures, and employee training programs. Through corporate governance, talent cultivation, and community engagement, AUO Crystal leverages innovative technology to give back to society, uphold its commitment to sustainable development, enhance its corporate culture, and strive to maximize value for customers and other stakeholders. The Company looked to the relevant international standards, including Social Accountability 8000 and the Responsible Business Alliance (RBA), to establish a CSR policy that is aligned with the expectations of global clients, domestic labor laws, and the corporate spirit of AUO Crystal.

4.1 Human Rights Policy and Commitment GRI 2-23

To achieve the above target, AUO Crystal is committed to promoting the following CSR policies:

- Compliance with legal requirements
- Promotion of freely chosen employment
- Prohibition of child labor
- Humane treatment of employees
- Elimination of improper discrimination
- Prohibition of forced labor
- Provision of fair compensation and benefits
- Employee skill development and training
- Establishment of communication mechanisms
- Respect for intellectual property rights
- Transparent information disclosure
- Integrity in business conduct
- Promotion of social responsibility
- Enhancement of social culture and support for the disadvantaged

4.2 Disclosure of Employee-Related Data

Employee Selection, Training, Employment, and Retention Policy

For people who are ready to grow, AUO Crystal provides a broad platform with a globalized work environment and close cross-functional collaboration. Employee development is the driving force behind the company's continued growth. Through a comprehensive education and training system organized by the Education and Training Committee, AUO Crystal has received TTQS certification and was previously awarded the National Talent Development Award in the Large Enterprise category, creating boundless career development opportunities for employees. On-the-job training programs offer diverse learning resources and channels, including onboarding training and a wide range of courses in management, technical, quality, and personal growth. Employees are encouraged to choose courses based on their individual professional development needs. We also encourage cross-disciplinary learning to enrich employees' experience, cultivate a broader perspective, and build professional networks. AUO Crystal values its employees and implements a diversified compensation and benefits system. The company offers competitive salaries, leave policies that exceed the requirements of the Labor Standards Act, and a variety of thoughtful subsidies.

Number of Employees (by Employment Contract Type) GRI 2-7

Type	Employment Contract	Taiwan	Total
Male	Permanent	186	186
	Temporary	0	0
	Non-guaranteed hours	0	0
	Total	186	186
Female	Permanent	53	53
	Temporary	0	0
	Non-guaranteed hours	0	0
	Total	53	53
Unspecified	Permanent	239	239
	Temporary	0	0
	Non-guaranteed hours	0	0
	Total	239	239

Note: Data reflects the number of employees on active duty as of December 31, 2024.

Number of Employees (by Employment Type)

Gender	Employment Type	Taiwan	Total
Male	Full-time	186	186
	Part-time	0	0
	Total	186	186
Female	Full-time	53	53
	Part-time	0	0
	Total	53	53
Unspecified	Full-time	239	239
	Part-time	0	0
	Total	239	239

Note: Data reflects the number of employees on active duty as of December 31, 2024.

Employee Diversity GRI 405-1

Category	Item	Male	Female	Less than 29 Years	30-49 years	More than 50 years	Persons with disabilities
Overall Workforce	Percentage of all employees	77.87%	22.13%	6.38%	82.56%	11.06%	0.85%
Management Role	Percentage of junior management	78.57%	21.43%	0.00%	85.71%	14.29%	0.00%
	Percentage of middle management	100%	0.00%	0.00%	42.86%	57.14%	0.00%
	Percentage of executive management	85.71%	14.29%	0.00%	14.29%	85.71%	0.00%
	Overall	85.71%	14.29%	0.00%	57.14%	42.86%	0.00%
	Percentage of management	85.71%	14.29%	0.00%	57.14%	42.86%	0.00%
Employee composition	Percentage of indirect employees	75.47%	24.53%	0.43%	76.42%	22.64%	0.94%
	Percentage of indirect employees	79.84%	20.16%	5.96%	87.60%	1.55%	0.78%

Hours of Learning and Development by Global Employees GRI 404-1

Region	Indirect employees	Direct employees	Management Role	Non-management	Female employees	Male employees
Total training hours for Taiwan	540.55	42.17	291.08	291.64	185.90	396.82

Programs for Upgrading Employee Skills GRI 404-2

We offer diverse learning resources and channels, including onboarding training and a wide range of management, technical, quality, and self-development courses. Employees can also take advantage of the Role-Specific GAP Table, DL-to-IDL, and key talent incubation to decide on their own career development. Cross-disciplinary learning by employees is also encouraged.

Coverage of Periodic Performance and Career Development Reviews (%) GRI 404-3

	Indirect employees	Direct employees	Management Role	Non-management	Female employees	Male employees
No. of employees	110	129	30	209	53	186
Percentage	46.03%	53.97%	12.55%	87.45%	22.18%	77.82%

Employee remuneration

Employee value is important to AUO Crystal. We offer a diversified compensation and benefits system as well as competitive remuneration. Salary adjustments and bonuses are also linked to company and individual performance.

Employee Subsidies and Benefits GRI 401-2

Item	Taiwan	Total
Maternity allowance	Cases	5
	NTD	18,000
Child care subsidy	cases	55
	NTD	134,000
Bereavement	cases	27
	NTD	27,000
Marital subsidy	cases	4
	NTD	12,000
Hospitalization	cases	8
	NTD	8,000
Company-funded group insurance	cases	263
	NTD	1,443,870

Parental Leave GRI 401-3

Item	Male	Female
Number of employees eligible for parental leave	12	5
Total number of employees that applied for parental leave	5	3
Expected Reinstatements for the year	2	0
Actual reinstatements from parental leave	1	0
Total number of employees still in service 12 months after reinstatement from parental leave	3	1
Percentage of reinstatements after parental leave	50%	NA
Retention rate after parental leave	75%	50%

○ Labor-Management Relations

AUO Crystal promotes sound two-way communication between labor and management through:



1

establishing workplace rules, which are submitted to and approved by the competent authorities and publicly disclosed



2

regularly convening labor-management meetings

○ Occupational Safety and Health Management Policy GRI 403-1

Employees form the lifeblood of economic development and the cornerstone of industry development. The building of a safe and healthy workplace is an important part of the Company's responsibility. The primary goals of its occupational safety and health efforts include: Preventing occupational accidents. Establishing a robust legal framework for workplace safety and health, Implementing occupational safety and health management systems, Creating a high-quality work environment, and Conducting emergency response training. These initiatives are led by executive management and include regular fire drills and evacuation exercises to foster a culture of safety and achieve a zero-accident workplace.

• Compliance with legal requirements

We comply with, and aim to exceed, all applicable government laws and self-imposed commitments related to environmental, safety, and health regulations.

• Provision of a Safe and Healthy Workplace

We shall adopt new methods, technologies, and equipment to ensure employee safety and health.

We shall maintain a safe and healthy work environment to prevent occupational accidents and illnesses.

We encourage employees to report potential hazards and participate in improvement initiatives.

• Enhanced Employee Training

We shall continuously promote awareness and skills related to environmental, safety, and health matters.

We shall strengthen the environmental, safety, and health responsibilities of all employees and managers.

• Robust Communication Mechanisms

We shall disclose relevant ESH information to stakeholders and consider their feedback for continuous improvement.

We expect all suppliers and contractors to uphold the same ESH performance standards.

• Continuous Improvement in ESH Performance

We shall implement regular audits and invest in improvements to fulfill this policy and continue to enhance ESH management performance over time.

Coverage of the Occupational Health and Safety Management System GRI 403-8

Category	No. of employees	Ratio
All employees	239	100%
Contractors	878	100%

Occupational Injuries of Employees and Contractor Personnel GRI 403-9

Employees	All	Male	Female	Other Personnel (Contractors)	All	Male	Female
Number of work-related fatalities	0	0	0	Number of work-related fatalities	0	0	0
Ratio of work-related fatalities	0	0	0	Ratio of work-related fatalities	0	0	0
Number of severe work-related injuries	0	0	0	Number of severe work-related injuries	0	0	0
Ratio of severe work-related injuries	0	0	0	Ratio of severe work-related injuries	0	0	0
Number of recordable work-related injuries	0	0	0	Number of recordable work-related injuries	0	0	0
Ratio of recordable work-related injuries	0	0	0	Ratio of recordable work-related injuries	0	0	0
Working Hours	521,296	407,760	113,536	Working Hours	39,168	35,251	3,917

Note: Working hours for contractors are calculated based on daily work permits issued. Each permit covers 2 days, 8 hours per day, and involves 3 individuals per permit.

Occupational Illnesses of All Employees and Other Personnel (Contractors) GRI 403-10

Employees	All	Male	Female
Number of recordable cases of work-related illnesses	0	0	0
Number of fatalities resulting from work-related illnesses	0	0	0
Ratio of fatalities resulting from work-related illnesses	0	0	0
Main types of work-related illnesses	0	0	0

Other Personnel (Contractors)	All	Male	Female
Number of recordable cases of work-related illnesses	0	0	0
Number of fatalities resulting from work-related illnesses	0	0	0
Ratio of fatalities resulting from work-related illnesses	0	0	0
Main types of work-related illnesses	0	0	0

4.3 Social Participation

iFit Activities

AUO Crystal is a strong advocate for health management and regular exercise by employees. Employees are encouraged through clubs and diverse iFit activities to follow a healthy lifestyle based around running and hiking.

2025 iFit activities included: Road races for employees in the iRunning club and their dependents; AUO Crystal participating in the "TeamWalk" competition organized by Taiwan Life Insurance and delivering a strong performance for two years in a row, reflecting our strong employee enthusiasm for healthy activities.



AET Corporation

- **Reporting Period:** January 1, 2025 to December 31, 2025
- **External Assurance:** Assurance provided by KPMG in accordance with ISAE 3000 standards.

AET Corporation is a part of the AUO Group. As part of the AUO Group's biaxial transformation strategy, an organizational restructuring was completed on August 15, 2025, through the merger of "AET SustainTek" (specializing in carbon management and the circular economy) and "AUO Digitech," focusing on smart industrial services. The combination of advantageous resources expanded the scope and capability of services to provide customers with a greater range of high-quality products and one-stop sustainability services.

AET inherits the smart manufacturing experience and sustainability philosophy of the AUO Group and strongly believes that digitization is the perfect tool for businesses embracing sustainability. AI, cloud platforms, and data visualization technologies are employed to apply and integrate green technology on the shop floor to help customers accelerate their green and digital transition on the net-zero raceway, and enhance the sustainable competitiveness of their business.

Company Name	AET Corporation The original name was "AET SustainTek Corporation." The business registration was updated on September 10, 2025.
Founded	January 23, 2017
Chairman	Xiao-Zhong Li
President	Xiao-Zhong Li
Headquarters	9F, No. 198, Jinmao 2nd Rd., Nangang Dist., Taipei City
Core Products, Technologies, and Services	Water resources and the circular economy, energy-saving equipment and engineering, environmentally friendly technologies, the carbon management platform, net-zero smart building solutions and consulting services, intelligent transportation, intelligent testing, and AIoT smart manufacturing solutions.
Regions of Operation	Taiwan, Singapore
Website	https://www.aetgroup.com/
Explanation of operational changes	AET SustainTek Corporation and AUO Digitech Taiwan Ltd. were merged in 2025 to become the "AET Corporation." The adjustment of the organizational and operational structure resulted in changes to the Company's organizational activities, products, services, operating locations, and number of employees. Related information has been disclosed in this report and served as the basis for defining the reporting boundaries.

Products and Services that Respond to Sustainability Goals

Water Treatment – Installation of a Rooftop PV System at the Shuinan Water Recycling Center

AET Corporation took part in the building and operation of the water recycling center as one of the Taichung City Government's partners in the "Shuinan Water Recycling Project" and helped the city government construct central Taiwan's first water recycling facility for supplying high-tech production processes.

The AET Corporation installed a rooftop PV system at the Shuinan Water Recycling Center for free to support the city government's vision for a "Gigawatt Solar by 2030." The system has an installed capacity of 68.15 kW, and its green energy can be used to apply for GHG credits in the future.

The introduction of the green electricity system at the water recycling center by the AET Corporation not only helped the city government promote its circular water resource policy. The linking of three sustainability aspects (water affairs, energy, and carbon management) meant that the Shuinan Water Recycling Center can serve as a stable industrial water supply and will also increase the percentage of renewable energy, boosting the industry's water resilience and energy transition.



Comprehensive Carbon Emissions Management Service

The AET Corporation is gradually constructing a total service framework that encompasses consulting and mentoring, carbon management information systems, and green material management based around sustainability governance. This will help different industries improve the quality of their carbon inventories, strengthen supply chain management, and promote the implementation of sustainable operations.

ESG Mentoring and Consulting Services

The AET Corporation is converting its many years of hands-on experience in sustainability governance and carbon management into external services that help businesses establish basic capabilities such as carbon inventories, scope 3 supply chain management, value chain carbon emission analysis, and internal digitization governance. The establishment of systems and processes will help businesses deal with net-zero requirements and international sustainability ratings in a more consistent and transparent manner, increasing the maturity of their overall governance.

ACA Carbon Management Platform

The ACA Carbon Management Platform of the AET Corporation has undergone continuous improvements since its release and received functional upgrades to keep pace with regulatory changes. In addition to ISO 14064 and the GHG Protocol, it can now generate reports using the CBAM specifications. The calculation methodology has also been updated in accordance with the latest MOENV inventory guidance, along with other smart upgrades. It now not only solves the pain points that many businesses encounter during their carbon inventories but also improves the productivity of personnel involved in inventory projects.

- Portfolio: 22 industry types including the semiconductor industry, Metallic fastener industry, footwear industry, food industry, and banking & financial holding industries.

GPARS Material Data Management Platform

Introducing material management at the product sourcing stage helps businesses reduce their environmental risk and improves transparency in the green supply chain. The GPARS platform helps businesses master the regulatory conformity and environmental information of their materials during the R&D and design stages, including the requirements of toxin-free, low-carbon, and international standards. For businesses, this translates into lower management costs as well as continued progress on green products and circular materials.

- Portfolio: Reduced internal organizational management costs and risks by 30%

Net-Zero Smart Hub Solution

Common problems encountered by businesses during the net-zero transformation process include dispersed information, opaque energy consumption data, and a lack of systematic management of carbon emissions. The "Net-Zero Smart Hub Solution" developed by the AET Corporation integrates all energy, equipment, environmental, and carbon emissions data to help businesses establish a consistent sustainable management framework that can be visualized to improve their sustainability data governance and operating efficiency.

Core Functionality

Data Governance Axis: Establish a Unified Sustainable Management Infrastructure

The data governance axis focuses on solving legacy problems such as dispersed data, a lack of system integration, and opaque energy management. A uniform management framework is constructed through inter-system integration. Features:

- **Energy management and monitoring:** The integration of energy systems and real-time tracking of electricity consumption improves transparency of energy use.
- **Energy-efficiency optimization:** The operations of air-conditioning and lighting are automatically adjusted based on the schedule and environmental conditions to reduce unnecessary energy consumption.
- **Environmental quality monitoring:** Air quality, CO₂ concentration, and other metrics are tracked and then used with zero-energy odor-control technologies to improve domain quality.
- **Cross-domain integration mechanism:** The energy, renewable energy, waste, and wastewater management systems of multiple domains are integrated to improve the consistency and timeliness of sustainability governance.
- **Long-term carbon emissions monitoring:** Carbon emission hot spots are analyzed from an organizational and product lifecycle perspective to serve as an important reference for future carbon reduction strategies.

Smart DevOps Axis: Improvement of Operating Efficiency and Safety

Smart DevOps employs visualization technology and equipment management to help customers transition from reactive maintenance to preventive DevOps, improving operational continuity and the work environment. Features include:

- **3D energy management platform:** Building and campus energy usage is presented in a 3D format to make operational data more intuitive and transparent.
- **Real-time decision-making support:** The operating dashboard and abnormal event alerts are used to help managers track the domain status and make adjustments in a timely manner.
- **Equipment DevOps management:** Critical equipment is analyzed to reduce malfunction risk and extend its service life in order to improve overall operational safety and stability.

Sustainability Values

The introduction of the Smart Hub improved the transparency and consistency of the sustainability management process. In the environmental aspect, businesses can now track their energy consumption more effectively to optimize their energy usage and practice low-carbon operations; in the social aspect, improving operational reliability and environmental quality helped enhance the work environment; in terms of governance, the establishment of a standardized, traceable data governance framework improved the reliability of sustainability decision-making by businesses.

○ Application Results

The AET Corporation used this solution to help the headquarters building of its parent company, AUO, obtain ISO 14068 building carbon neutrality certification. The integration of energy and equipment data provided more precise tracking of carbon emission sources during business operations. Low-carbon operational planning could then be strengthened to convert sustainability goals into quantifiable and verifiable performance outcomes. The solution has now been applied to factories, other operational locations, and smart campuses, where it helped businesses implement energy monitoring, energy efficiency management, and low-carbon governance in different domains, laying a solid foundation for the net-zero transformation.



Preventive maintenance was implemented through 3D visualization and AI diagnosis to reduce the waste of resources.

Smart Manufacturing

Building a Core Platform for Low-Carbon Smart Manufacturing through SmartGrid Factory Energy Management

In a manufacturing plant, energy usage often spans a range of equipment and processes. The complex and dispersed energy structure makes energy-intensive sections difficult to identify right away. Businesses seeking to conserve energy and cut carbon emissions then lack substantive proof and an effective strategy for promoting energy efficiency and carbon reduction.

The AET Corporation helps businesses introduce the SmartGrid smart energy management platform. Real-time data collection and AI analysis then help businesses define an outline for their factory's energy consumption. Critical energy consumption sources can then be accurately identified so that further optimization and carbon strategies can be devised. Upon introduction, energy-saving measures such as process optimization, variable frequency control for the cold water pump system, and air compression system upgrades allow businesses to continue improving their energy efficiency in a systematic manner. Energy conservation actions can then switch from being single locations to a management mechanism that can operate for weeks. In actual practice, SmartGrid proved effective in assisting customers with optimizing their energy management and management efficiency. They can also demonstrate the substantive benefits in multiple directions, including:

- Reduce carbon emissions and strengthen the carbon reduction effectiveness of the Company.
- Improve electricity efficiency and optimize the energy usage structure.
- Conserve energy costs and reduce overall operational spending.

In addition to improving the business' performance, the Company also laid a good foundation for low-carbon smart manufacturing.



APES – Intelligent Motor Health Management System

In the steel, textile, and other industries that operate large motors on the shop floor, every anomaly can impact the smooth operation of the entire production line. It may also lead to serious safety risks and lost production from stoppages. The legacy equipment management method of manual inspections not only depends on experienced manpower, but is also limited in terms of inspection frequency and timeliness. Abnormality risks hidden within the equipment are often hard to detect before an accident happens.

To reduce the risk of unexpected stoppages and human operation, the ATE APES Smart Motor Health Management System employs a real-time monitoring and abnormality alert mechanism to track the motor's operating status. Symptoms of potential faults are identified in advance so that risks can be detected and dealt with early. The innovative technology and practical value of the system were recognized at the 2025 Taiwan Excellence Awards, reflecting its market acceptance in the smart equipment management field.

In terms of actual applications, the APES system successfully helped a steel industry customer improve its equipment tick rate and prevent stoppages due to unexpected malfunctions on the production line; in textile applications, using the system to monitor blower and boiler operating conditions in real-time effectively reduced the safety risks caused by equipment anomalies. Preventive maintenance and smart management can not only help businesses avoid millions of dollars in losses from stoppages. Operating risks from human inspections were significantly reduced as well, constructing a more reliable digital line of defense for factory safety and sustainable operations.

SASB Index

The AET Corporation refers to the Sustainability Accounting Standards Board (SASB) standards for the Professional & Commercial Services industry to disclose its operational strategies and activities.

Metric Code	Disclosure Topic	Disclosure Metric	Response																																		
SV-PS-230a.1	Data security	Description of approach to identifying and addressing information security risks	The "AET Information Security Management Regulations" were established to enhance information system security, improve operational efficiency, and reduce the risk of confidential information leakage.																																		
SV-PS-230a.2		Description of policies and practices relating to collection, usage, and retention of customer information	Policies are clearly outlined within system services provided, such as the AUO Carbon Agent (comprehensive carbon management platform) and GPARS (green product management system).																																		
SV-PS-230a.3		(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII), and (3) number of customers affected	In 2025, no incidents of customer or personal data breaches occurred.																																		
SV-PS-330a.1	Workforce diversity & engagement	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, and (3) all other employees	<table><tr><th>Type</th><th>Female</th><th>Male</th></tr><tr><td>Executive management</td><td>0.0%</td><td>2.8%</td></tr><tr><td>Non-executive management</td><td>6.9%</td><td>26.2%</td></tr><tr><td>Employees</td><td>16.6%</td><td>47.6%</td></tr><tr><td>Total</td><td>23.4%</td><td>76.6%</td></tr></table>	Type	Female	Male	Executive management	0.0%	2.8%	Non-executive management	6.9%	26.2%	Employees	16.6%	47.6%	Total	23.4%	76.6%																			
Type			Female	Male																																	
Executive management			0.0%	2.8%																																	
Non-executive management			6.9%	26.2%																																	
Employees			16.6%	47.6%																																	
Total		23.4%	76.6%																																		
SV-PS-330a.2		(1) Voluntary and (2) involuntary turnover rate for employees	The voluntary turnover and overall turnover rates were identical. There was no involuntary turnover.																																		
			<table><tr><th>Gender</th><th>Age</th><th>Taiwan</th><th>Total</th></tr><tr><td rowspan="4">Female</td><td>Less than 29 Years</td><td>3.39%</td><td>3.39%</td></tr><tr><td>30-49 years</td><td>3.39%</td><td>3.39%</td></tr><tr><td>More than 50 years</td><td>0.85%</td><td>0.85%</td></tr><tr><td>All ages</td><td>7.63%</td><td>7.63%</td></tr><tr><td rowspan="4">Male</td><td>Less than 29 Years</td><td>1.69%</td><td>1.69%</td></tr><tr><td>30-49 years</td><td>9.32%</td><td>9.32%</td></tr><tr><td>More than 50 years</td><td>3.39%</td><td>3.39%</td></tr><tr><td>All ages</td><td>14.40%</td><td>14.40%</td></tr><tr><td colspan="2">Total</td><td>22.03%</td><td>22.03%</td></tr></table>	Gender	Age	Taiwan	Total	Female	Less than 29 Years	3.39%	3.39%	30-49 years	3.39%	3.39%	More than 50 years	0.85%	0.85%	All ages	7.63%	7.63%	Male	Less than 29 Years	1.69%	1.69%	30-49 years	9.32%	9.32%	More than 50 years	3.39%	3.39%	All ages	14.40%	14.40%	Total		22.03%	22.03%
			Gender	Age	Taiwan	Total																															
			Female	Less than 29 Years	3.39%	3.39%																															
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Male	Less than 29 Years		1.69%	1.69%																																	
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	More than 50 years	3.39%	3.39%																																		
	All ages	14.40%	14.40%																																		
Total		22.03%	22.03%																																		
SV-PS-330a.3	Employee engagement as a percentage	No survey was conducted in 2025.																																			

Metric Code	Disclosure Topic	Disclosure Metric	Response
SV-PS-510a.1	Professional integrity	Description of approach to ensuring professional integrity	To ensure that professional integrity is embraced by all employees, a new policy was implemented in 2025 that incorporated related matters into onboarding training. Company-wide communications on various topics are also regularly sent out, and related cases are compiled for internal reporting. 2025 awareness topics were as follow: • "Anti-Trust Awareness" in April and October 2025; • "Unlawful Infringement and Sexual Harassment in the Workplace Awareness" in June 2025; • "Employee Integrity Awareness" in September and December 2025;
SV-PS-510a.2		Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	No losses of this type occurred in 2025

Metric Code	Activity Metric	Response																								
SV-PS-000.A	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	Based on employees on active duty as of December 31, 2025.																								
		<table><tr><th>Gender</th><th>Employment Type</th><th>Taiwan</th><th>Total</th></tr><tr><td rowspan="3">Male</td><td>Full-time</td><td>108</td><td>108</td></tr><tr><td>Part-time</td><td>3</td><td>3</td></tr><tr><td>Total</td><td>111</td><td>111</td></tr><tr><td rowspan="3">Female</td><td>Full-time</td><td>33</td><td>33</td></tr><tr><td>Part-time</td><td>1</td><td>1</td></tr><tr><td>Total</td><td>34</td><td>34</td></tr></table>	Gender	Employment Type	Taiwan	Total	Male	Full-time	108	108	Part-time	3	3	Total	111	111	Female	Full-time	33	33	Part-time	1	1	Total	34	34
		Gender	Employment Type	Taiwan	Total																					
		Male	Full-time	108	108																					
			Part-time	3	3																					
			Total	111	111																					
		Female	Full-time	33	33																					
			Part-time	1	1																					
Total	34		34																							
SV-PS-000.B	Employee hours worked and percentage billable	Due to the confidentiality of company information, disclosure is not possible.																								



FACT SHEET

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Corresponding to Chapter 1: Corporate Governance

■ Unless otherwise stated, all data are for 2025.

Asset Structure GRI 2-6

Item	Unit	2025
Display business net sales	NTD million	278,511.16
Energy business net sales	NTD million	2,876.58
Shipment of panels	million pcs	130.56

Note: The scope is the same as the 2025 consolidated statement.

Economic Value Distribution

Item	Value (NTD million)
Generated direct economic values	
Total annual revenue (Net sales)	281,387.74
Other income ^{Note 1}	13,160.57
Economic value distributed	
Operating expenditure	184,933.04
R&D expenditure	15,976.39
Employee salary and benefit	50,486.16
Payments to shareholders	2,300.36
Community investment	11.04
Payments to government	3,095.20
Depreciation expense (fixed assets)	27,220.50
Amortization expense (intangible assets)	2,625.46
Interest expenditure	2,996.67
Rent expenditure	215.33
Total distributed economic values	289,860.15
Retained economic values ^{Note 2}	4,688.16

Note 1: Other income includes interest, rental income, dividend income, subsidy income, net gains from disposal and scrapping of fixed assets, and net amounts from disposal of investment and financial assets.

Note 2: Retained economic value equals net profit after tax minus distributions to shareholders.

Note 3: The scope is the same as the consolidated statement.

Financial Assistance Received from Government GRI 201-4

Region	Government shareholding (%)	Total government assistance (NTD million)
Taiwan	1.95%	176.93
China		882.12
Singapore		0.23
Germany		1.73
India	-	8.68
Bulgaria		0.56
Canada		4.1

Tax Situation

Item	Unit	2025
Effective tax rate		17.2
Cash tax rate	%	19.24
Cash tax amount		1,624,385
Pre-tax profit		8,440,640
Declared tax amount	NTD 1,000	1,452,117
Cumulative acceptable adjustments		172,268
Income tax expense		1,452,117

Board Composition GRI 2-9

Composition of the Board of Directors				
Gender	Age	Executive Directors	Non-executive Directors	Independent Directors
Male	Under 55	1	0	0
	Age 56-65	1	1	0
	Above 66	2	1	1
Female	Under 55	0	0	0
	Age 56-65	4	4	4
	Above 66	1	1	0
Total	Under 55	1	0	0
	Age 56-65	5	5	4
	Above 66	3	2	1
	Age	9	7	5

Board Functioning and Composition	
Number of directors who also serve on the boards of no more than 4 other companies	9
Number of independent directors or non-executive directors with industry experience	2
Number of non-executive directors with risk management expertise	3
Average tenure of board members (years)	4.44
Annual average attendance rate of the board of directors	98%
Minimum required attendance rate for the board of directors	80%
Maximum number of external directorships held by board of directors	5

High-level Compensation Policy GRI 2-21

Item	2025
The multiple of the CEO's annual total compensation (including fixed and variable compensation) to the median annual total compensation of employees (excluding the CEO)	111.38 times
The ratio of the CEO's annual total compensation (including fixed and variable compensation) to the average annual total compensation of employees (excluding the CEO)	77.91 times
Proportion of CEO's short-term incentives deferred in the form of shares or stock options	0%
The proportion of employees two levels below the CEO eligible for long-term incentive plans	97.2%
The longest grant period for CEO compensation	3 years
The longest performance period covered by the executive compensation plan	3 years
The median ratio of the highest individual's annual total compensation	111.38 times
Ratio of the annual total compensation increase for the highest-paid individual to the median annual total compensation increase for all other employees	Not Disclosed
The ratio of the value of company shares that board directors are required to hold to the multiple of annual base salary	10 times

Ethics and Integrity Reporting Channels and Confirmed Incidents

Item	Case
Business integrity violation reporting system	Cases Received: 12 Case Closure Rate: 100%
Audit Committee's mailbox	Cases Received: 3 Case Closure Rate: 100%
Compliance email hotline	Cases Received: 2 Case Closure Rate: 100%
Confirmed incidents of dishonesty through the above channels (i.e., the sum of (1), (2), and (3))	2 ^{Note 1}
(1) Total number of cases where employees were terminated due to dishonest behavior	2
(2) Total number of cases where contracts with clients or suppliers were terminated due to dishonest behavior with an employee	2
(3) Total number of lawsuits the company faced due to dishonest behavior	0

Item	Case
Number of cases of conflict of interest violations	0
Number of money laundering or internal trading violations	0

Note 1: There are two cases in total. Both cases involve conditions (1) and (2); therefore, the total number remains 2.

Note 2: The amount of fines imposed on the company due to cases of corruption and bribery was 0.

Note 3: The amount of fines imposed on the company due to convictions for corruption and bribery cases was 0.

The Finalization of Major Antitrust Cases and the Associated Financial Losses

Item	2025
Total number of finalized Antitrust civil lawsuits	0
Total amount of confirmed fines	0
The percentage of confirmed fines to the company's annual revenue	0%
Total number of pending Antitrust civil lawsuits that have not been finalized as of 2025	1

Note: As of the end of 2025, the only unresolved antitrust litigation involving AUO was a civil lawsuit against LG Electronics and its affiliated entities. The case was concluded in January 2026, and related information is disclosed in AUO's Annual Report.

Training of Antitrust Law Policy

Category	People/Suppliers	Proportion
IDL	10,515	99.26%
Junior level management	2,307	99.18%
Mid-level management	175	98.31%
Senior level management	52	91.23%
Supplier	3,537	100%

Information Security

Item	2025
The ratio of IT infrastructure introducing ISO27001, NIST, or similar standards	100%
The total number of information security vulnerabilities or other network security incidents	0
The total number of confirmed incidents of data breaches, theft or loss of customer data	0
The total number of customers, consumers, employees affected by information security vulnerabilities	0
The total amount of fines related to information security vulnerabilities or other network security incidents	0
The number of complaints or reports received in the company's privacy mailbox and confirmed to violate the protection of customer personal data	0
Significant cases of the company being fined by the regulatory authority for violating customer personal data protection	0

Annual Violation GRI 2-27

Category	Case	Amount of fine (NTD)	Violation of regulations	Improvement measures
Labor	4	550,000	Violation of the "Labor Standards Act" While managing working hours at the Taichung and Longtan Sites, overtime wages were not properly paid and statutory overtime limits were exceeded.	Establish working-time management policies and systems to control working hours, and regularly remind employees and supervisors to apply for overtime based on actual working conditions in accordance with regulations.
Occupational safety	3	300,000	Violation of the "Occupational Safety and Health Act" While contractors were performing operations, inadequate safety management measures led to a major occupational accident.	Corrective action: Incorporate hazard awareness checklists into contractor site inspection procedures, covering environmental safety and process risks. • Preventive actions: » Ensure that support rods and stoppers are properly positioned and secured before personnel enter lifting or transfer mechanism areas. » Install auxiliary safety supports near lifting equipment for easy access. » Require contractor personnel to perform work inside equipment under supervised or coordinated operations. » Communicate corrective and preventive actions through case-sharing to all personnel. » Conduct ISO-based hazard identification and risk assessment.

Category	Case	Amount of fine (NTD)	Violation of regulations	Improvement measures
Occupational safety	3	300,000	Violation of the "Standards for Establishing Places for Manufacturing, Storing, Processing Public Hazardous Substances and Flammable Pressurized Gases, and Regulations on Safety Control of such Places" While storing Class 4 public hazardous materials, the quantity reached the statutory control threshold without complying with applicable regulatory requirement.	Establish compliant general handling facilities and implement self-inspection in accordance with regulations.
			Violation of the "Regulations for the Occupational Safety and Health Equipments and Measures" While operating LPG equipment, non-compliant vaporizing equipment was used without meeting required certification standards.	Four LPG vaporizers have been replaced with certified compliant equipment in accordance with regulations.
Environment	2	220,000	Violation of the "Toxic and Concerned Chemical Substances Control Act" While managing chlorine substances, required plans were not reviewed and submitted for approval in accordance with regulations.	- Conduct regular internal and external audits to ensure compliance with environmental regulations. - Utilize an environmental management system to control statutory reporting items and prevent delays in required review and submission.
			Violation of the "Toxic and Concerned Chemical Substances Control Act" While storing boron trifluoride, the activity was not reported in a timely manner as required.	

Note: AUO defines significant events as those that may have a significant impact on shareholder equity or securities prices. There were no significant regulatory violations in 2025. The disclosure of events in this table is intended to be consistent with the information disclosed in the annual report.

Contributions & Spending Amount

Unit: NTD

	2022	2023	2024	2025
Lobbying, interest representation or similar	0	0	0	0
Political campaigns/organizations /candidates	0	0	0	0
Trade associations or tax-exempt groups	4,787,565	5,470,176	6,588,669	10,295,198
Other (e.g. spending related to ballot measures or referendums)	0	0	0	0
Total	4,787,565	5,470,176	6,588,669	10,295,198

○ Participate in Associations/organizations GRI 2-28

AUO upholds the vision of contributing to the industry for shared prosperity, actively participates in public policies and applies our practical experience in vertical industry chains to engage in public associations and government platforms, thereby creating an ecosphere through exchanges and sharing.

Category	Organization	Role	2025 Membership Fees (NTD unless otherwise noted; USD and CNY as indicated.)
Trade associations	The Allied Association for Science Park Industries (ASIP)	Director	666,000
	Taipei Computer Association (TCA)	Chairman	15,000
	Taiwan Display Union Association (TDUA)	Chairman	0
	Taiwan Panel and Solution Association (TPSA)	Vice chairman	4,870,000
	Taiwan Photovoltaic Industry Association (TPVIA)	Executive director	60,000
	Taiwan Advanced Automotive Technology Development Association (TADA)	Executive director	50,000
	The Society for Information Displays (SID)	Executive director	0
	ROC Taiwan Liquid Crystal Society (ROC TLCS)	Director	0
	Photovoltaic Generation System Association (PVGSA)	Director	10,000
	Institute for Biotechnology and Medicine Industry (IBMI)	Director	20,000
	5G Automotive Association (5GAA)	Member	USD 25000
	8K Association	Member	USD 10,000
	3D Interaction & Display Association (3DIDA)	Member	30,000
	Taiwan Association of Information and Communication Standards (TAICS)	Member	30,000
	Taiwan Electronic Equipment Industry Association (TEEIA)	Member	36,000
	Taiwan Electrical and Electronic Manufacturers' Association (TEEMA)	Member	42,000
	Taiwan Space Industry Development Association (TSIDA)	Member	30,000
	Autonomous Mobile Robot Alliance (AMRA)	Member	44,110
	Heterogeneously Integrated Silicon Photonics Alliance (HiSPA)	Member	0
	Semiconductor Equipment and Materials International (SEMI Taiwan)	Member	90,090

Category	Organization	Role	2025 Membership Fees (NTD unless otherwise noted; USD and CNY as indicated.)
Trade associations	Video Electronics Standards Association (VESA)	Member	USD 10,000
	Smart & Significant Subsystem Supply Chain Alliance, 4SA	Member	0
Sustainability associations	Hsinchu Science Park HR Managers Association	Chairman	0
	Gap of Learning & Field (GOLF)	Vice chairman, Executive director	200,000
	Hsinchu City Human Resources Management Association	Director	0
	Taiwan Climate Partnership (TCP)	Chairman, Director	100,000
	Taiwan Carbon Capture Storage and Utilization Association (TCCSUA)	Director	5,000
	Taiwan Net Zero Emissions Association (ATNZE)	Director	150,000
	Center for Corporate Sustainability (CCS)	Director	280,000
	CommonWealth-ESG	Member	120,000
	Business Council for Sustainable Development	Member	90,000
	ePaper Industry Alliance	Member	CNY 50,000
AUO Display Plus			
AET Corporation	Net Zero Carbon Association (NZCA)	Director	20000
	Taipei Computer Association (TCA)	Member	15000
	Taiwan Climate Partnership (TCP)	Member	50000
	Taiwan Environmental Engineering Association (TEEA)	Member	24000
	Taiwan Printed Circuit Association (TPCA)	Member	41500
	Taipei Professional Environmental Engineers Association	Member	4000
	Semiconductor Equipment and Materials International (SEMI)	Member	USD 3,360

Note: Sorted by strokes in characters, according to roles and organization names.

Corresponding to Chapter 2: Sustainable Management

■ Unless otherwise stated, all data are for 2025.

Hazardous Substances Management

Hazardous Substance Control Items	
Category	2025
Banned Class A	12
Banned Class B	64
Hazardous Substances	81

Conflict Minerals

Item	2025
The proportion of total revenue made up by products containing conflict minerals	0%
The proportion of total revenue made up by products containing conflict minerals (verified by suppliers as originating from non-conflict areas)	0%

Customer Satisfaction

Item	2025
Proportion of customers using online service solutions or sales platforms	100%
Customer Satisfaction	96.5%
Annual Customer Satisfaction Target	93%
Customer satisfaction data coverage rate ^{Note}	100%

Note: Data coverage rate is defined as all customers required for the annual satisfaction survey, with a 100% response rate.

Customer Returns

Item		pcs	Ratio
Total volume of returns and exchanges (1+2+3)		139,236	100%
Disposal method	1. ROK (Return to Original, Given back to customer) volume	50,120	36%
	2. B/S GRADE quantity (Downgraded CSD resold to other customers)	82,989	59.6%
	3. OUTPUT is neither original grade nor B/S Grade component quantity (Downgraded business resold to other customers)	6,127	4.4%

Supply Chain Composition

Supplier Composition		
Category	Display Business	Energy Business
Display	3,537	226
PV	23	1
Waste	16	
Labor Outsourcing	136	
Service Outsourcing	23	

Supplier Type	
Category	2025
Number of Tier-1 suppliers	665
Number of significant suppliers in Tier-1	34
Number of non-significant suppliers in Tier-1	12
Number of significant suppliers (Tier-1 and non Tier-1)	46
Expenditure on Tier-1 significant suppliers (NTD millions)	94,753.32
Expenditure on Tier-1 suppliers (NTD millions)	159,508.81
Proportion of expenditure on Tier-1 significant suppliers relative to total supplier spending	59.4 %
Number of critical direct material suppliers in Tier-1	546

Tier 1 Supplier Audit Information	
Item	2025
Percentage of tier 1 significant supplier sites subject to RBA audits or equivalent assessments	88.6%
Percentage of high-risk tier 1 significant supplier sites subject to RBA audits or equivalent assessments	100%
Percentage of audited tier 1 suppliers identified with priority nonconformities	0%
Percentage of audited tier 1 suppliers identified with other nonconformities	32.25%
Corrective action completion percentage for priority nonconformities among audited tier 1 suppliers	100%
Corrective action completion percentage for other nonconformities among audited tier 1 suppliers	100%

Risk Assessment of Significant Suppliers		
Item		2025
Total number of suppliers assessed via desk assessments		242
Target number of suppliers assessed via desk assessments		242
Percentage of critical suppliers assessed		100%
Suppliers identified as having actual or potential negative impacts based on assessments		18
Suppliers identified as having actual or potential negative impacts based on assessments	Percentage of suppliers with improvement plans or corrective actions	100%
	Percentage of terminated partnerships	0
	Number of suppliers supported by AUO through improvement plans or corrective actions	12
	Target number of suppliers to be supported by AUO through improvement plans or corrective actions	12
	Proportion of suppliers supported by AUO through improvement plans or corrective actions	100%

Supplier Capacity Building Program	
Item	2025
Total number of suppliers supported by AUO through the Supplier Capacity Building Program	242
Target number of suppliers to be supported by AUO through the Supplier Capacity Building Program	242
Proportion of significant suppliers supported by AUO through the Supplier Capacity Building Program	100%

RBA Annual Audit

RBA Audit Results Conducted by AUO			
Aspect	Item	2025	
Environmental	Number of audits conducted	51	
	Audit Pass Rate	88.24%	
	Total Number of Audit Findings	57	
	Audit Findings	Health and Safety	44
		Environment	13
		Management System	0
		Other	0
Social	Number of audits conducted	51	
	Audit Pass Rate	76.47%	
	Total Number of Audit Findings	134	
	Audit Findings	Labor	67
		Health and Safety	25
		Ethical Standards	16
		Management System	26
		Other	0

Percentage of local procurement from suppliers GRI 204-1

Category	Region	Display	Energy
Supplier	Taiwan	86%	56%
	China	74.6%	
	Vietnam	44.3%	
Contractor	Taiwan	85.97%	Not applicable
	China	97.09%	

Energy consumption GRI 302-1

Item	Unit	2025		2024		2023	
		MWh	GJ	MWh	GJ	MWh	GJ
Total energy usage		4,332,913.54	15,598,488.75	4,578,127.80	16,481,260.09	4,784,515.55	17,224,256.00
Total energy usage (Renewable)		586,972.28	2,113,100.22	291,676.79	1,050,036.46	69,838.73	251,419.41
Total energy usage (Nonrenewable)		3,745,941.26	13,485,388.54	4,286,451.01	15,509,223.63	4,714,676.82	16,972,836.60
Purchased electricity consumption (Renewable)		522,040.89	1,879,347.22	228,957.45	824,246.81	13,704.99	49,337.95
Purchased electricity consumption (Nonrenewable)		3,541,742.72	12,750,273.80	4,078,051.50	14,758,985.41	4,487,728.83	16,155,823.80
Self-Generation electricity consumption (Renewable)		64,931.39	233,753.00	62,719.35	225,789.65	56,133.74	202,081.45
Purchased steam consumption		9,211.36	33,160.90	9,804.78	35,297.21	10,767.36	38,762.49
Natural gas		175,871.96	633,139.05	178,123.88	641,245.97	194,769.54	701,170.36
Liquefied petroleum gas (LPG)		3,320.68	11,954.46	4,592.74	16,533.88	6,176.22	22,234.40
Diesel		15,521.62	55,877.84	15,604.96	56,177.87	14,961.81	53,862.52
Gasoline		272.91	982.49	273.14	983.30	273.06	983.03
Energy consumption per input sheet substrate area		0.073 MWh/m ²	0.26 GJ/m ²	0.077 MWh/m ²	0.279 GJ/m ²	86.82 KWh/m ²	0.31 GJ/m ²
Electricity consumption per input sheet substrate area		0.070 MWh/m ²	0.25 GJ/m ²	0.074 MWh/m ²	0.267 GJ/m ²	82.71 KWh/m ²	0.30 GJ/m ²
Energy consumption per unit revenue		0.015 MWh/ NT\$ thousand	0.55 GJ/ NT\$ thousand	0.016 MWh/ NT\$ thousand	0.059 GJ/ NT\$ thousand	19.30 KWh/ NT\$ thousand	0.695 GJ/ NT\$ ten thousand
Electricity consumption per unit revenue		0.015 MWh/ NT\$ thousand	0.53 GJ/ NT\$ thousand	0.016 MWh/ NT\$ thousand	0.056 GJ/ NT\$ thousand	18.38 KWh/ NT\$ thousand	0.662 GJ/ NT\$ ten thousand
Purchased Renewable Energy Certificates (RECs)		0	0	30,000	108,000	-	-

Note: The conversion coefficients of natural gas, liquefied petroleum gas, diesel and gasoline are referred to the calorific value data announced by the Bureau of Energy, Ministry of Economic Affairs.

Corresponding to Chapter 3: Environmental Sustainability

Unless otherwise stated, all data are based on the 2025 Environmental Management System (EMS) coverage rate. Ratios in certain tables are presented in decimal form and have the same meaning as values expressed as percentages elsewhere in the report.

Coverage Rate of Environmental Management System

Category of Management System	Item	Coverage rate
ISO 50001	Certified	100%
	Verified by a third party	100%
	Verified by an internal audit at the company's headquarters	100%
ISO 14001	Certified	100%
	Verified by a third party	100%
	Verified by an internal audit at the company's headquarters	100%

Water

GRI 303-3

GRI 303-4

GRI 303-5

Water Withdrawal by Manufacturing Facilities (1,000 m ³)						
Category	Item		2025	2024	2023	2022
All regions (Include areas with water stress)	Total		23,116.14	23,735.32	23,809.58	21,546.86
	Surface water (including rain water)	Fresh water	0	12.22	9.18	14.84
		Other water	5.05	0	0	0
	Ground water	Fresh water	0	394.75	198.59	252.05
		Other water	7.11	0	0	0
	Sea water	Fresh water	0	0	0	0
		Other water	0	0	0	0
	Produced water	Fresh water	0	0	0	0
		Other water	0	0	0	0
	Third party water	Fresh water	16,793.33	19,968.76	20,766.58	18,850.33
		Renewable water	6,310.91	3,359.60	2,835.23	2,429.65
		Other water	0	0	0	0
Areas with water stress: Taichung, Houli, Kunshan	Total		16,633.70	16,635.02	15,808.10	10,778.57
	Surface water (including rain water)	Fresh water	0	0	0.13	0
		Other water	0	0	0	0
	Ground water	Fresh water	0	0	0	0
		Other water	0.25	0	0	0
	Sea water	Fresh water	0	0	0	0
		Other water	0	0	0	0
	Produced water	Fresh water	0	0	0	0
		Other water	0	0	0	0
	Third party water	Fresh water	10,322.80	13,275.42	12,972.74	10,778.57
		Renewable water	6,310.91	3,359.60	2,835.23	0
		Other water	0	0	0	0

Water Discharge by Manufacturing Facilities (1,000 m ³)						
Category	Item		2025	2024	2023	2022
All regions (Include areas with water stress)	Total		17,425.70	17,407.25	16,944.26	14,854.39
	Surface water (including rain water)	Fresh water	1,543.04	1,907.88	2,046.46	1,873.50
		Other water	0	0	0	0
	Ground water	Fresh water	0	0	0	0
		Other water	0	0	0	0
	Sea water	Fresh water	0	0	0	0
		Other water	0	0	0	0
	Produced water	Fresh water	0	0	0	0
		Other water	0	0	0	0
	Third party water	Fresh water	0	15,499.37	14,897.80	12,980.89
		Renewable water	0	0	0	0
		Other water	15,882.66	0	0	0
Areas with water stress: Taichung, Houli, Kunshan	Total		13,633.86	13,212.26	12,346.90	7,958.62
	Surface water (including rain water)	Fresh water	0	0	0	0
		Other water	0	0	0	0
	Ground water	Fresh water	0	0	0	0
		Other water	0	0	0	0
	Sea water	Fresh water	0	0	0	0
		Other water	0	0	0	0
	Produced water	Fresh water	0	0	0	0
		Other water	0	0	0	0
	Third party water	Fresh water	13,633.86	13,212.26	12,346.90	7,958.62
		Renewable water	0	0	0	0
		Other water	0	0	0	0

Note: The coverage rate of water-related data (calculated by revenue) is 100%.

Water Consumption by Manufacturing Facilities (1,000 m ³)					
Category	Item	2025	2024	2023	2022
All regions (Include areas with water stress)	Total	5,690.44	6,328.07	6,865.32	6,692.47
	Areas with water stress: Taichung, Houli, Kunshan	2,999.84	3,422.76	3,461.20	2,819.95

Process Water Use Information					
Item	Unit	2025	2024	2023	2022
Total Process Water Consumption	1,000 m ³	14,397.31	17,533.99	-	-
Process water recycling volume	1,000 m ³	131,677	131,446.81	132,211	116,381
Process water recycling rate	%	95.24	94.70	95.02	94.89

Discharge of Water Pollutants (tons)	
Item	2025
Chemical Oxygen Demand (COD)	492.51
Biochemical Oxygen Demand (BOD)	48.02
Suspended Solids (SS)	89.03
Wastewater Nitrate	57.59
Wastewater Phosphate	3.71

Package Recycle GRI 301-3

Item	2025
Supplier packaging recycling volume	37,311 tons
Supplier packaging recycling rate ^{Note 1}	98.8 %
Product packaging recycling volume	1,102,777
Product packaging recycling volume ^{Note 2}	56.3 %

Note 1: The calculation method for the supplier packaging recycling rate is (recyclable supplier's recycling volume/recyclable supplier's packaging shipment volume) * 100%.

Note 2: The calculation method for the product packaging recycling rate is (recyclable customer's recycling volume for TV panel packaging /shipment volume) * 100%.

Emissions

GRI 305-1

GRI 305-2

GRI 305-3

GRI 305-6

GRI 305-7

Category	Item	Unit	2025	2024	2023	2022
GHG emissions ^{Note 1}	Scope 1	10,000 tCO ₂ e	7.57	6.74	6.68	6.97
	Scope 2- Market based	10,000 tCO ₂ e	182.71	211.50	-	-
	Scope 2 (excluding GECs) ^{Note 2}	10,000 tCO ₂ e	-	209.75	236.11	237.34
	Scope 3	10,000 tCO ₂ e	393.14	463.10	491.33	100.45
Air pollutant emissions	ODS ^{Note 4}	CFC-11 equivalent metric tons	0.09	0.06	0.05	0.07
	NO _x	tons	52.96	69.27	81.72	72.52
	SO _x	tons	39.4	48.93	52.00	49.96
	POP	tons	0	0	0	0
	VOC	tons	128.28	129.68	138.75	168.46
	HAP	tons	0	0	0	0
	PM	tons	0	0	0	0

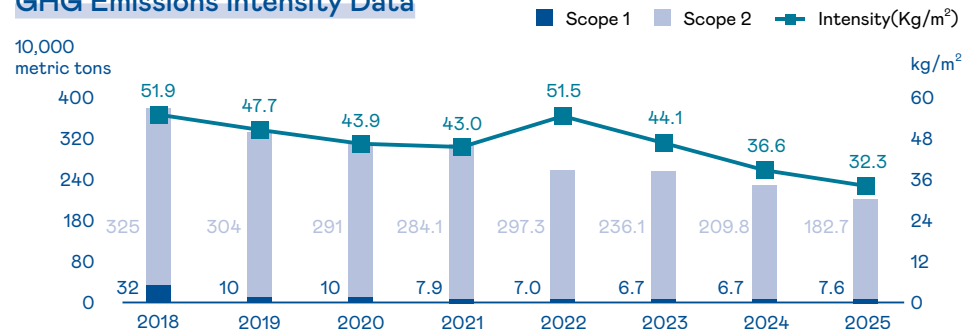
Note 1: Greenhouse gas emissions are calculated using operational control, with related emission factors and global warming potential sourced from the IPCC AR5, Taipower Company announced coefficients, and coefficients announced by China's Ministry of Ecology and Environment.

Note 2: AUO's Scope 2 greenhouse gas emissions from 2022 to 2024 are disclosed based on a scenario that excludes Green Electricity Certificates (GECs) purchased in Mainland China and therefore do not reflect the effect of renewable electricity attributes associated with such certificates. During 2022, 2023, and 2024, AUO purchased 40 million kWh, 30 million kWh, and 30 million kWh of GECs, respectively. The GEC scheme was recognized by RE100 in May 2025 as a market-based mechanism that meets international standards; however, as GECs are certificate-based transactions, they may not necessarily correspond to the actual timing of electricity consumption. In addition, since 2024, AUO has supplemented its disclosure with Scope 2 market-based emissions that include the impact of GECs.

Note 3: ODS includes R-22 and R-123.

Note 4: The source of the emission factor comes from the ozone depletion potential of ozone-depleting substances under the Montreal Protocol.

GHG Emissions Intensity Data



Materials & Recycled Materials GRI 301-1

Direct materials		Glass input substrate area (m ²)		59,298,367
		Renewable/Recycle (tons)	Nonrenewable/Nonrecycled (tons)	Renewable/Recycle ratio
Direct materials	Glass substrate	13,629	54,515	20
	Polarizing film	0	15,058.93	0
	Liquid crystal	1.03	77.1	1.32
	Metal Backplane	709.65	14,562.2	4.9
Indirect materials	Light guide plate	0	5,883.74	0
	Process thinner (Array/CF)	1455	963	60
	Developer	0	8,498	0
	Aluminum etchant	0	10,130	0
	Process stripper	32,637	5,952	84.6
	Photoresist	13	2,354	0.54
	PFCs	0	948.78	0

Component Recycling

Item	2025
Total weight of electronic component recycling (tons)	26.63
Total amount of electronic component recycling (NTD)	2,772,254

Waste GRI 306-3 GRI 306-4 GRI 306-5

2025 Waste Management Targets	
Annual target for total non-hazardous industrial waste	<8,500tons
Data coverage rate for all non-hazardous industrial waste (revenue-based)	100%
Annual target for total hazardous industrial waste	<3,300 tons
Data coverage rate for all hazardous industrial waste (revenue-based)	100%

Waste Disposal (tons)												
	2025			2024			2023			2022		
	Waste generated	Waste diverted from disposal	Waste directed to disposal	Waste generated	Waste diverted from disposal	Waste directed to disposal	Waste generated	Waste diverted from disposal	Waste directed to disposal	Waste generated	Waste diverted from disposal	Waste directed to disposal
Total (1+2)	65,179.99	58,940.15	6,239.85	70,634.41	64,590.04	6,044.36	73,468.88	67,360.52	6,108.36	76,204.08	68,198.41	8,005.67
1. Hazardous waste	10,305.48	7,785.71	2,519.78	11,247.91	9,301.21	1,946.70	13,805.12	11,711.83	2,093.29	13,397.11	10,119.76	3,277.35
2. Non-hazardous waste	54,874.51	51,154.44	3,720.07	59,386.50	55,288.83	4,097.66	59,663.76	55,648.69	4,015.07	62,806.97	58,078.65	4,728.32

Waste Disposal (tons)													
Type	Item	2025			2024			2023			2022		
		Onsite	Offsite	Total	Onsite	Offsite	Total	Onsite	Offsite	Total	Onsite	Offsite	Total
Hazardous waste	Total	0	2,519.77	2,519.77	0	1,946.70	1,946.70	0	2,093.29	2,093.29	0	3,277.35	3,277.35
	Incineration (with energy recovery)	0	409.01	409.01	0	281.42	281.42	0	0	0	0	0	0
	Incineration (without energy recovery)	0	1,554.91	1,554.91	0	1,663.83	1,663.83	0	1,763.65	1,763.65	0	1,802.90	1,802.90
	Landfilling	0	115.26	115.26	0	0	0	0	159.76	159.76	0	10,119.76	10,119.76
	Other disposal operations ^{Note}	0	440.60	440.60	0	1.46	1.46	0	169.88	169.88	0	1,098.59	1,098.59
	Total	0	7,785.71	7,785.71	0	9,301.21	9,301.21	0	11,711.83	11,711.83	0	10,119.76	10,119.76
	Preparation for reuse	0	2,845.19	2,845.19	0	3,498.76	3,498.76	0	3,167.98	3,167.98	0	2,639.37	2,639.37
	Recycling	0	4,940.52	4,940.52	0	5,802.45	5,802.45	0	8,543.85	8,543.85	0	7,480.39	7,480.39
	Other recovery operations	0	0	0	0	0	0	0	0	0	0	0	0
	Total	0	3,720.07	3,720.07	0	4,097.66	4,097.66	0	4,015.07	4,015.07	0	4,728.32	4,728.32
Non-hazardous waste	Incineration (with energy recovery)	0	2,048.60	2,048.60	0	2,025.28	2,025.28	0	92.41	92.41	0	0	0
	Incineration (without energy recovery)	0	1,421.33	1,421.33	0	1,437.43	1,437.43	0	3,321.74	3,321.74	0	3,215.88	3,215.88
	Landfilling	0	250.14	250.14	0	634.57	634.57	0	599.30	599.30	0	1,108.53	1,108.53
	Other disposal operations ^{Note}	0	0	0	0	0.38	0.38	0	1.62	1.62	0	403.91	403.91
	Total	0	51,154.44	51,154.44	0	55,288.83	55,288.83	0	55,648.69	55,648.69	0	58,078.65	58,078.65
	Preparation for reuse	0	1,589.62	1,589.62	0	1,653.31	1,653.31	0	1,508.72	1,508.72	0	1,347.66	1,347.66
	Recycling	0	49,564.82	49,564.82	0	53,635.52	53,635.52	0	54,139.97	54,139.97	0	56,730.99	56,730.99
	Other recovery operations	0	0	0	0	0	0	0	0	0	0	0	0
	Total	0	51,154.44	51,154.44	0	55,288.83	55,288.83	0	55,648.69	55,648.69	0	58,078.65	58,078.65
	Preparation for reuse	0	1,589.62	1,589.62	0	1,653.31	1,653.31	0	1,508.72	1,508.72	0	1,347.66	1,347.66

Note 1: Other disposal methods include chemical and overseas treatment.

Note 2: The data is based on the amount of waste collected.

Waste Disposal Rate

	Total (tons)	Recovery	Landfilling	Incineration	Others
Hazardous waste	10,305.48	75.55%	1.12%	19.06%	4.28%
Non-hazardous waste	54,874.51	93.22%	0.46%	6.32%	0
Total	65,179.99	90.43%	0.56%	8.34%	0.68%

○ Environmental Accounting

Since 2009, AUO has been promoting an environmental accounting system and completed the global system implementation in 2012. Environmental accounting has become essential information in the field of environmental management. In 2025, AUO's environmental expenses amounted to approximately 3.504 billion.

Expenditure Categories		Unit	2025	
			Current expenditure	Capital expenditures
Operating costs	Pollution control	NTD 1,000	701,367.00	143,946.00
	Global environmental protection		1,788,783.00	0.00
	Resource sustainability usage		360,008.00	3,110.00
Upstream and downstream related costs			223,583.00	0.00
Management costs			88,089.00	0.00
R&D costs			10,347.00	0.00
Social activity costs			2,334.00	0.00
Loss and remedy costs			220.00	0.00
Other environmental protection costs			182,484.00	0.00
Subtotal			3,357,215.00	147,056.00
Total costs			3,504,271	
Annual Environmental Provisions			0	

Corresponding to Chapter 4: Inclusive Growth

■ Unless otherwise stated, all data are for 2025. Ratios in certain tables are presented in decimal form and have the same meaning as values expressed as percentages elsewhere in the report.

The definitions of sites and offices of AUO in various regions are as follows, applicable to various statistics below.

Taiwan	China	Other Asian regions	Europe	Americas
Taipei, Huaya, Longke, Longtan, Hsinchu, Taichung, Houli, Tainan and Kaohsiung	Kunshan, Suzhou and Xiamen	Japan, Korea, Singapore and Vietnam	Slovakia, the Netherlands and Germany	United States

Number of Employees by Hiring Type GRI 2-7

Employee (Employment contract)							
Gender	Employment contract	Taiwan	China	Other Asian regions	Europe	Americas	Total
Male	Permanent employee	10,208	9,701	224	59	39	20,231
	Temporary employee	0	1,174	36	0	0	1,210
	Non-guaranteed hours employee	0	0	0	0	0	0
	Total	1,233	763	5	1	0	2,002
Female	Permanent employee	5,436	5,133	152	50	17	10,788
	Temporary employee	0	434	17	0	0	451
	Non-guaranteed hours employee	0	0	0	0	0	0
	Total	553	407	1	0	1	962
Total	Permanent employee	15,644	14,834	376	109	56	31,019
	Temporary employee	0	1,608	53	0	0	1,661
	Non-guaranteed hours employee	0	0	0	0	0	0
	Total	1,786	1,170	6	1	1	2,964

Employee (Employment contract)							
Gender	Employment contract	Taiwan	China	Other Asian regions	Europe	Americas	Total
Male	Permanent employee	11,439	10,464	229	60	39	22,231
	Temporary employee	2	0	0	0	0	2
	Non-guaranteed hours employee	0	1,174	36	0	0	1,210
Female	Total	5,987	5,540	153	50	18	11,748
	Permanent employee	2	0	0	0	0	2
	Temporary employee	0	434	17	0	0	451
Total	Non-guaranteed hours employee	17,426	16,004	382	110	57	33,979
	Total	0	1,608	53	0	0	1,661
	Permanent employee	4	0	0	0	0	4

Number of Employees Over the Years				
	2025	2024	2023	2022
People	35,644	34,921	34,993	36,702

Note 1: Since 2024, the Vietnam facility has been included in the calculations for Other Asia.

Note 2: The Company's number of employees and workforce composition did not show significant fluctuations between reporting periods.

Not Employed Staff							
Gender	Type of employment	Taiwan	China	Other Asian regions	Europe	Americas	Total
Male	Contractor	0	1,174	36	0	0	1,210
Female		0	434	17	0	0	451
Total		0	1,608	53	0	0	1,661

Employee Distribution

By Region	
Taiwan	48.90%
China	49.41%
Other Asian regions	1.22%
Europe	0.31%
Americas	0.16%

By Age & Gender							
Gender	Age	Taiwan	China	Other Asian regions	Europe	Americas	Total
Male	Under 29	972	5,583	81	3	0	6,639
	30-49	8,366	5,956	149	45	29	14,545
	Over 50	2,103	99	35	12	10	2,259
	Total	11,441	11,638	265	60	39	23,443
Female	Under 29	317	2,594	49	1	1	2,962
	30-49	4,548	3,355	109	37	15	8,064
	Over 50	1,124	25	12	12	2	1,175
	Total	5,989	5,974	170	50	18	12,201
Total		17,430	17,612	435	110	57	35,644

GRI 405-1

By Employee Category, Age & Gender								
Category		Item	Male	Female	Under 29	Age 30-49	Above 50	2030 Target Female (%)
Total		Total employees (%)	65.77	34.23	26.94	63.43	9.63	31-37
Management	Level	Junior level management ^{Note 1} (%)	69.75	30.25	0.28	71.70	28.02	30
		Direct labor management ^{Note 2} (%)	46.01	53.99	0.12	77.92	21.97	50
		Mid-level management ^{Note 3} (%)	83.91	16.09	0.00	29.31	70.69	15
		Senior level management ^{Note 4} (%)	89.83	10.17	0.00	15.25	84.75	10
	Total	Management (%)	70.7	29.3	0.26	68.89	30.84	30
	Revenue generating unit	Management (%)	73.14	26.86	0.18	69.61	30.21	25
Employee structure		Indirect labor (%)	72.62	27.38	12.11	70.34	17.55	-
		Direct labor (%)	62.87	37.13	33.21	60.50	6.28	-
		STEM	76.91	23.09	12.2	70.45	17.35	19-25

Note 1: The junior level management: management of directly leading personnel, managing non-management employees.

Note 2: Direct labor management: team leader and foreman.

Note 3: The mid-level management: management of three to four levels lower than the CEO.

Note 4: The senior level management: management of two levels lower than the CEO.

Employees with Disabilities	
Number of employees hired	220
Percentage of employees hired	1.26%

Note: The scope of employees with disabilities reporting is limited to Taiwan.

Percentage of Employee Nationalities and Management Positions

Nationalities	Total	Management
Taiwan	44.52	81.5
China	49.13	16.22
Philippines	4.9	0
Vietnam	0.84	0.08
Slovakia	0.2	0.31
Singapore	0.06	0.26
Malaysia	0.06	0.21
Others	0.28	1.42

Number of New Employees GRI 401-1

Number of New Employees							
Gender	Age	Taiwan	China	Other Asian regions	Europe	Americas	Total
Female	Under 29	519	13,968	216	1	0	14,704
	30-49	274	4,295	82	1	0	4,652
	Over 50	24	4	4	3	0	35
	Total	817	18,267	302	5	0	19,391
Male	Under 29	116	4,981	112	0	0	5,209
	30-49	86	1,236	55	1	0	1,378
	Over 50	9	0	7	0	0	16
	Total	211	6,217	174	1	0	6,603
Total		1,028	24,484	476	6	0	25,994

Number of New Employees Over the Years				
	2025	2024	2023	2022
People	25,994	35,153	27,946	31,993
Percentage of open positions filled by internal candidates among indirect employees				
2025				
87.08%				

New Hire Rate GRI 401-1

Gender	Age	Taiwan	China	Other Asian regions	Europe	Americas	Total
Female	Under 29	0.67%	28.28%	25.75%	0.00%	0.00%	14.61%
	30-49	0.49%	7.02%	12.64%	0.91%	0.00%	3.87%
	Over 50	0.05%	0.00%	1.61%	0.00%	0.00%	0.04%
	Total	1.21%	35.30%	40.00%	0.91%	0.00%	18.52%
Male	Under 29	2.98%	79.31%	49.66%	0.91%	0.00%	41.25%
	30-49	1.57%	24.39%	18.85%	0.91%	0.00%	13.05%
	Over 50	0.14%	0.02%	0.92%	2.73%	0.00%	0.10%
	Total	4.69%	103.72%	69.43%	4.55%	0.00%	54.40%
Total		5.90%	139.02%	109.43%	5.46%	0.00%	72.92%

Note: The calculation method for the new hire rate is the number of new employees of a specific age and gender/ the total number of employees in the same year.

New Employee Distribution

By Region				
Taiwan	China	Other Asian regions	Europe	Americas
3.96%	94.19%	1.83%	0.02%	0.00%

By Age		
Under 29	30-49	Over 50
76.60%	23.20%	0.20%

By Gender	
Male	Female
74.60%	25.40%

Number of Voluntary Turnover GRI 401-1

Gender	Age	Taiwan	China	Other Asian regions	Europe	Americas	Total
Female	Under 29	55	1,232	0	0	0	1,287
	30-49	311	426	2	0	0	739
	Over 50	53	0	0	0	0	53
	Total	419	1,658	2	0	0	2,079
Male	Under 29	229	2,662	0	0	0	2,891
	30-49	702	940	4	1	4	1,651
	Over 50	97	0	0	0	0	97
	Total	1,028	3,602	4	1	4	4,639
Total		1,447	5,260	6	1	4	6,718

Voluntary Turnover Rate GRI 401-2

Voluntary Turnover Rate							
Gender	Age	Taiwan	China	Other Asian regions	Europe	Americas	Total
Female	Under 29	0.32%	7.00%	0%	0%	0%	3.61%
	30-49	1.78%	2.42%	0.46%	0%	0%	2.07%
	Over 50	0.30%	0%	0%	0%	0%	0.15%
	Total	2.40%	9.42%	0.46%	0%	0%	5.83%
Male	Under 29	1.31%	15.11%	0%	0%	0%	8.11%
	30-49	4.03%	5.34%	0.92%	0.91%	7.02%	4.63%
	Over 50	0.56%	0%	0%	0%	0%	0.27%
	Total	5.90%	20.45%	0.92%	0.91%	7.02%	13.01%
Total		8.30%	29.87%	1.38%	0.91%	7.02%	18.84%

Note: The calculation method for turnover rate is the number of employees of a specific age and gender who left the job during that year/ the total number of employees during that year.

Number of Voluntary Turnover Rate Over the Years			
2025	2024	2023	2022
18.84%	17.76%	17.52%	18.46%

Voluntary Turnover Distribution

By Region				
Taiwan	China	Other Asian regions	Europe	Americas
21.54%	78.30%	0.09%	0.01%	0.06%

By Age		
Under 29	30-49	Above 50
62.19%	35.58%	2.23%

By Gender	
Male	Female
69.05%	30.95%

Number of Employees Turnover GRI 401-2

Number of Employees Turnover							
Gender	Age	Taiwan	China	Other Asian regions	Europe	Americas	Total
Female	Under 29	81	1,751	35	0	0	1,867
	30-49	411	561	23	4	1	1,000
	Above 50	72	7	2	1	0	82
	Total	564	2,319	60	5	1	2,949
Male	Under 29	255	3,950	62	0	0	4,267
	30-49	826	1,266	51	2	6	2,151
	Above 50	130	1	9	0	2	142
	Total	1,211	5,217	122	2	8	6,560
Total		1,775	7,536	182	7	9	9,509

Turnover Rate

Turnover Rate							
Gender	Age	Taiwan	China	Other Asian regions	Europe	Americas	Total
Female	Under 29	0.46%	9.94%	8.05%	0.00%	0.00%	5.24%
	30-49	2.36%	3.19%	5.29%	3.64%	1.75%	2.81%
	Above 50	0.41%	0.04%	0.46%	0.91%	0.00%	0.23%
	Total	3.24%	13.17%	13.80%	4.55%	1.75%	8.28%
Male	Under 29	1.46%	22.42%	14.25%	0.00%	0.00%	11.97%
	30-49	4.74%	7.19%	11.73%	1.82%	10.53%	6.03%
	Above 50	0.75%	0.01%	2.07%	0.00%	3.51%	0.40%
	Total	6.95%	29.62%	28.05%	1.82%	14.04%	18.40%
Total		10.18%	42.79%	41.85%	6.37%	15.79%	26.68%

Number of Turnover Rate Over the Years			
2025	2024	2023	2022
26.68%	29.33%	28.32%	29.33%

Turnover Distribution

By Region				
Taiwan	China	Other Asian regions	Europe	Americas
18.67%	79.25%	1.91%	0.07%	0.10%

By Age		
Under 29	30-49	Above 50
64.51%	33.14%	2.35%

By Gender	
Male	Female
68.99%	31.01%

Proportion of Management Hired from the Local Community GRI 202-2

	Direct labor management	Junior level management	Mid- level management	Senior level management	All management
Taiwan	1.00%	99.79%	1.00%	98.04%	99.82%
China	0.00%	87.99%	56.25%	25.00%	86.18%
Other Asian regions	1.00%	65.00%	75.00%	33.33%	64.71%
Europe	1.00%	94.29%	1.00%	0.00%	95.24%
Americas	0.00%	1.00%	1.00%	96.15%	96.15%

Ratios of Standard Wage Compared to Local Minimum Wage GRI 202-1

	Male	Female
Taiwan	1.24	1.22
Suzhou	1.50	1.50
Kunshan	1.67	1.62
Xiamen	1.63	1.59
Vietnam	1.70	1.70
Slovakia	1.95	1.63
Korea	3.61	2.86
Japan	No minimum wage regulations	
Singapore		
Germany		
the Netherlands		
Americas		

Ratio of Basic Salary and Remuneration of Female to Male GRI 405-2

	All employees		Junior and mid-level management		Senior level management
	Non-management direct labor	Non-management indirect labor			
Overall	1.05	1.03	0.93	0.94	0.91
Taiwan	0.95	1.01	0.95	1.01	0.89
Suzhou	1.03	1.03	1	0.93	
Kunshan	0.98	0.88	0.93	Not applicable	Not applicable
Xiamen	1.01	1.02	1.01	1.32	
Vietnam	1.07	1.11	2.29		
Singapore	0.96	0.84	1.09		
Slovakia		0.82	1.14		
Japan		0.73	0.84		
Korea		0.90	1.10	Not applicable	Not applicable
Germany	Not applicable	0.96	0.94		
the Netherlands		Not applicable	Not applicable		
Americas		0.83	0.92		

Note: Taking male as the baseline, the proportion of male and female gender in the work attribute, field, and seniority is different, so the salary ratio will be slightly different.

Salary of full-time employees who are not in managerial positions

Item	2025	2024
Number of full-time employees who are not in managerial positions	17,447	18,212
Total salary of full-time employees who are not in managerial positions (NTD 1,000)	21,802,996	21,244,466
Average salary of full-time employees who are not in managerial positions (NTD 1,000)	1,250	1,167
Median salary of full-time employees who are not in managerial positions (NTD 1,000)	956	892

Employee Benefits GRI 202-2

Item	Unit	Taiwan	Other Asia	Europe	Americas
Childbirth subsidy	People	234	268	-	1
	NTD	1,476,000	241,282	-	2,382
Childcare subsidy	People	388	319	-	-
	NTD	388,000	436,826	-	-
Funeral condolences	People	1,171	54	-	-
	NTD	4,215,600	103,680	-	-
Wedding subsidy	People	1,353	102	-	2
	NTD	1,353,000	190,378	-	4,763
Emergency assistance	People	184	255	-	-
	NTD	552,000	234,028	-	-
Hospitalization condolences	People	19,468	29,797	-	-
	NTD	92,995,488	7,895,521	-	-
Group insurance	People	32	-	-	-
	NTD	1,460,000	-	-	-
Employee stock ownership	People	9,441	Not applicable		
	NTD	975,536,800			

Parental Leave GRI 401-3

Parental Leave Policy	
The number of paid parental leave weeks provided to the primary caregiver	24
The number of paid parental leave weeks provided to the non-primary caregiver	0

Note: The disclosed data only covered Taiwan sites. All related maternity leave policies comply with Taiwanese regulations.

Parental Leave Application Statistics		
	Male	Female
Number of employees eligible for parental leave	402	244
Total number of employees actually using parental leave	60	70
The number of employees expected returning to job after parental leave during the year	62	77
The total number of employees actually returning to job after parental leave	39	56
The total number of employees returning to job and still on the job for 12 months after parental leave	35	70
Reinstatement rate after parental care leave ^{Note 1} (%)	73	79
Retention rate after parental care leave ^{Note 2} (%)	63	73

Note 1: Reinstatement Rate is calculated as: Actual number of reinstatements during the year/Number of people expected to be re-instated during the year *100%.

Note 2: Retention Rate is calculated as: Number of employees reinstated and continued to work for 1 year in the previous year/Actual number of employees re-instated in the previous year *100%.

Retirement

GRI 201-3

GRI 401-2

	Percentage of salary contributed by employee or employer				Employee participation (%)
	Employer (%)		Employee (%)		
Taiwan	Old system	New system	Old system	New system	100
	2	6	0	0-6	
Suzhou	16		8		100
Kunshan	16		8		100
Xiamen	16		8		100
Vietnam	17		8		100
Singapore	9-17		7.5-20		100
Slovakia	14		4		100
Americas	6.2		6.2		100
Japan	9.15		9.15		100
Korea	4.5		4.5		100
Germany	9.3		9.3		100
the Netherlands	2.6-17.8		1.3-8.9		100

Note: AUO strictly follows the laws of location of business operations. All employees participate in retirement plans in accordance with local regulations.

Internal Communication Channel

Item	Region	Internal communication mailbox	Sexual harassment grievance mailbox	Please help me hotline	President's Mailbox
Cases accepted	Taiwan	75	2	227	9
	China	1,325	0	0	46
	Other	8	0	0	0
Cases processed	Number of cases	1,408	2	227	55
	Completed (Taiwan)	75	2	227	9
	Completed (China)	1,325	0	0	46
	Not yet completed	0	0	0	0

Labor Union

GRI 102-41

Region	Participation
AUO	43.88 %
Taiwan	Union has not yet organized
Suzhou (included Shenzhen)	100.00 %
Xiamen	100.00 %
Kunshan	0.00 %
Vietnam	75.07 %
Singapore	10.81 %
Slovakia	Union has not yet organized
United States	
Japan	
Korea	
the Netherlands	
Germany	

Note: AUO determines working conditions and terms of employment in accordance with applicable local labor laws and regulations, labor contracts, work rules, or through legally mandated labor-management consultation mechanisms (such as those in Taiwan). AUO also respects employees' rights to freedom of assembly and association, as well as their right to form and join labor unions. Currently, "No labor union established" or "0% participation rate" indicates that employees have not expressed a need to establish a labor union. In Singapore, only direct employees have expressed such a need and joined a labor union.

Human Rights Related Disputes

GRI 406-1

GRI 407-1

GRI 408-1

GRI 409-1

GRI 411-1

	Taiwan	Suzhou	Kunshan	Xiamen	Vietnam	Singapore	Slovakia	Regional office	Supplier
Discrimination cases	0				0				0
Incidents involving Indigenous Peoples' rights	0								Not investigated
Incidents involving forced labor	4								0
Incidents involving child labor	0								0
Hampering freedom of association (labor union) organization	0								Not investigated

Note: All forced labor cases in Taiwan have been completely resolved. Please see 4.1 Human Rights Protection.

Human Rights Assessment

	AUO	Subsidiary	Joint venture	Tier-1 Supplier
Percentage of total assessed in last three years	100%	100%	100%	100%
Percentage of total assessed where risks have been identified	100%	100%	100%	100%
Percentage of risk with mitigation actions taken	100%	100%	100%	100%

Employee Engagement Survey

By Employee Category		
	Percentage of Highly Engaged Employees (%)	Average score (out of 10 points)
AUO	80.56 %	8.95
Indirect employees	83.86 %	9.12
Direct labor	88.98 %	9.02
Management	86.83 %	9.01
Non-management	84.29 %	8.96

By Gender and Nationality		
	Percentage of Highly Engaged Employees (%)	Average score (out of 10 points)
Male	84.41 %	8.93
Female	82.91 %	8.76
Native	92.47 %	9.18
Foreign	87.25 %	8.85

Global Employee Learning and Development Hours

GRI 404-1

By Age and Gender (hours)					
	Male	Female	Under 29	30-49	Over 50
Global Employees	32.64	21.22	23.12	30.91	30.06
Taiwan	49.06	25.46	75.72	40.12	30.39
China	Suzhou	6.58	9.14	4.84	9.80
	Kunshan	29.86	29.50	27.78	30.74
	Xiamen	28.03	24.67	21.16	34.93
Other Asia	Japan	20.50	22.92	60.05	23.49
	Korea	8.52	8.13	0.00	8.70
	Singapore	7.03	12.21	7.15	7.64
	Vietnam	10.57	9.87	5.10	12.80
Europe	Slovakia	11.17	9.53	2.99	11.22
	Germany	35.63	27.55	92.86	33.41
	the Netherlands	0.00	3.93	0.00	0.00
Americas	United States	28.80	21.33	56.87	26.42

By Job Category (hours)						
		AUO	Indirect labor	Direct labor	Management	Non-management
Global Employees		28.73	76.67	8.44	54.58	27.29
Taiwan		40.95	81.98	9.11	57.73	39.54
China	Suzhou	7.44	41.86	2.66	23.34	7.08
	Kunshan	29.73	80.74	10.26	38.54	29.34
	Xiamen	26.88	88.00	15.84	90.77	25.15
Other Asia	Japan	21.16	21.16	0.00	13.90	23.49
	Korea	8.38	8.38	0.00	7.19	8.59
	Singapore	8.57	9.61	0.00	3.96	9.55
	Vietnam	10.28	36.06	0.91	19.96	9.72
Europe	Slovakia	10.37	22.61	2.63	32.87	7.16
	Germany	32.85	32.85	0.00	18.95	34.45
	the Netherlands	3.93	3.93	0.00	0.00	3.93
Americas	United States	26.44	26.44	0.00	18.22	29.51

Employee Training Statistics	
Item	2025
Global course training expenses (NTD)	46,335,642
Average training expenses for indirect employees (NTD)	4,372
Average satisfaction for the year (out of 10 points)	9.61

Coverage Rate of Occupational Health and Safety Management System

Category of Management System	Item	Coverage rate
ISO 45001 (Mainly production sites)	Certified	100%
	Verified by a third party	100%
	Verified by an internal audit at the company's headquarters	100%

○ Work-related Injuries GRI 403-9

Remark: The total working hour calculation is different in response to the labor conditions of each location of business operations and the calculation required by the competent authority. The calculation principles for each region are as follows.

- **Taiwan:** (1) Indirect Labor = Working days of the month (excluding company holidays) × 8 hours/day × Total number of indirect labor/month + (2) Direct labor = 15 days/month × 10 hours/day × Total number of direct labor/month (use 14 days for February)
- **China:** According to the Company's vacation attendance system
- **Singapore:** (Direct Labor x 10 hrs x 15 days) + (Indirect Labor x 8.75 hrs x Working days per month)
- **Slovakia:** (Direct Labor x 11 hrs x Working days per month + Indirect Labor x 8 hrs x Working days per month)

Occupational injury statistics covered
100% of employees.

100%

Note: Occupational injury refers to the disease, injury, disability or death of workers caused by buildings, machinery, equipment, raw materials, materials, chemicals, gases, steam, dust, etc. in the workplace, or work activities and other occupational causes. Excluding traffic injuries.

Note: Occupational injury statistics are calculated in accordance with the definition of occupational injuries under the Occupational Safety and Health Act and the key disability injury metrics published by the Global Reporting Initiative (GRI). The primary indicators used are the Frequency Rate (FR) and Severity Rate (SR) of disabling injuries.

Employees		By Gender and Region						
Number of employees covered by the occupational injury management system		35,048						
Coverage rate of employees under the occupational injury management system (headcount-based)		98.32%						
	All	Male	Female	Taiwan	China	Vietnam	Slovakia	
Number of Employees Covered by the Occupational Health and Safety Management System	35,644	-						
Number of occupational injury deaths (fatalities)	0	0	0	0	0	0	0	
Ratio of occupational injury deaths	0	0	0	0	0	0	0	
Number of serious occupational injuries	0	0	0	0	0	0	0	
Ratio of serious occupational injuries	0	0	0	0	0	0	0	
Number of recordable occupational injuries	10	5	5	8	2	0	0	
Ratio of recordable occupational injuries (LTIFR)	0.12	0.4	0.18	0.42	0.21	3.13	0	
Working hours	79,319,053	52,384,644	26,934,409	33,776,225	44,581,924	794,464	166,440	

Contractors		By Gender and Region						
Number of contractors covered by the occupational injury management system		15,549,472						
Coverage rate of contractors under the occupational injury management system (headcount-based)		99.96%						
	All	Male	Female	Taiwan	China	Vietnam	Slovakia	
Number of Employees Covered by the Occupational Health and Safety Management System	15,555,616							
Number of occupational injury deaths (fatalities)	1	1	0	1	0	0	0	
Ratio of occupational injury deaths	0.06	0.08	0	0.15	0	0	0	
Number of serious occupational injuries (Excluding Fatalities)	1	1	0	1	0	0	0	
Ratio of serious occupational injuries (Excluding Fatalities)	0.06	0	0	0.15	0	0	0	
Number of recordable occupational injuries	3	3	0	3	0	0	0	
Ratio of recordable occupational injuries (LTIFR)	0.19	0.24	0	0.45	0	0	0	
Working hours	15,555,616	12,444,493	3,111,123	6,545,320	8,990,104	14,048	6,144	

Employee		By Type of Injury						
	Slips and Falls	Caught-in, Caught-between, and Crushing Injuries	Struck-by and Impact Injuries	Sprains and Contusions	Punctures, Scratches, and Cuts	Falls from Height	Others	
Number of occupational injury deaths (fatalities)	0	0	0	0	0	0	0	
Ratio of occupational injury deaths	0	0	0	0	0	0	0	
Number of serious occupational injuries (Excluding Fatalities)	0	0	0	0	0	0	0	

Employee	By Type of Injury						
	Slips and Falls	Caught-in, Caught-between, and Crushing Injuries	Struck-by and Impact Injuries	Sprains and Contusions	Punctures, Scratches, and Cuts	Falls from Height	Others
Ratio of serious occupational injuries (Excluding Fatalities)	0	0	0	0	0	0	0
Number of recordable occupational injuries	2	0	3	4	1	0	0
Ratio of recordable occupational injuries	0.02	0	0.03	0.05	0.01	0	0

Contractor	By Type of Injury						
	Slips and Falls	Caught-in, Caught-between, and Crushing Injuries	Struck-by and Impact Injuries	Sprains and Contusions	Punctures, Scratches, and Cuts	Falls from Height	Others
Number of occupational injury deaths (fatalities)	0	1	0	0	0	0	0
Ratio of occupational injury deaths	0	0.06	0	0	0	0	0
Number of serious occupational injuries (Excluding Fatalities)	0	0	0	0	1	0	0
Ratio of serious occupational injuries (Excluding Fatalities)	0	0	0	0	0.06	0	0
Number of recordable occupational injuries	0	2	0	0	1	0	0
Ratio of recordable occupational injuries	0	0.12	0	0	0.06	0	0

Historical Data on Work-Related Fatalities and Recordable Injury Rates					
Category	Item	2025	2024	2023	2022
Employee	Number of occupational injury deaths (fatalities)	0	0	0	0
	Ratio of recordable occupational injuries (LTIFR)	0.12	0.32	0.49	0.28
Contractor	Number of occupational injury deaths (fatalities)	1	0	0	0
	Ratio of recordable occupational injuries (LTIFR)	0.19	0.32	0.19	0.2

Work-related ill health GRI 403-9

2025		
Item	Employee	Contractor
Number of recordable occupational diseases	0	0
Number of occupational disease deaths	0	0
Ratio of occupational disease deaths	0	0
Main types of occupational diseases	0	0

Note: Occupational disease refers to the disease, injury, disability or death of workers caused by buildings, machinery, equipment, raw materials, materials, chemicals, gases, steam, dust, etc. in the workplace, or work activities and other occupational causes. Excluding traffic injuries.

Occupational Safety Training

Item	2025
Cumulative Qualified Training Sessions for Contractors	900 sessions
	21,027 times
Contractor Supervisor Training	239 sessions
	6,129 times
AUO Supervisor Training	244 sessions
	7,797 times

Sustainability Foundation Operations and Volunteer Services

Item	Unit	2025
Donations made by the AUO Foundation	NTD	14,086,226
AUO Sustainability Scholarship Fundraising		9,425,417
Fund raising for Dream Fulfillment Fund.		3,547,352
Sustainable Agriculture Coalition – Purchasing of local produce		13,828,354
Volunteer service hours	Hours	9,908



APPENDIX

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2025 Responses to Material Topic Targets

Environmental Aspect

Material Topic	Key Issue	Goal	2025 Target	Progress in 2025	Achievement Status	Chapter in the Report
Sustainable Product	Sustainable product innovation and design	Decrease energy consumption of IT products ^{Note 1} Base year: 2021	30%	36%	✓	5.1.3 Sustainable Product
		Decrease energy consumption of car products ^{Note 1} Base year: 2021	30%	37%	✓	
		Increase the penetration rate of TV LCD panels ^{Note 1} Base year: 2021	>10%	10%	✓	
		The weight proportion of recycled materials used in special-specification products Base year: 2021	30%	33%	✓	
		The number of products that provide green information, mainly monitors and notebook ^{Note 2}	30 items	222 items	✓	
		Product green information Transparency and Communication				
Circular and clean production	Promote circular and clean production value chain engagement and management	Continue to expand the circular economy supply chain (number of suppliers)	64	85	✓	3.4.1 Circular Economy Management
		Ratio of recycled materials certification for the circular economy supply chain	>90%	100%	✓	
	Market application and commercial value creation of circular and clean production technology	Financial benefits growth rate Base year: 2017	135%	349%	✓	5.1.3 Sustainable Product
		Management innovation of product life cycle	Re-establish product carbon footprint projects and systems in response to standards trends	Product carbon information service	Enhance the Phase 2 carbon management system by incorporating modules such as product circularity calculation and recycled materials management, to support disclosure in response to circular economy trends.	
Climate change	Value chain climate change mitigation and adaptation as management, engagement and operation	Carbon reduction ratio of key suppliers Base year: 2021	8%	24%	✓	2.3.3 Low-Carbon Supply Chain
		Number of suppliers working together on ESG	80	212	✓	2.3.2 Sustainable Supply Chain Risk Governance
	Management of climate change risks and financial impacts	Number of projects completed the risk assessment and management process	3	3	✓	3.1.2 Climate Risk Adaptation
	Carbon asset management and international initiatives	Sign the international initiatives-SBTi	25% absolute emission reduction (base year: 2018)	47% absolute emission reduction ^{Note 3}	✓	3.2.1 Inventory & Mitigation
		Manage carbon credits/ acquiring a qualified total amount of carbon credits	>500,000 tons (carbon offsets)	39,320 tons	✗ ^{Note 4}	

Material Topic	Key Issue	Goal	2025 Target	Progress in 2025	Achievement Status	Chapter in the Report
Energy Management	Renewable energy development, use, and participation in RECs market	Sign the international initiatives-RE100	10% renewable energy usage (target implementation progress)	14.2% renewable energy usage	✓	3.2.3 Use of Renewable Energy
		Shipping volume of modules required by PV market	300 MW	233 MW	✗ ^{Note 5}	5.3.2 High-Quality Solutions
	Improve the efficiency of energy management technology	Number of proposals submitted to annual energy conservation competition	48	52	✓	3.2.2 Energy Efficiency Improvement
		Organizing of annual energy-efficiency and carbon reduction events	2	2	✓	
		Annual Electricity-Saving Rate	4.5%	4.7%	✓	
		Absolute power reduction	204 million kWh	1,164 million kWh	✓	
		Base year: 2021				

Note 1: To better align with customer products, benchmark products from newly launched mass production projects each year are selected as the basis for target setting.

Note 2: Mainly desktop monitors and notebook displays.

Note 3: Compared with the 2018 base year, AUO achieved an absolute emissions reduction of 47%, meeting its first-phase SBTi Well-Below 2° C (WB2C) target. Beginning in 2026, AUO will launch the second phase based on the 2021 base year and align with the 1.5° C pathway, pursuing its new target of 42% absolute emissions reduction by 2030.

Note 4: Due to limited market verification resources, the volume of carbon offset credits applied for is reduced by one year (originally planned for three-year verification, currently conducted for only two years).

Note 5: The energy sector is currently facing significant challenges, including supply-demand imbalance and delays in transition. It is crucial to overcome structural transformation bottlenecks through strengthened land governance, institutionalized social engagement, and enhanced smart grid resilience.

Social Aspect

Material topic	Key Issue	Target	2025 Target	Progress in 2025	Achievement Status	Chapter in the Report
Talent attraction and retention	Competitive rewards and diversity of employee welfare policies content	Percentage of employees who experience happiness and are willing to recommend others to participate	79%	79%	✓	4.2.4 Happy Workplaces
		Overall salary level compared to the industry standard ^{Note 5}	Top 25%	Top 25%	✓	4.2.3 Remuneration & Benefits
	Enhance employee satisfaction and of employer brand image	Q12 Annual Employee Survey on employees' recognition of the company and work ^{Note 6}	80%	80%	✓	4.2.4 Happy Workplaces
		Q12 Annual Employee Survey Coverage Rate	82%	87%	✓	

Note 6: In the Taiwan Stock Exchange's public information observatory, the median salary of full-time employees who do not hold managerial positions is in the top 25% of the same industry.

Note 7: Average recognition degree of employees in four aspects (basic needs, management support, team cooperation, learning growth).

Governance Aspect

Material topic	Key Issue	Target	2025 Target	Progress in 2025	Achievement Status	Chapter in the Report
Technological innovation and market strategy	Establish strategies for product operation, market strategy, and new business development	Shipment volume of products using recycled materials	2.4 million pcs	17.89 million pcs	5.1.3 Sustainable Product	5.1.3 Sustainable Product
		Shipment volume of special-specification products of energy- conservation	16 million pcs	13 million pcs	✗ ^{Note 7}	5.1.3 Sustainable Product

Material topic	Key Issue	Target	2025 Target	Progress in 2025	Achievement Status	Chapter in the Report
Technological innovation and market strategy	Apply core technologies and innovative practices	The products of designated customer, the productivity of promising to use renewable	Satisfaction of customer specified requirements	Continuously engage with stakeholders and fulfill specific customer requirements	✓	-
	Management of product quality, customer satisfaction, and protection of confidential information (customer privacy, company secrets, etc.)	Customer satisfaction rating ratio	93%	96%	✓	2.2.2 Customer Service
Sustainable governance operation	Sustainability goals and all employees culture promotion	Improve the participation of all employees and enrich the knowledge energy through multiple innovative techniques	25,000 person-times	Over 26,000 person-times	✓	4.3.2 Sustainability for All
Supply chain management	Supplier risk management mechanism	LCD local purchase ratio	82.7%	80.2%	✗ Note 8	2.3.2 Sustainable Supply Chain Risk Governance
		LCM local purchase ratio	75%	78.6%	✓	
		Ratio of key direct materials with diverse source development plans	97%	97%	✓	
		The number of key suppliers implementing risk management has increased every year	54	54	✓	
	Supplier consulting/collaborate	Cumulative number of sessions for supplier co-prosperity growth course	28	31	✓	
		Calculated since 2019				
	Promotion of supplier sustainability initiative and evaluation of sustainability competitiveness	The average score of the key supplier ESG scorecard has increased every year Base year: 2023	+5%	+13%	✓	
Stakeholder	The diversity of external interaction channels and brand management	The number of international exhibition participations	6	8	✓	2.1.1 Stakeholder Cultivation
		Annual number of posts on LinkedIn and Facebook	Single platform: >90 articles	LinkedIn: 105 articles; Facebook: 116 articles	✓	
		The number of featured articles on the CSR website	5	5	✓	
	The completeness, timeliness, and quality representation of information disclosure	Implementation of compliant information disclosure processes ^{Note 7}	Implementation	In accordance with AUO's Guidelines for External Disclosure of Information	✓	-
		Obtain representative management system ^{Note 8} certification categories	11	13	✓	AUO Sustainability Website – Quality and Environmental Certificates
	Business risk	Manage business risk and establish a risk culture among all employee	Increase the annual participation rate for activities and courses related to the enhancement of risk culture ^{Note 9}	91%	91%	1.5.1 Risk Identification and Management

Note 8: This refers to the process of ensuring appropriate and accurate information is provided through internal communication, review and publication.

Note 9: Representative management systems include ISO 9001, IATF 16949, QC080000, ANSI/ESD S20.20, ISO 17025, ISO 27001, ISO 14001, ISO 46001, ISO 50001, ISO 45001.

Note 10: To continuously establish a corporate risk culture, annual risk training for all employees will be conducted, with training rates for indirect staff set as the goal.

Response to Material News in 2025



May - Board Re-election

AUO conducted a full re-election of its Board of Directors on May 28, 2025, as part of the regular procedure upon the expiration of the directors' term. Following the re-election, the Board largely maintains its existing structure, with the addition of two independent directors to further strengthen its professional expertise and governance oversight functions.



July - Senior Management Changes

On July 31, 2025, the Board of Directors approved adjustments to senior management positions. Effective August 1, 2025, Mr. Shuang-Lang (Paul) Peng, Chairman and Group Chief Strategy Officer of AUO, was reassigned as Chairman and Group Chief Executive Officer, while Mr. Frank Ko, Chief Executive Officer and President, was reassigned as President and Group Chief Operating Officer.

GRI Index

AUO discloses the following indicators in accordance with the GRI Standards revised in 2021, covering the information of global locations from January 1, 2025 to December 31, 2025. The content has been verified by the third impartial unit, and the limited assurance report is attached in the Appendix.

Standard	Disclosure	Chapter in the Report/Response	Page	Assurance
GRI 2: General Disclosures 2021				Assured by KPMG
The organization and its reporting practices				
2-1	Organizational details	1.1 Company Profile	12	
2-2	Entities included in the organization's sustainability reporting	About the Report	2	
2-3	Reporting period, frequency and contact point	About the Report	2	
2-4	Restatements of information	Appendix-2024 Sustainability Report Corrigenda	254	
2-5	External assurance	About the Report	2	
Activities and workers				
2-6	Activities, value chain and other business relationships	1.1 Company Profile	12	
		2.1.2 Materiality Analysis	44	
		2.3 Responsible Supply Chain	69	
2-7	Employees	Fact Sheet- Employee Information	223	
2-8	Workers who are not employees	Fact Sheet- Employee Information	224	
Governance				
2-9	Governance structure and composition	1.3 Governance Organization	19	
2-10	Nomination and selection of the highest governance body	1.3.1 Board of Directors	19	
2-11	Chair of the highest governance body	1.3.1 Board of Directors	19	
2-12	Role of the highest governance body in overseeing the management of impacts	1.3.1 Board of Directors	19	
		2.1.2 Materiality Analysis	44	
2-13	Delegation of responsibility for managing impacts	1.3.1 Board of Directors	19	
		1.5 Risk Governance	29	
		2.1.2 Materiality Analysis	44	

Standard	Disclosure	Chapter in the Report/Response	Page	Assurance
2-14	Role of the highest governance body in sustainability reporting	1.3.1 Board of Directors	19	Assured by KPMG
2-15	Conflicts of interest	1.3.1 Board of Directors AUO 2025 Annual Report - 2.3. Operation of Corporate governance	19	
2-16	Communication of critical concerns	1.3.1 Board of Directors A total of 19 engagements were conducted in 2025.	19	
2-17	Collective knowledge of the highest governance body	1.3.1 Board of Directors	19	
2-18	Evaluation of the performance of the highest governance body	1.3.1 Board of Directors	19	
2-19	Remuneration policies	1.3.1 Board of Directors	19	
2-20	Process to determine remuneration	1.3.1 Board of Directors	19	
2-21	Annual total compensation ratio	Fact Sheet- Compensation Information	211	
Strategy, policies and practices				
2-22	Statement on sustainable development strategy	Message from the Chairman Message from the CSO	3 4	
2-23	Policy commitments	AUO ESG Website-CSR Policy and Principles 2.3 Responsible Supply Chain 4.1 Human Rights Protection	69 111	
2-24	Embedding policy commitments	Foreword- Sustainable Vision and Goal 4.1 Human Rights Protection	6 11	
2-25	Processes to remediate negative impacts	1.4 Business Integrity 2.1 Stakeholder 4.1 Human Rights Protection	26 40 111	
2-26	Mechanisms for seeking advice and raising concerns	For integrity, see 1.4 Business Integrity and Employee Ethics Violations Reporting System at AUO website. For human rights issues, see 4.1 Human Rights Protection For employees' feedback, see 4.2.4 Happy Workplaces	26 111 125	
2-27	Compliance with laws and regulations	1.4.2 Compliance Fact Sheet-Annual Violations	28 212	
2-28	Membership associations	Fact Sheet-Participate in Associations/organizations	214	
Stakeholder engagement				
2-29	Approach to stakeholder engagement	2.1 Stakeholder	40	
2-30	Collective bargaining agreements	Fact Sheet-Labor Union	229	

Standard	Disclosure	Chapter in the Report/Response	Page	Assurance
GRI 3: Material Topics 2021				Assured by KPMG
3-1	Process to determine material topics	2.1.2 Materiality Analysis	44	
3-2	List of material topics	2.1.2 Materiality Analysis	44	
3-3	Management of material topics	2.1.2 Materiality Analysis	44	
Human rights				
GRI 407: Freedom of Association and Collective Bargaining 2016				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	No suppliers violated freedom of association and collective bargaining, see 4.1 Human Rights Protection & Fact Sheet-Human Rights Related Disputes	115-116	
GRI 408: Child Labor 2016				
408-1	Operations and suppliers at significant risk for incidents of child labor	Suppliers have no risk of child labor use, see 4.1 Human Rights Protection & Fact Sheet-Human Rights Related Disputes	115-116	
GRI 409: Forced or Compulsory Labor 2016				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	2.3.2 Sustainable Supply Chain Risk Governance	70	
		4.1 Human Rights Protection	111	
		Fact Sheet-Human Rights Related Disputes	230	
GRI 411: Rights of Indigenous Peoples 2016				
411-1	Incidents of violations involving rights of indigenous peoples	There were no incidents of indigenous rights violations during the reporting year, see Fact Sheet-Human Rights Related Disputes	230	
2025 Material Topics				
Sustainable product, Technological innovation and market strategy				
GRI 301: Materials 2016				
301-1	Materials used by weight or volume	Fact Sheet-Materials	220	
301-2	Recycled input materials used	Fact Sheet-Materials	220	
301-3	Reclaimed products and their packaging materials	Fact Sheet-Materials	220	
GRI 416: Customer Health and Safety 2016				
416-1	Assessment of the health and safety impacts of product and service categories	2.2.1 Product Quality	61	
		5.1.3 Sustainable Product Green product hazardous substance management regulations 100% cover key customer specifications.	153	

Standard	Disclosure	Chapter in the Report/Response	Page	Assurance
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	AUO develops and manufactures products in compliance with relevant laws and regulations, and there has been no instance of penalty due to violations.		Assured by KPMG
GRI 417: Marketing and Labeling 2016				
417-1	Requirements for product and service information and labeling	All of AUO's display products have ROHS and lead-free labels. In terms of product disposal, since display products are not end products, there are no related labels. Solar products have passed IEC certification and are marked in the specification documents.		
417-2	Incidents of non-compliance concerning product and service information and labeling	There were no violations of any relevant laws and regulations or voluntary codes in the reporting year.		
417-3	Incidents of non-compliance concerning marketing communications	There were no violations of any relevant laws and regulations or voluntary codes in the reporting year.		
Circular & clean production				
GRI 306: Waste 2020				
306-1	Waste generation and significant waste-related impacts	3.4.4 Waste Recycling and Reuse	99	
306-2	Management of significant waste-related impacts	3.4.4 Waste Recycling and Reuse	99	
306-3	Waste generated	Fact Sheet-Waste	220	
306-4	Waste diverted from disposal	3.4.4 Waste Recycling and Reuse Fact Sheet-Waste	99 220	
306-5	Waste directed to disposal	3.4.4 Waste Recycling and Reuse Fact Sheet-Waste	99 220	
Climate change				
GRI 102: Climate Change 2025				
102-1	Transition plan for climate change mitigation	4.4 Impact of sustainability-related risks and opportunities on strategy and decision-making Section of AUO Corporation's 2025 Annual Report.		Assured by DNV
102-2	Climate change adaptation plan	4.4 Impact of sustainability-related risks and opportunities on strategy and decision-making Section of AUO Corporation's 2025 Annual Report.		
102-4	GHG emissions reduction targets and progress	3.1.3 Metrics and Targets	81	
102-5	Scope 1 GHG emissions	Appendix- ISO 14064 Verification Statement	25	
102-6	Scope 2 GHG emissions	Appendix- ISO 14064 Verification Statement	25	
102-7	Scope 3 GHG emissions	Appendix- ISO 14064 Verification Statement	25	
102-8	GHG emissions intensity	3.2.1 Inventory & Mitigation	83	

Standard	Disclosure	Chapter in the Report/Response	Page	Assurance
Energy management				Assured by KPMG
GRI 103: Energy 2025				
103-1	Energy policies and commitments	3.2.2 Energy Efficiency Improvement	88	
		2.1.2 Materiality Analysis-Double Materiality Analysis	44	
103-2	Energy consumption and self-generation within the organization	Fact Sheet- Energy consumption	217	
103-3	Upstream and downstream energy consumption	AUO CSR Website-Value Chain Emissions Management		
103-4	Energy intensity	Fact Sheet- Energy consumption	217	
103-5	Reduction in energy consumption	3.2.2 Energy Efficiency Improvement	88	
Talent attraction and retention				
GRI 401: Employment 2016				
401-1	New employee hires and employee turnover	Fact Sheet-New employee & employee turnover	225	
401-2	Benefits provided to full time employees that are not provided to temporary or part time employees	4.2.2 Diversity & Inclusion	121	
		4.2.3 Remuneration & Benefits	123	
		4.2.4 Happy Workplaces	125	
401-3	Parental leave	4.2.2 Diversity & Inclusion	121	
		Fact Sheet-Parental Leave	228	
GRI 402: Labor/Management Relations 2016				
402-1	Minimum notice periods regarding operational changes	AUO handles significant operational change notifications in accordance with local laws and regulations.		
GRI 404: Training and Education 2016				
404-1	Average hours of training per year per employee	Fact Sheet-Average Hours of Training	230	
404-2	Programs for upgrading employee skills and transition assistance programs	4.3 Talent Development	129	
404-3	Percentage of employees receiving regular performance and career development reviews	4.3.2 Sustainability for All	131	
GRI 405: Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	1.3.1 Board of Directors	19	
		4.2.2 Diversity & Inclusion	121	
		Fact Sheet-Board Composition & Diversity	211	
		Fact Sheet-Employee Category & Percentage of Gender	224	
405-2	Ratio of basic salary and remuneration of women to men	Fact Sheet-Ratio of Basic Salary and Remuneration of Gender	228	

Standard	Disclosure	Chapter in the Report/Response	Page	Assurance	
GRI 406: Non-discrimination 2016					
406-1	Incidents of discrimination and corrective actions taken	There were no incidents of discrimination during the reporting year, see 4.1 Human Rights Protection and Fact Sheet-Human Rights Related Disputes	115-116	Assured by KPMG	
Supply chain management					
GRI 204: Procurement Practices 2016					
204-1	Proportion of spending on local suppliers	2.3.2 Sustainable Supply Chain Risk Governance	70		
		Fact Sheet-Percentage of local procurement from suppliers	217		
GRI 308: Supplier Environmental Assessment 2016					
308-1	New suppliers that were screened using environmental criteria	2.3.2 Sustainable Supply Chain Risk Governance	70		
		Fact Sheet-Risk Assessment of Suppliers	217		
308-2	Negative environmental impacts in the supply chain and actions taken	2.3.2 Sustainable Supply Chain Risk Governance	70		
		Fact Sheet-Risk Assessment of Suppliers	217		
GRI 414: Supplier Social Assessment 2016					
414-1	New suppliers that were screened using social criteria	2.3.2 Sustainable Supply Chain Risk Governance	70		
		Fact Sheet-Risk Assessment of Suppliers	217		
414-2	Negative social impacts in the supply chain and actions taken	2.3.2 Sustainable Supply Chain Risk Governance	70		
		Fact Sheet-Risk Assessment of Suppliers	217		
Other Topics					
GRI 201: Economic Performance 2016					
201-1	Direct economic value generated and distributed	Fact Sheet-Economic Value Distribution	210		
201-2	Financial implications and other risks and opportunities due to climate change	3.1.2 Climate Risk Management	80		
201-3	Defined benefit plan obligations and other retirement plans	4.2.3 Remuneration & Benefits	123		
		Fact Sheet-Retirement	229		
201-4	Financial assistance received from government	Fact Sheet-Financial Assistance Received from Government	210		
GRI 202: Market Presence 2016					
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Fact Sheet-Ratios of Standard Wage Compared to Local Minimum Wage	227		
202-2	Proportion of senior management hired from the local community	4.2.1 Talent Distribution	117		
		Fact Sheet-Ratio of Management Hired from the Local Community	227		

Standard	Disclosure	Chapter in the Report/Response	Page	Assurance
GRI 203: Indirect Economic Impacts 2016				Assured by KPMG
203-1	Infrastructure investments and services supported	1.5 Risk Governance 4.5 Social Engagement	29 142	
203-2	Significant indirect economic impacts	4.5 Social Engagement	142	
GRI 205: Anti-corruption 2016				
205-1	Operations assessed for risks related to corruption	In 2025, AUO has conducted anti-corruption audits at 100% of our global operating locations (Taiwan, China, Japan, Korea, Singapore, United States and Europe), and no significant corruption risks have been identified.		
205-2	Communication and training about anti-corruption policies and procedures	The number of members of AUO's governance unit who have received anti-corruption training and communication is 9, accounting for 100%; for information on employees receiving anti-corruption training and communication, please refer to section 1.4 Business Integrity. In 2025, the number of suppliers with transactions who have received anti-corruption communication is 3,537, accounting for 100%.	26	
205-3	Confirmed incidents of corruption and actions taken	In 2025, there was two confirmed case related to fraud or ethical misconduct. The employee involved received a demerit for violation of internal work regulations.		
GRI 206: Anti-competitive Behavior 2016				
206-1	Legal actions for anticompetitive behavior, antitrust, and monopoly practices	1.4.2 Regulation Compliance For more about other cases, see AUO Annual Report	28	
GRI 207: Tax 2019				
207-1	Approach to tax	1.2.2 Tax Governance	18	
207-2	Tax governance, control, and risk management	1.2.2 Tax Governance	18	
207-3	Stakeholder engagement and management of concerns related to tax	1.2.2 Tax Governance	18	
207-4	Country-by-country reporting	AUO has established operational and manufacturing sites worldwide and submits countryby-country reporting data annually to the relevant tax authorities.		
GRI 303: Water and Effluents 2018				
303-1	Interactions with water as a shared resource	3.3 Water Resources	93	
303-2	Management of water discharge-related impacts	3.4.2 Wastewater and Pollution Management	98	
303-3	Water withdrawal	Fact Sheet-Water	218	
303-4	Water discharge	Fact Sheet-Water	218	
303-5	Water consumption	Fact Sheet-Water	218	

Standard	Disclosure	Chapter in the Report/Response	Page	Assurance
GRI 403: Occupational Health and Safety 2018				Assured by KPMG
403-1	Occupational health and safety management system	4.4.2 Safe Workplace	137	
403-2	Hazard identification, risk assessment, and incident investigation	4.4.2 Safe Workplace	137	
403-3	Occupational health services	4.4.2 Safe Workplace	137	
403-4	Worker participation, consultation, and communication on occupational health and safety	4.4.2 Safe Workplace	137	
403-5	Worker training on occupational health and safety	4.4.2 Safe Workplace	137	
403-6	Promotion of worker health	4.4.1 Healthcare	135	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.4.2 Safe Workplace	137	
403-8	Workers covered by an occupational health and safety management system	4.4.2 Safe Workplace	137	
403-9	Work-related injuries	4.4.2 Safe Workplace Fact Sheet-Work-related Injuries	137 232	
403-10	Work-related ill health	4.4.2 Safe Workplace Fact Sheet-Work-related Injuries	137 232	
GRI 413: Local Communities 2016				
413-1	Operations with local community engagement, impact assessments, and development programs	4.1 Human Rights Protection	111	
		4.5 Social Engagement	142	
		The Company's major production sites are located in Taiwan (Taipei, Huaya, Longtan, Lungke,Hsinchu, Houli, Taichung, Tainan, Kaohsiung), China (Xiamen, Suzhou, Kunshan), and Vietnam, totaling 13 sites. As of 2025, the Company has implemented community engagement, impact assessments, and development programs at 85% of its major production sites (excluding Kaohsiung and Kunshan).		
413-2	Operations with significant actual and potential negative impacts on local communities	No operational activities with significant negative impacts on local communities were identified during the reporting year.		
GRI 415: Public Policy 2016				
415-1	Political contributions	There were no political contributions in the reporting year.		
GRI 418: Customer Privacy 2016				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no actual complaints of customer privacy violations and loss of customer data in the reporting year.		

SASB Index

Topic/Code	Accounting Metric	Category	Summary	Reference Chapter	Page		
Product Security/TC-HW-230a.1	Description of approach to identifying and addressing data security risks in products	Discussion and Analysis	To ensure product security for customers, AUO follows the NIST SSDF (National Institute of Standards and Technology Secure Software Development Framework) in software and system development projects. This includes regulatory and customer requirement analysis, risk assessment, secure design and development, validation and deployment, and incident response.	1.5.2 Information Security & Privacy Protection	34		
Employee Diversity& Inclusion/TC-HW-330a.1	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Quantitative	Gender composition of AUO's global workforce is as follows:	4.2.1 Talent Distribution	117		
						Male	Female
			% of senior managers			89.83%	10.17%
			% of managers			70.70%	29.30%
			% of professional/technical employees			62.87%	37.13%
			% of general staff			72.62%	27.38%
% of all employees	65.77%	34.23%					
Product Lifecycle Management/TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative	AUO regularly updates its "Green Product Hazardous Substance Management Specifications" to comply with environmental and restricted substances regulations. The controlled substances list fully covers the IEC 62474 declarable substances (100% coverage).	2.2.1 Product Quality	61		
			In accordance with internal procedures, all materials are required to complete green product verification prior to mass production to ensure compliance with hazardous substance management requirements before being introduced into mass production. Therefore, all mass-produced products are included in the scope of hazardous substance management and compliance control.				
			Although certain materials may still contain trace amounts of regulated substances due to current technological limitations, their concentrations comply with the reporting thresholds and restriction requirements stipulated by relevant regulations.				
Product Lifecycle Management/TC-HW-410a.2	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	Quantitative	As AUO's main products are not end-user products, they are not eligible for direct EPEAT certification. However, AUO continues to develop and supply products that meet or exceed EPEAT-equivalent specifications, such as fluorinated gas equipment with proper destruction rates. AUO promotes sustainable products through hazardous substance control, circular material use, packaging reduction, and energy-efficient design.	2.2.1 Product Quality	61		
				5.1.3 Sustainable Product	153		
				3.1 Climate Action	78		
				3.4 Circular & Clean Production	96		
Product Lifecycle Management/TC-HW-410a.3	Percentage of eligible products, by revenue, certified to an energy efficiency certification	Quantitative	As AUO's products are not end-user products, they cannot be directly certified under programs like Energy Star. Nevertheless, in 2025 66.68% of revenue from desktop display modules met energy efficiency certification standards or equivalent requirements through customer collaborations.	5.1.3 Sustainable Product	153		

Topic/Code	Accounting Metric	Category	Summary	Reference Chapter	Page
Product Lifecycle Management/TC-HW-410a.4	Weight of end-of-life products and e-waste recovered; percentage recycled	Quantitative	As AUO's products are not end-user products, e-waste recovery data is difficult to collect.	2.2.1 Product Quality	61
			AUO provides product repair services during the warranty period. In 2025, 139,236 units were serviced: 36% restored to original function, 64% repurposed. Weight of end-of-life products and e-waste recovered; percentage recycled: 26.63 metric tons of internal electronic components were recycled and sold in 2025.	3.4.4 Reuse of Waste	99
Supply Chain Management/TC-HW-430a.1	Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	Quantitative	In 2025, (a) 88.6% of all Tier 1 direct material suppliers note and (b) 100% of high-risk suppliers underwent RBA or equivalent audits. <i>Note:</i> High-risk suppliers refer to those with annual procurement amounts exceeding NT\$100 million	2.3 Responsible Supply Chain	69
Supply Chain Management/TC-HW-430a.2	Tier 1 suppliers' (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances	Quantitative	In 2025, 38.7% of Tier 1 direct material suppliers (1) failed AUO's RBA audits. (2) The corrective action implementation rate was 100.00%.	2.3 Responsible Supply Chain	69
Materials Sourcing/TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	AUO follows OECD Due Diligence Guidance to establish a conflict minerals policy, requiring suppliers to submit relevant information and ensure compliance. Risk identification and supply chain management also cover the risks associated with critical materials.	1.5.1 Risk Identification and Management	29
				2.3.2 Sustainable Supply Chain Risk Governance	70

Topic/Code	Accounting Metric	Category	Summary	Reference Chapter	Page
TC-HW-000.A	Number of units produced by product category	Quantitative	In 2025, AUO shipped a total of 130.561 million panel units: ≥10": 101.750 million units <10": 28.811 million units	1.2.1 Financial Performance	17
TC-HW-000.B	Area of manufacturing facilities	Quantitative	Total floor area of all manufacturing facilities: 4.7142 million square meters	-	-
TC-HW-000.C	Percentage of production from owned facilities	Quantitative	In 2025, 94.86% of panel production was from AUO's own facilities (calculated based on facility input cost, excluding OEM).	-	-

TWSE Sustainability Disclosure Index – Optoelectronics Industry

Code/SASB Reference Code	Activity Metrics	Category	Annual Disclosure		Remark		Assurance
			Summary	Unit	Reference Chapter	Page	
1. TC-CS-130a.1	- Total energy consumed - percentage grid electricity - percentage renewable	Quantitative	15,598,488.75 81.7% 13.5%	Gigajoules (GJ), Percentage (%)	3.2.1 Inventory & Mitigation Fact Sheet- Energy consumption	83 217	
2.	- Total water withdrawn - total water consumed, percentage of each in regions	Quantitative	23,116.14 thousand cubic meters 72.0% 5,690.44 thousand cubic meters 52.7%	Thousand cubic meters (1,000 m³)	3.3 Water Resources Management Fact Sheet-Water	93 218	
3. TC-SC-150a.1	Amount of hazardous waste generated, percentage recycled	Quantitative	In 2025, hazardous waste generated 10,305.48 metric tons, 75.55% recycled.	Metric tons (t), Percentage (%)	3.4.4 Waste Recycling and Reuse Fact Sheet- Waste	99 220	
4.	Description of the type, number and rate of workrelated injuries	Quantitative	In 2025, recordable lost-time injury frequency rate (LTIFR) is 0.12, number of recordable occupational injuries are 8, number of recordable occupational diseases is 0, number of occupational injury deaths is 0. The main types of occupational injuries are slip/fall, sprain/bruise and pinch/roll/crush. The ratio of the annual number of occupational accidents to the total number of employees at the end of 2025 is 0.12.	Quantity, Percentage (%)	4.4.2 Safe Workplace Fact Sheet- Work- related ill health	137 231- 233	Assured by KPMG
5.	Description of the management of product lifecycle, amount of weight of end-of-life products and e-waste recovered, percentage recycled Note: Including the sale of tailing or other recycling	Quantitative	Duo to AUO's product are not end product, it is difficult to collect data. AUO provides product repair service to customers within the product warranty period. In 2025, a total of 139,236 pieces were processed, 36% of which were restored to their original functions after repairs, and 64% were diverted for other purposes. In 2025, the total weight of electronic waste recycled and sold in the factory are 26.57 metric tons.	Metric tons (t), Percentage (%)	2.3.1 Sustainable Supply Chain Management Strategy 3.4.4 Waste Recycling and Reuse	69 99	

Code/SASB Reference Code	Activity Metrics	Category	Annual Disclosure		Remark		Assurance
			Summary	Unit	Reference Chapter	Page	
6. TC-HW-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	AUO establishes the Conflict-free Minerals policy according to the due diligence investigation procedures of the Organization for Economic Cooperation and Development (OECD), and requests suppliers to attach importance, fulfill jointly, and submit related documents to regular monitoring to ensure the implementation of the conflict-free mineral policy. In addition, AUO's risk identification and supply chain management also include key material risk management and response.	Not applicable	1.5.1 Risk Identification and Management 2.3.2 Sustainable Supply Chain Risk Governance	29 232	Assured by KPMG
7. RT-EE-510a.3	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	In 2025, no monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations.	Reporting currency	1.4.2 Compliance	28	
8. TC-HW-000.A	Number of units produced by product category	Quantitative	In 2025, AUO's panel product shipments totaled 130.56 million units, with 101.75 million units of panels 10 inches and above, and 28.81 million units of panels below 10 inches.	Varies by product type	1.2.1 Financial Performance	17	

TCFD Framework Alignment Table

AUO incorporates climate change into its sustainability objectives and addresses related challenges through both adaptation and mitigation strategies. Following the TCFD framework, AUO has established a company-wide climate risk and opportunity management approach and applies the PDCA (Plan-Do-Check-Act) cycle to drive continuous improvement and long-term climate resilience.

Core Elements	Description	Management Approach	Management Responsibility	Reference Chapter	Reference Chapter in the Sustainability-related Financial Information Section of AUO Corporation's 2025 Annual Report
Governance	Disclose the organization's governance around climate-related risks and opportunities.	Board Oversight - The Board of Directors serves as the Company's highest governing and decision-making body and oversees the effective operation of the climate governance mechanism. - Climate-related performance and progress are regularly reported to the Sustainability and ERM Executive Committee, a functional committee under the Board of Directors.	Management Roles and Responsibilities The Sustainability and ERM Executive Committee serves as the climate governance execution body. Led by the Chief Sustainability Officer and senior executives responsible for relevant functions, the Committee reports directly to the Chairman. Reported topics include progress on climate-related issue management, reviews of target achievement, and monitoring of external trends and developments related to climate change.	1.3 Governance Organization 3.1.1 Governance & Strategy	2.2.1 The Role of the Governing Body and Management in Addressing Sustainability-Related Risks and Opportunities
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	Risk and Opportunity Strategy - Driving decarbonization across the value chain - Renewable energy development and market expansion - Climate actions aligned with sustainability goals	Financial Impacts of Risks and Opportunities - Assessment based on the categories of people, equipment, materials, methods, and environment - Regular updates of financial impact assessments - Evaluation and prioritization of cases based on the magnitude of financial impacts	Scenario Analysis - Transition Risks: IPCC Sixth Assessment Report (AR6) SSP1-1.9 scenario - Physical Risks: SSP5-8.5 high warming scenario	3.1.2 Climate Risk Adaptation 4.5 Impact of Sustainability-Related Risks and Opportunities on Financial Position, Financial Performance, and Cash Flows 4.7 Climate Resilience: Climate-related Scenario Analysis and Assessment

Core Elements	Description	Management Approach	Management Responsibility	Reference Chapter	Reference Chapter in the Sustainability-related Financial Information Section of AUO Corporation's 2025 Annual Report
Risk Management	Disclose how the organization identifies, assesses, and manages climate-related risks.	Identification and Assessment Process - Integrated with AUO's enterprise-wide risk identification process - Established dedicated working groups for climate-related risk issues - Climate-related opportunities are reviewed by the Sustainability and ERM Committee	Management Process - Annual project-based management following the PDCA (Plan-Do-Check-Act) cycle - Establishment of risk scenario assumptions - Assignment of responsible business units based on identified scenarios - Assessment and management of financial impacts - Annual performance and progress reporting	Annual Risk Management Mechanism - High-risk issues are escalated to senior management meetings for oversight and management - Climate risk scenarios are managed through a project-based approach	4.2 Strategic Disclosure of Sustainability-Related Risks and Opportunities 4.3 Current and Expected Impacts of Sustainability-Related Risks and Opportunities on the Business Model and Value Chain
Metrics & Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Metrics - Mitigation: Carbon emissions reduction, SBTi emissions reduction targets, and RE100 pathway achievement - Adaptation: Enhancing climate resilience and continuously reducing climate-related financial risks and impacts	Carbon Emissions Management - Greenhouse gas inventories are conducted in accordance with ISO 14064, and net-zero buildings are verified under ISO 14068 Carbon Neutrality. - Organizational boundary: Scope 1 and Scope 2 emissions - Other indirect emissions: Scope 3, with all 13 applicable categories inventoried and assessed	Target Setting and Performance Review - Quantitative target management - Renewable energy, power quality, and energy efficiency - Reclaimed water utilization and water resource security - Carbon emissions reduction and value chain decarbonization - Circular economy initiatives involving recycled materials and plastic reduction - Carbon credit acquisition and enhancement of renewable energy certificate value - Building a resilient value chain ecosystem to strengthen operational resilience	3.2.1 Inventory & Mitigation 3.2.2 Energy Efficiency Improvement 3.2.3 Use of Renewable Energy 5.2.2 Climate-related transition risks 5.2.3 Climate-Related Physical Risks

TWSE-listed & OTC-listed Companies' Climate Information

Item	Progress
1. Describe the board of directors and management's supervision and governance of climate-related risks and opportunities	AUO places great importance on the governance functions of senior management with respect to sustainability-related risks and opportunities. The Board of Directors, as the highest governing and decision-making body, formulates sustainability-related risk management strategies in alignment with business strategies and the industry environment, and oversees the effective operation of management mechanisms. Material sustainability-related issues are reported to or resolved by the Board on a quarterly basis. The Sustainability and ERM Committee has been established under the Board to assist in advancing sustainability development and strengthening risk governance to achieve sustainable operations.
2. Describe how the identified climate risks and opportunities affect the company's business, strategy, and financials (short-term, medium-term, long-term)	» For information on how climate-related risks and opportunities affect the Company's business and strategy, please refer to Table 4.2.1 "The Company's Sustainability-Related Risks and Opportunities" in the Sustainability-related Financial Information Section of AUO Corporation's 2025 Annual Report. » For the financial impacts arising from climate-related risks and opportunities, please refer to Section 4.5.3 "Expected Impact of Sustainability-Related Risks and Opportunities on Short-Term, Medium-Term, and Long-Term Financial Position, Financial Performance, and Cash Flows" in the Sustainability-related Financial Information Section of AUO Corporation's 2025 Annual Report. » For the strategies adopted to address climate-related risks and opportunities, please refer to Section 4.4 "Impact of sustainability-related risks and opportunities on strategy and decision-making" in the Sustainability-related Financial Information Section of AUO Corporation's 2025 Annual Report.

Item	Progress
3. Describe the impact of extreme climate events and transition actions on financials	• Power Supply Constraints » Extreme weather events such as heatwaves, cold spells, and droughts may increase overall electricity demand. Combined with government energy policies and insufficient power supply, enterprises without alternative energy sources may face unstable or insufficient electricity supply, leading to temporary production interruptions or adjustments to production schedules. This may affect output and revenue and increase operating costs. AUO continues to implement energy-saving initiatives and invests in upgrading high energy-consuming equipment. In the short term, this is expected to result in capital expenditures and cash outflows of approximately NT\$607,328 thousand. Maintenance and repair costs for backup power systems are estimated at NT\$78,162 thousand, increasing current expenses. Medium- to long-term financial impacts remain uncertain and cannot be reliably quantified. • Water Resource Management » Heatwaves and heavy rainfall increase the frequency and intensity of floods and droughts, affecting freshwater availability. Rising industrial water demand combined with insufficient public water supply during dry seasons may result in water shortages and unstable supply, leading to production adjustments or temporary shutdowns, thereby affecting revenue and increasing response costs. The Company continues to implement water efficiency and water sourcing initiatives. In the short term, efforts focus on diversifying water sources and enhancing water recycling, with expected expenditures of approximately NT\$77,367 thousand. • Financial Impacts of Transition Actions » Carbon fees may increase gradually due to policy developments, directly raising operating costs and affecting profitability. However, through carbon reduction initiatives, the Company expects to qualify for preferential rates, thereby mitigating the impact. In the short term, estimated carbon fee expenses are approximately NT\$14,650 thousand. In addition, renewable energy procurement contracts are expected to result in short-term green electricity costs of approximately NT\$3.6 billion. Over the medium to long term, expanded renewable energy use and diversified investments are expected to increase operating costs. For further details, please refer to Section 4.5.3 "Expected Financial Impacts of Sustainability-related Risks and Opportunities on Short-, Medium-, and Long-term Financial Position, Financial Performance, and Cash Flows" in the Sustainability-related Financial Information Section of AUO Corporation's 2025 Annual Report.
4. Describe how the identification, assessment, and management process of climate risks is integrated into the overall risk management system	The identification, assessment, prioritization, and monitoring of sustainability-related risks and opportunities have been integrated into the Company's overall risk management framework. To strengthen the Board's oversight and management functions, the Sustainability and ERM Committee supports the Board in governing such risks and opportunities and reports regularly to the Board. The management processes for sustainability-related risks and opportunities are overseen by the Board-level Sustainability and ERM Committee, while the Sustainability and ERM Committee is responsible for implementing sustainability development objectives for various climate-related opportunities.
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analytical factors, and main financial impacts should be described	For physical risks, AUO adopts IPCC AR6 climate scenarios, including SSP1-RCP2.6 and SSP5-RCP8.5, and references TCCIP climate simulation data. Historical high-frequency power outage and water shortage events are incorporated as key assumptions for analysis. The analytical factors include the impact of rising temperatures on electricity demand for air conditioning and variations in water shortages under extreme climate conditions. For transition risks, the Company adopts the IEA Net Zero Emissions by 2050 (NZE) scenario and uses a carbon fee range of NT\$300 to NT\$1,500 per ton as key parameters to assess the impact of carbon pricing mechanisms on operating costs. For further details, please refer to Section 4.7.1 "Scenario Analysis and Assessment of Strategies and Business Models" in the Sustainability-related Financial Information Section of AUO Corporation's 2025 Annual Report.
6. If there are transition plans to address the management of climate-related risks, describe the content of the plan, as well as the indicators and targets used to identify and manage physical risks and transition risks	» For AUO's climate transition plan, please refer to the "Climate Transition Plan (including key assumptions, elements, and conditions)" section in the Sustainability-related Financial Information Section of AUO Corporation's 2025 Annual Report. » For the metrics and targets used by AUO to identify and manage physical and transition risks, please refer to Section 5 "Metrics and Targets" in the Sustainability-related Financial Information Section of AUO Corporation's 2025 Annual Report.
7. If internal carbon pricing is used as a planning tool, the basis for price setting should be explained	AUO's internal carbon pricing methodology is developed based on Taiwan's power structure, energy transition costs, and renewable energy targets, and is dynamically adjusted according to low-carbon transition pathways. In 2025, the internal carbon price was set at NT\$8,318 per ton, equivalent to approximately NT\$4 per kWh of external carbon cost.

Item	Progress
8. If climate-related goals are set, information on the covered activities, GHG emission categories, planning period, and annual progress should be provided. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these goals, the source and quantity of the offset carbon reductions or the number of RECs should be specified	1. Climate-related Targets • SBTi Targets: Reduction of Direct (Scope 1 and Scope 2) and Indirect (Scope 3) Emissions » With a more ambitious low-carbon transition vision, AUO has set a target to reduce its organizational carbon emissions (Scope 1 and Scope 2) by 42% by 2030, using 2021 as the base year. For indirect emissions (Scope 3), the Company has established an absolute reduction target of 25% aligned with the "Well Below 2° C (WB2C)" scenario, covering categories including purchased goods and services, fuel- and energy-related activities, and the use of sold products. The targets have been validated by the Science Based Targets initiative (SBTi). - In 2025, Scope 1 and Scope 2 emissions decreased by 35.94% compared to the base year, while Scope 3 emissions decreased by 26.53%. • Reduction of Purchased Electricity in High Energy-consuming Manufacturing Sites » Using total process electricity consumption in 2021 as the baseline, AUO has set a target to achieve a 30% reduction in electricity consumption by 2030. In 2025, process electricity consumption had already decreased by 21.1% compared to the baseline year. • Renewable Energy Usage Ratio » As a member of RE100, AUO is committed to achieving 30% renewable energy usage by 2030 and 100% by 2050. In 2025, total renewable electricity consumption reached approximately 586.97 million kWh, representing 14.2% of total electricity usage. - For further details, please refer to Section 3.2.3 "Use of Renewable Energy" in AUO's 2025 Sustainability Report. • Value Chain Decarbonization » AUO collaborates with 60 key suppliers to jointly commit to carbon reduction. The initiative is implemented through four stages: carbon inventory, target setting, emissions reduction, and target achievement. The Company aims to achieve a 25% absolute reduction by 2030, with a 24% reduction achieved in 2025. • Carbon Asset Opportunities » The Company actively manages its carbon assets and participates in Taiwan's carbon trading market to generate revenue, which will be reinvested in the research and development of green technologies. 2. Carbon Offsetting » AUO continues to implement the "SF6 Abatement and Reduction Offset Project at the Longtan and HwaYa Sites," including monitoring and verification processes. In 2025, verification for the second monitoring period (2022–2023) was conducted. Due to the severe impacts of the COVID-19 pandemic during this monitoring period, production levels were constrained by market supply-demand conditions and workforce availability, resulting in significantly lower operational levels compared to the project registration phase. The total amount of carbon credits applied for during the second monitoring period was 166,640 tons, representing a decrease of 34.29% compared to the project registration period. The cumulative total carbon credits reached approximately 393,200 tons. 3. Renewable Energy Certificates (RECs) • Taiwan: In 2025, AUO procured 303,814.81 thousand kWh of renewable energy certificates. • China: » AUO has installed solar power systems at its Suzhou, Xiamen, and Kunshan sites, with electricity generated for self-consumption. In 2024, total self-generated and self-consumed electricity reached 62,526.59 thousand kWh. » In 2024, AUO conducted green electricity trading through the Beijing Power Exchange at its Suzhou and Kunshan sites and obtained green electricity certificates. The "Green Electricity Consumption Certificate" and "Green Electricity Trading Certificate" represent renewable electricity with a certain level of generation-consumption time matching. In 2025, the total volume of green electricity traded reached 216,601 thousand kWh.
9. GHG inventory and verification status, including emission reduction targets, strategies, and concrete action plans	AUO conducted greenhouse gas inventory in 2025 in accordance with ISO 14064-1:2018 and obtained third-party assurance. For further details, please refer to the Appendix – ISO 14064 Verification Statement in AUO's 2025 Sustainability Report.
10. Describe how the identification, assessment, and management process of climate risks is integrated into the overall risk management system	For further information, please refer to Sections 3.1.3 "Metrics and Targets," 3.2.1 "Inventory and Mitigation," 3.2.2 "Energy Efficiency Improvement," and 3.2.3 "Use of Renewable Energy" in AUO's 2025 Sustainability Report.

GHG inventory and assurance for the most recent two years

	Company	Parent/Subsidiary Company	Total Emissions (tCO ₂ e)		Emissions Intensity (tCO ₂ e/million NTD)		Assurance Provider	Assurance Statement Overview
			2025	2024	2025	2024		
Scope 1	AUO Corporation	Parent Company	62,632.25	48,512.03	0.29	0.22	DNV	Verified by an inspection agency accredited by the Environmental Protection Administration. Please refer to the assurance statement in the Appendix.
	AUO (Kunshan) Co., Ltd.	Subsidiary Company	9,145.42	8,791.12	0.46	0.4		
	AUO (Xiamen) Co., Ltd.		1,232.05	2,444.86	0.03	0.05		
	AUO (Suzhou) Co., Ltd.		751.84	7,518.78	0.02	0.17		
	AUO Manufacturing (Shanghai) Co., Ltd.		0	-	-	-		
	AUO Display Plus Corporation		0	-	0	-		
	AET Corporation		54.95	-	0.05	-		
	AUO Education Service Corp.		40.74	-	0.56	-		
	AUO Crystal Corp.		4.51	-	0	-		
	AUO (Vietnam) Company Limited		14.37	19.41	0.02	0.02		
	AUO Europe B.V. German Branch		0	-	-	-		
	AUO (Slovakia) s.r.o.		102.86	87.79	0.64	0.57		
	AUO Mobility Solutions Group		1,021.06	-	0.04	-		
	AUO Mobility Solutions Corporation America		0	-	0	-		
	AUO Mobility Solutions Corporation Japan		0	1.35	0	0.01		
	AUO Korea Ltd.		0	4.49	0	0.04		
	AFPD Pte. Ltd.		0	-	-	0.01		
	M.Setek Co., Ltd.		702.50	-	0.81	-		
	Total		75,702.55	67,379.86	-			
Scope 2	AUO Corporation	Parent Company	1,594,876.37	1,799,970.78	7.35	8.05	DNV	Verified by an inspection agency accredited by the Environmental Protection Administration. Please refer to the assurance statement in the Appendix.
	AUO (Kunshan) Co., Ltd.	Subsidiary Company	114,730.33	166,793.45	5.79	7.65		
	AUO (Xiamen) Co., Ltd.		40,186.79	48,666.20	0.85	0.96		

	Company	Parent/Subsidiary Company	Total Emissions (tCO ₂ e)		Emissions Intensity (tCO ₂ e/million NTD)		Assurance Provider	Assurance Statement Overview
			2025	2024	2025	2024		
Scope 2	AUO (Suzhou) Co., Ltd.	Subsidiary Company	53,439.32	72,731.41	1.19	1.64	DNV	Verified by an inspection agency accredited by the Environmental Protection Administration. Please refer to the assurance statement in the Appendix.
	AUO Manufacturing (Shanghai) Co., Ltd.		43.69	49.07	-	-		
	AUO Display Plus Corporation		88.06	-	0.07	-		
	AET Corporation		16.97	-	0.02	-		
	AUO Education Service Corp.		906.86	-	12.53	-		
	AUO Crystal Corp.		9,531.41					
	AUO (Vietnam) Company Limited		1,502.11	3,183.91	1.72	3.37		
	AUO Europe B.V. German Branch		4.2	-	-	-		
	AUO (Slovakia) s.r.o.		70.82	31.52	0.44	0.21		
	AUO Mobility Solutions Group		165.31	-	0.01	-		
	AUO Mobility Solutions Corporation America ^{Note 1}		41.68	85.40	0.12	0.14		
	AUO Mobility Solutions Corporation Japan ^{Note 2}		28.81	28.32	0.21	0.23		
	AUO Korea Ltd.		8.24	9.82	0.14	0.08		
	AFPD Pte. Ltd.		1,755.86	5,970.60	43.68	2,044.73		
	M.Setek Co., Ltd.		9,696.30	-	11.15	-		
	Total		1,827,093.13	2,097,471.41	-	-		
Scope 3	Total		3,931,395.18	4,631,035.07	-	-		
	Total		5,834,190.86	6,795,886.34	-	-		

Note 1: In July 2025, an AUO subsidiary was renamed AUO Mobility Solutions Corporation America from its former name, AUO Corporation America. The reported emissions represent the Scope 1 and Scope 2 greenhouse gas emissions of the Farmington and Novi offices in the United States for 2025. Accordingly, data disclosed for 2024 were presented under the name AUO Corporation America, while disclosures from 2025 onward are presented under the new name AUO Mobility Solutions Corporation America.

Note 2: In June 2025, an AUO subsidiary was renamed AUO Mobility Solutions Corporation Japan from its former name, AUO Corporation Japan. The reported emissions represent the Scope 1 and Scope 2 greenhouse gas emissions of the Tokyo and Osaka offices in Japan for 2025. Accordingly, data disclosed for 2024 were presented under the name AUO Corporation Japan, while disclosures from 2025 onward are presented under the new name AUO Mobility Solutions Corporation Japan.

ISO 26000 Comparison Table

	Topic	Chapter in the Report/Response	Page
Organizational governance	Decision and implementation system for execution of objectives	1.3 Governance Organization	19
Human Rights	Compliance audit	4.1 Human Rights Protection	111
	Human Rights Risk Situations	4.1 Human Rights Protection	111
	Avoiding Complicity — Direct, Beneficial, and Silent Complicity	1.3.1 Board of Directors	19
		1.4.1 Integrity Culture	26
	Resolve labor complaints	4.1 Human Rights Protection	111
	Discrimination and Vulnerable Groups	1.1 Human Rights Protection	111
		4.2.2 Diversity & Inclusion	121
		4.2.3 Remuneration & Benefits	123
	Civil and Political Rights	4.1 Human Rights Protection	111
	Economic, Social and Cultural Rights	4.2.2 Diversity & Inclusion	123
		4.2.3 Remuneration & Benefits	111
	Fundamental Principles and Rights at Work	4.1 Human Rights Protection	111
	Employment and employment relationship	4.2.3 Remuneration & Benefits	123
Labor Practices	Working Conditions and Social Protection	4.2.3 Remuneration & Benefits	123
	Social dialogue	4.2.4 Happy Workplaces	125
		4.4.2 Safe Workplace	137
	Occupational Health and Safety	4.4 Health & Safety	135
	Personnel development and training	4.3 Talent Development	129
Environment	Pollution prevention	3.4.2 Wastewater and Pollution Management	98
		3.4.3 Air Pollution Management	98
		3.4.4 Waste Recycling and Reuse	98
	Sustainable resource utilization	3.4.1 Circular Economy Management	96
		3.4.4 Waste Recycling and Reuse	99
	Lessening and adapting to climate change	3.1 Climate Action	78
	Protection and restoration of the natural environment	3.5 Biodiversity	101

	Topic	Chapter in the Report/Response	Page
Fair Operating Practices	Anti-corruption	1.4 Business Integrity	26
	Responsible political participation	There were no political event participation in the reporting year.	-
	Fair competition	1.4 Business Integrity	26
	Promoting Social Responsibility in the Value Chain	1.1 Company Profile	12
		2.3 Responsible Supply Chain	69
	Respect intellectual property rights	5.1.1 Intellectual Property	149
Consumer Issues	Fair marketing, information and contract practices	1.4 Business Integrity	26
	Protect health and safety of consumers	2.2.1 Product Quality	61
	Sustainable consumption	5.1.3 Sustainable Product	74
		CH 3. Environmental Sustainability	78
	Consumer service, support, complaint and dispute resolution	2.2 Customer Relations	69
	Consumer data protection and privacy	1.5.2 Information Security & Privacy Protection	34
	Provide necessary services	2.2 Customer Relations	69
Community Involvement and Development	Education and awareness	2.2.1 Product Quality	61
	Community participation	4.5 Social Engagement	142
	Education and culture	4.5 Social Engagement	142
	Create job opportunities and technological development	4.2.1 Talent Distribution	117
		4.3 Talent Development	129
	Technology development	5.1 Innovative R&D	149
		5.3 Affordable Energy	160
	Create Wealth and Income	1.2 Economic Performance	17
	Health	4.4 Health & Safety	135
	Social investments	4.5 Social Engagement	142

UN Global Compact Comparison Table

Category	Principle	Chapter in the Report/ Response	Page
Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights	4.1 Human Rights Protection	111
	Make sure that they are not complicit in human rights abuses	4.1 Human Rights Protection	111
Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	4.1 Human Rights Protection	111
	The elimination of all forms of forced and compulsory labor	4.1 Human Rights Protection	111
	The effective abolition of child labor	4.1 Human Rights Protection	111
	The elimination of discrimination in respect of employment and occupation	4.1 Human Rights Protection	111
Environment	Businesses should support a precautionary approach to environmental challenges	Ch3 Environmental Sustainability	78
	Undertake initiatives to promote greater environmental responsibility	Ch3 Environmental Sustainability	78
	Encourage the development and diffusion of environmentally friendly technologies	5.1 Innovative R&D	149
Anti-Corruption	Businesses should work against corruption in all its forms, including extortion and bribery	1.4 Business Integrity	26

The Reference Guidelines for the Recognition of Sustainable Economic Activities

AUO makes voluntary disclosures on the sustainability performance of its major economic activities with reference to the "The Reference Guidelines for the Recognition of Sustainable Economic Activities" announced by the Financial Supervisory Commission (FSC).

The general economic activities applicable to AUO include "manufacturing of panels and their components" and "computers and peripheral equipment." The applicable enabling economic activities include "renewable energy power generation, facilities and related equipment," "provision of energy technology services (ESCO) or professional services with energy-saving performance," and "installation of equipment or systems, technology development, and professional services related to water conservation, water resource recycling, or alternative water resource development."

For information on revenue from the aforementioned economic activities and their alignment with sustainable economic activities, please refer to [AUO's Sustainability website](#).

2024 Sustainability Report Corrigenda

Chapter	Page	Correct
2.2.1 Stakeholder Cultivation	45	Stakeholder Map (Nine Key Stakeholders): Among the stakeholders corresponding to "Balanced Information, Trusted Value" are "Investors."
3.1 Climate Action	78	AUO Climate Action Milestone: The 2013 milestone is "First in Taiwan to obtain PAS 2060 carbon neutrality certification for buildings."
Fact Sheet	224	Production Facilities Information Table: The proportion of owned production facilities is 95%.
	228	Industry Association Participation Table: AUO serves as Chairman and Standing Director of the Taiwan Climate Partnership.

Chapter	Page	Correct
Fact Sheet	231	In the Internal Energy Consumption table, two unit conversion errors were identified in the 2024 data. The value for Total Energy Consumption (Non-renewable) should be 15,431,223.64, and the value for Purchased Electricity Consumption (Non-renewable) should be 14,680,985.40.
	263	For 2024 Scope 1 emissions, the value for AFPD Pte. Ltd. should be revised to "-". For 2024 Scope 2 emissions, the value for AUO Corporation should be 1,799,970.78, AUO (Kunshan) Co., Ltd. should be 166,744.38, AUO Manufacturing (Shanghai) Co., Ltd. should be 49.07, and AUO Mobility Solutions Corporation America should be 85.40. Accordingly, the total Scope 2 emissions should be 2,097,471.41, and the total Scope 1, Scope 2, and Scope 3 emissions should be 6,795,886.34.

ISO 14064 Verification Statement



Independent Verification Opinion

Verification Opinion No.:
C836487-2025-AG-TWN-DNV

Issued Place and Date:
Taipei, 08 June 2026

Page 1 of 2

This is to verify initiate reporting of Greenhouse Gas Inventory Management Report (2025) of

AUO Corporation

Scope of Verification

DNV Business Assurance (DNV) has been commissioned by AUO Corporation (hereafter "the Organization") to perform a verification of the greenhouse gas statements of Greenhouse Gas Inventory Management Report (2025) (hereafter the "Inventory Report") in Taiwan, R.O.C. with respect to the sites listed in Appendix A.

The Reporting Boundary for the verification including direct GHG emissions and removals, indirect GHG emissions from imported energy, indirect GHG emissions from transportation, indirect GHG emissions from products used by the Organization and indirect GHG emissions associated with the use of products from the Organization. The further descriptions for the Reporting Boundary listed in Appendix B.

Verification Criteria and GHG Programme

The verification was performed on the basis of Financial Supervisory Commission Sustainable Development Roadmap Scheme, ISO 14064-1:2018 and GHG Protocol as well as criteria given to provide for consistent GHG emission identification, calculation, monitoring and reporting. The verification was conducted in accordance with ISO 14066:2023, ISO 14065:2020, ISO 14064-3:2019.

Verification Opinion

It is DNV's opinion that the Inventory Report (2025), which was published on May 23, 2026 (V0), is free from material discrepancies in accordance with the verification criteria identified as stated above. The opinion is decided based on the following approaches,

- For the Direct (Category/Scope 1) GHG emissions and Indirect GHG emissions from imported energy (Category/Scope 2), the reliability of the information within the Inventory Report (2025) was verified with reasonable level of assurance.
- For the other indirect GHG emissions, the involved information was verified with limited level of assurance.

Also, the GHG information as stated in Appendix C has been verified during the process.

GHG Verifier :
Alvin Chen

For the issuing office:
DNV Business Assurance Co., Ltd.

Management Representative

The Appendix forms an integral part of this Certificate, which shall be invalid when used without the Appendix.

Lack of fulfillment of conditions as set out in the Verification Agreement may render this Verification invalid. This Verification Opinion is based on the information made available to us and the engagement conditions detailed above. Hence, DNV cannot guarantee the accuracy or correctness of the information. DNV cannot be held liable by any party relying or acting upon this Verification Opinion.

The issuing office : 29F1, No. 293, Sec. 2, Wenhua Rd., Banqiao District, New Taipei City 220, Taiwan Tel.: +886-2-82537800. <https://www.dnv.com/tw/>
DNV ZNATW-OP-F50, Rev.14, 2025-03



Verification Opinion No.:
C836487-2025-AG-TWN-DNV

Issued Place and Date:
Taipei, 08 June 2026

Page 2 of 2

Supplement to Verification Opinion

Process and Methodology

The reviews of the Inventory Report and relevant documents, and the subsequent follow-up interviews have provided DNV with sufficient evidence to determine the fulfilment of stated criteria.

Quantification of Greenhouse Gas Emission

The Inventory Report covering the period 1st January, 2025 to 31st December, 2025, it is DNV's opinion that GHG emissions and removals identified within the Reporting Boundary has been included in the Inventory Report as claimed in accordance with the verification criteria identified as stated above, and results in quantification of GHG emissions that are real, transparent and measurable.

Organizational Boundary of Verification

☐ Financial Management Control; ☒ Operational Management Control; ☐ Equity Share

GHGs Verified

☒ CO₂ ☒ CH₄ ☒ N₂O ☒ HFCs ☒ PFCs ☒ SF₆ ☒ NF₃

Quantification of Emissions (in tonnes CO₂e)

The Quantification of GHG emissions and removals in Direct and Indirect Emission Source:

Quantification of GHG emissions in Direct and Imported Energy Indirect Emission Source: (tonnes CO ₂ e)			
Category	GHG protocol / Subcategory		Total
1: Direct emissions	Scope1	Direct GHG emissions	75,702.54
2: Imported energy indirect emissions*	Scope2	Electricity indirect GHG emissions*	1,827,093.13

Quantification of other indirect emissions

Category	GHG protocol / Subcategory	tonnes CO ₂ e
Transportation (Category 3)	Cat. 4 Upstream transportation and distribution	250,868.87
	Cat. 6 Business travel	851.28
	Cat. 7 Employee commuting	15,280.94
	Cat. 9 Downstream transportation and distribution	10,252.12
Products used by organization (Category 4)	Cat. 1 Purchased goods and services	1,014,253.95
	Cat. 3 Fuel-and-energy-related activities (not included in Category 1 or 2)	359,848.04
	Cat. 5 Waste generated in operations	8,196.26
The use of products from the organization (Category 5)	Cat. 10 Processing of sold products	38,281.76
	Cat. 11 Use of sold products	2,124,956.38
	Cat. 13 Downstream leased assets	108,605.58
Total quantified greenhouse gas emissions in Category 3, 4 & 5 (Scope 3)		3,931,395.18

**The Imported Energy Indirect Emissions was calculated based on 2024 electricity emission factor of 0.474 kg CO₂e/kwh in Taiwan, which was announced by Energy Administration, Ministry of Economic Affairs. Additionally, an electricity emission factor of 0.6096 kg CO₂e/kwh was used in China, as announced by the Ministry of Ecology and Environment of the People's Republic of China. The Global Warming Potential (GWP) defined in IPCC AR5 (2013) has been chosen and correctly referred by the Organization.

**Accumulated 303,814.81 Mwh renewable energy, solar power, was purchased and used in Taiwan during 2025.

**Another 216,601 Mwh Green Electricity Certificate Purchased in China.

Type of Opinion

☒ unmodified ☐ modified ☐ adverse

The Appendix forms an integral part of this Certificate, which shall be invalid when used without the Appendix.

Lack of fulfillment of conditions as set out in the Verification Agreement may render this Verification invalid. This Verification Opinion is based on the information made available to us and the engagement conditions detailed above. Hence, DNV cannot guarantee the accuracy or correctness of the information. DNV cannot be held liable by any party relying or acting upon this Verification Opinion.

The issuing office : 29F1, No. 293, Sec. 2, Wenhua Rd., Banqiao District, New Taipei City 220, Taiwan Tel.: +886-2-82537800. <https://www.dnv.com/tw/>
DNV ZNATW-OP-F50, Rev.14, 2025-03

DNV

APPENDIX A

The reporting boundaries of greenhouse gas statements of AUO Corporation Greenhouse Gas Inventory Management Report (2025) with respect to the following sites:

	Site /Name	Site Address	Total Emissions (tonnes CO2e)	Total Direct Emissions (tonnes CO2e)	Total Energy Indirect Emissions (tonnes CO2e)
FAB	Headquarters (ATC/L3B)	No. 1, Li-Hsin Rd. 2, Hsinchu Science Park, Hsinchu, Taiwan, R.O.C.	7,760.09	604.99	7,155.10
	AUHC-L3C	No. 23, U-Hsin Rd., Hsinchu Science Park, Hsinchu, Taiwan, R.O.C.	22,998.99	1,191.52	21,807.47
	AULT-L4A /L5A/ L5B	No. 1, Xinhé Rd., Aspire Park, Lungtan, Taoyuan, Taiwan, R.O.C.	136,640.96	7,385.79	129,255.17
	AULK-L6B	No. 228, Lungke St., Lungtan, Taoyuan, Taiwan, R.O.C. / No. 288, No. 338, No. 338-1, Lungyuan Rd. 1, Lungtan, Taoyuan, Taiwan, R.O.C.	210,507.10	6,413.68	204,093.41
	AUHY-L3D/ L5D	No. 189, Hwaya Rd. 2, Kueishan, Taoyuan, Taiwan, R.O.C.	183,361.65	6,656.30	176,705.35
	AUTC-L5C/ L6A/ L7A/ L7B/ L8A	No. 1, JhongKe Rd., Central Taiwan Science Park, Taichung, Taiwan, R.O.C. / No. 2, No. 3, Keya Rd., Central Taiwan Science Park, Taichung, Taiwan, R.O.C.	738,990.14	24,136.02	714,854.13
	AUHL-L8B	No. 1, Machang Rd., Houli Dist., Taichung City, Taiwan, R.O.C.	324,999.19	15,957.63	309,041.56
	AUTN-C4A/ C5D/ C6C	No. 36, Keji 1st Rd., Annan Dist., Tainan City, Taiwan, R.O.C.	9,875.94	24.99	9,850.94
	AUKH- C5E	No. 9, Luke 3rd Rd., Luzhu Dist., Kaohsiung City, Taiwan, R.O.C.	20,339.59	91.66	20,247.93
	AUSZ-S01/ S02/ S06	No. 398, Suhong Zhong Road, Suzhou Industrial Park, 215021, China	54,191.16	751.84	53,439.32
	AUXM-S13/S16/ S17	No. 1689, Xiang An North Road, Xiang An Branch, Torch Hi-Tech Industrial Development Zone, Xiamen, 361102, China	41,418.83	1,232.05	40,186.79
	AUSK-L6K	No. 6, Longteng Rd., Kunshan Economic-Technological Development Area, China	123,875.76	9,145.42	114,730.33
	AUSK	Bratislavská 517, 911 05 Trenčín, Slovak Republic	173.68	102.86	70.82
	AUVN	RBF 3 - GNP Dong Van III Industrial Center, Dong Van III Supporting Industrial Park, Dong Van Ward, Duy Tien Town, Ha Nam Province, Vietnam	1,516.48	14.37	1,502.11
	Global Research Center (GRC)	No. 1, Gongye E. 3rd Rd., Hsinchu City, Taiwan (R.O.C.)	321.36	66.38	254.98
	Office I in Taipei & Office II in Taipei	9F., No. 198, Jingmao 2nd Rd., Nangang Dist., Taipei City 115018, Taiwan, R.O.C./ 9F.,No.618,Songhe St.,Nangang Dist.,Taipei City 115023,Taiwan, R.O.C.	198.45	0	198.45
	Office in Kaohsiung	8F, No.189, Linsen 4th Rd., Kaohsiung City 806023, Taiwan, R.O.C	30.26	0.00	30.26
	Shenzhen Office	Room 2501, Building 11, Tian'an Yungu Phase II, Bantian, Longgang District, Shenzhen	43.69	0.00	43.69
	AUO Singapore	No. 10, Tampines Industrial Avenue 3, Singapore 528798	1,755.86	0	1,755.86
Office	Office in Tokyo & Osaka	3-24-21 Sanwa Bld. 5F, Shiba, Minato-Ku, Tokyo, 105-0014, Japan/ Shin-Osaka 3rd DOI Bld. 5F 1-8-24 Nishimiyahara, Yodogawa-ku, Osaka-city, Osaka 532-0004, Japan	28.81	0.00	28.81
	AUO Korea	No.906, 9F, Gwanggyo Business Center, 156, Gwanggyo-ro, Yeongtong-gu, Suwon-si, Gyeonggi-do, 16506, Korea	8.24	0.00	8.24
	AUO Corporation America (Farmington Office)	37085 Grand River Ave, Suite 340, Farmington, MI 48335	29.76	0.00	29.76
	AUO Corporation America (Novi Office)	39625 Lewis Drive, Suite 300, 48337 Novi, Michigan, USA	11.92	0.00	11.92
	AUO Germany	Charles Lindbergh Strasse 7, Boeblingen, 71034	4.20	0.00	4.20
	Dormitory	No. 300, Machang Rd., Houli Dist., Taichung City, Taiwan, R.O.C.	1,484.90	103.28	1,381.62

The Appendix forms an integral part of this Certificate, which shall be invalid when used without the Appendix.
Lack of fulfillment of conditions as set out in the Verification Agreement may render this Verification invalid. This Verification Opinion is based on the information made available to us and the engagement conditions detailed above. Hence, DNV cannot guarantee the accuracy or correctness of the information. DNV cannot be held liable by any party relying or acting upon this Verification Opinion.
The issuing office : 29F1, No. 293, Sec. 2, Wenhua Rd., Banqiao District, New Taipei City 220, Taiwan Tel.: +886-2-82537800. <https://www.dnv.com/tw/>
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	Site /Name	Site Address	Total Emissions (tonnes CO2e)	Total Direct Emissions (tonnes CO2e)	Total Energy Indirect Emissions (tonnes CO2e)
AUO Display Plus Group					
Office	AUO Display Plus America Corp.	35 Corporate Drive, Suite 170, Burlington, MA 01803, USA	88.06	0.00	88.06
	Avacor Technologies USA, Inc.	9375 SW Commerce Cir Suite A-7 Wilsonville			
	ComQ Inc.	134 West 26th St, 9th Floor, New York, NY, 10001, USA			
	Jekoda Digital Co.,Ltd.(New Taipei)	2F-1, No.268,Liancheng Road, Zhonghe District, New Taipei City, Taiwan, R.O.C.			
	Jekoda Digital Co., Ltd.(Taichung)	16F-6, No. 6, Lane 256, Section 2, Xitun District,Taichung City, Taiwan, R.O.C.			
Office	Jekoda Digital Co., Ltd.(Kaohsiung)	10F,No.2, Zhongshan 2nd Road, Kaohsiung City, Taiwan, R.O.C.	71.91	54.95	16.97
	AET Sustaintek Group	20F-8, No. 95, Section 1, Xintai 5th Road, Xizhi District, New Taipei City, Taiwan, R.O.C.			
	AUO Yupay(Xizhi Office)	Room R-3 607, Building 3, No. 31, Gongye 2nd Road, Annan District, Tainan City, Taiwan, R.O.C.			
	AUO Yupay(Tainan Startup Park Office)	Hansastraße 40, 59557 Lippstadt, Germany			
	AUO Mobility Solutions Group*1		1,186.37	1,021.06	165.31
AUO Crystal Group					
Office	M.Setek Co., Ltd. *2	378 Myokenmachi, Susaki, Kochi, 785-0042 Japan/ 1117-1, Otani, Susaki, Kochi, 785-0055 Japan	10,398.80	702.50	9,696.30
	AUO Crystal Corp. *3	No.335,Section 2,Houke Road, Houli District,Taichung City, Taiwan	9,535.92	4.51	9,531.41
AUO Display Group(others)					
Office	Daqi Education Co., Ltd.	No. 6-6, Mabushu Pai, Beipu Township, Hsinchu County, Taiwan, R.O.C.	947.60	40.74	906.86

* 1 Based on the third-party verification results conducted by DNV (Greenhouse Gas Emissions Verification Statement No.: CB50301-2025-AG-TWN-DNV).
* 2 Based on the third-party verification results conducted by DNV (Greenhouse Gas Emissions Verification Statement No.: CB43971-2025-AG-TWN-DNV).
* 3 Based on the third-party verification results conducted by DNV (Greenhouse Gas Emissions Verification Statement No.: CB56984-2025-AP-TWN-TAF).

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**APPENDIX B**

The Reporting Boundary of AUO Corporation Greenhouse Gas Inventory Management Report (2025):

Category	Boundary
Direct GHG emissions and removals	Mainly from fuel consumption and process gas, other GHG sources or sinks inside organizational boundaries and that are owned or controlled by the organization
Indirect GHG emissions from imported energy	The amount of greenhouse gas emissions produced by the input of electricity and energy
Upstream transportation and distribution	Transportation emissions for the procurement of direct materials,
Business travel	Transportation of employees for business-related activities
Employee commuting	Transportation of employees travelling between company and residence place, factory shuttle bus included (employees located at Mainland and overseas sites were not included)
Downstream transportation and distribution	Transportation of products sold by the Company
Purchased goods and services	Upstream (cradle-to-gate) emissions of selected purchased direct materials
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Upstream emissions of purchased fuels and electricity
Waste generated in operations	Transportation and disposal or treatment of plant's waste
Processing of sold products	Processing of annual sold products
Use of sold products	Annual shipment of IT panel module products
Downstream leased assets	Annual energy use emissions from downstream leased assets

The scope of other indirect emissions (other than Imported Energy with specified/limited list of sources) was defined by the Organization's own pre-determined criteria for significance of indirect emissions, considering the intended use of the GHG inventory.

APPENDIX C

The fluorinated greenhouse gases emissions with implementing abatement equipment, according to the Tier 2c method referred to 2019 IPCC Guidelines for National Greenhouse Gas Inventories Volume 3 Industrial Processes and Product Use, Chapter 6 Electronics Industry Emissions.

Fluorinated greenhouse gases	Fluorinated GHG emissions from manufacturing (tonnes CO ₂ e)	Reduced Fluorinated GHG emissions by abatement system (tonnes CO ₂ e)	Fluorinated GHG emissions if without abatement system (tonnes CO ₂ e)
PFCs, SF ₆ , HFCs, NF ₃	22,471.47	1,775,141.22	1,797,612.49

**Fluorinated GHG emissions reduction rate by abatement system:

Reduced Fluorinated GHG emissions / Fluorinated GHG emissions if without abatement system= 98.75%

The Appendix forms an integral part of this Certificate, which shall be invalid when used without the Appendix.

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GRI Assurance Statement



安侯建業聯合會計師事務所

KPMG

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傳真 Fax + 886 2 8101 6667
網址 Web kpmg.com/tw

Independent Limited Assurance Report

To AUO Corporation:

We were engaged by AUO Corporation (“AUO”) to provide limited assurance on the 2025 Sustainability Report of AUO (“the Report”) for the year ended December 31, 2025.

Applicable criteria of the Subject Matter Information

AUO shall prepare the Subject Matter Information in accordance with applicable criteria required by Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies (“the Regulation”) and Global Reporting Initiative Standards (“GRI Standards”) issued by Global Sustainability Standards Board.

Management’s Responsibilities

AUO is responsible for determining its objectives with respect to sustainable development performance and reporting, including the identification of stakeholders and material aspects, and using the applicable criteria to fairly prepare and present the Subject Matter Information. AUO is also responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

Our Responsibilities

We performed our work in accordance with International Standard on Assurance Engagements (ISAE) 3000 “Assurance Engagements other than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board and to issue a limited assurance conclusion on whether the Subject Matter Information is free from material misstatement. Also, we have considered appropriate limited assurance procedures according to the understanding of relevant internal controls in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the internal control over the design or implementation of the Report.

The disclosure of information on greenhouse gas emission (scope 1, scope 2 and scope 3) in the Report has been verified by other third-party verification organization. Thus, we did not provide any assurance on whether the aforementioned disclosure is in compliance with applicable standards.

Independence and Standards on Quality Management

We have complied with the independence and other ethical requirements of the Code of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. In addition, we applied Standards on Quality Management. Accordingly, we maintained a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements and professional standards as well as applicable legal and regulatory requirements.

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KPMG, a Taiwan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.



Summary of Work Performed

As stated in applicable criteria of the Subject Matter Information paragraph, our main work on the selected information included:

- Reading the Report of AUO;
- Inquiries with responsible management level and non-management level personnel to understand the operational processes and information systems used to collect and process the Subject Matter Information.
- On the basis of the understanding obtained mentioned above, perform analytical procedures on the Subject Matter Information and if necessary, inspect related documents to gather sufficient and appropriate evidence in a limited assurance engagement.

The work described above is based on professional judgment and consideration of the level of assurance and our assessment of the risk of material misstatement of the Subject Matter Information, whether due to fraud or error. We believe that the work performed and evidence we have obtained are sufficient and appropriate to provide a basis of our conclusion. However, the work performed in a limited assurance engagement varies in nature and timing from, and is less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained has a reasonable assurance engagement been performed.

Inherent limitations

The Report for the year ended December 31, 2025 includes the disclosures of non-financial information that involved significant judgments, assumptions and interpretations by the management of AUO. Therefore, the different stakeholders may have different interpretations of such information.

Emphasis of Matter

Subject Matter Information includes and covers materiality assessment process, as well as the economic, environmental, and social KPIs within the scope of this report.

Conclusion

Based on the work we have performed and the evidence we have obtained, as described above, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been properly prepared, in all material aspects, in accordance with the applicable criteria.

Other Matters

We Shall not be responsible for conducting any further assurance work for any change of the subject matter information or the criteria applied after the issuance date of this report.

The engagement partners on the assurance resulting in this independent auditors’ report is Yu, Chi-Lung.

KPMG

Taipei, Taiwan (Republic of China)
August 10, 2026

Notes to readers

The limited assurance report and the accompanying selected information are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language limited assurance report and the selected information, the Chinese version shall prevail.

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SASB Assurance Statement



安侯建業聯合會計師事務所

KPMG

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網址 Web kpmg.com/tw

Independent Limited Assurance Report

To AUO Corporation:

We were engaged by AUO Corporation: ("AUO") to provide limited assurance on the 2025 Sustainability Report of AUO ("the Report") for the year ended December 31, 2025.

Applicable criteria of the Subject Matter Information

AUO shall prepare the Subject Matter Information in accordance with applicable criteria required by the Sustainability Accounting Standards for Hardware issued by Sustainability Accounting Standards Board ("SASB").

Management's Responsibilities

AUO is responsible for determining its objectives with respect to sustainable development performance and reporting, including the identification of stakeholders and material aspects, and using the applicable criteria to fairly prepare and present the Subject Matter Information. AUO is also responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

Our Responsibilities

We performed our work in accordance with International Standard on Assurance Engagements (ISAE) 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board and to issue a limited assurance conclusion on whether the Subject Matter Information is free from material misstatement. Also, we have considered appropriate limited assurance procedures according to the understanding of relevant internal controls in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the internal control over the design or implementation of the Report.

The disclosure of information on greenhouse gas emission (scope 1, scope 2 and scope 3) in the Report has been verified by other third-party verification organization. Thus, we did not provide any assurance on whether the aforementioned disclosure is in compliance with applicable standards.

Independence and Standards on Quality Management

We have complied with the independence and other ethical requirements of the Code of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. In addition, we applied Standards on Quality Management. Accordingly, we maintained a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements and professional standards as well as applicable legal and regulatory requirements.

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Summary of Work Performed

As stated in applicable criteria of the Subject Matter Information paragraph, our main work on the selected information included:

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- Inquiries with responsible management level and non-management level personnel to understand the operational processes and information systems used to collect and process the Subject Matter Information.
- On the basis of the understanding obtained mentioned above, perform analytical procedures on the Subject Matter Information and if necessary, inspect related documents to gather sufficient and appropriate evidence in a limited assurance engagement.

The work described above is based on professional judgment and consideration of the level of assurance and our assessment of the risk of material misstatement of the Subject Matter Information, whether due to fraud or error. We believe that the work performed and evidence we have obtained are sufficient and appropriate to provide a basis of our conclusion. However, the work performed in a limited assurance engagement varies in nature and timing from, and is less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained has a reasonable assurance engagement been performed.

Inherent limitations

The Report for the year ended December 31, 2025 includes the disclosures of non-financial information that involved significant judgments, assumptions and interpretations by the management of AUO. Therefore, the different stakeholders may have different interpretations of such information.

Emphasis of Matter

Subject Matter Information includes and covers materiality assessment process, as well as the economic, environmental, and social KPIs within the scope of this report.

Conclusion

Based on the work we have performed and the evidence we have obtained, as described above, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been properly prepared, in all material aspects, in accordance with the applicable criteria.

Other Matters

We Shall not be responsible for conducting any further assurance work for any change of the subject matter information or the criteria applied after the issuance date of this report.

The engagement partners on the assurance resulting in this independent auditors' report is Yu, Chi-Lung.

KPMG

Taipei, Taiwan (Republic of China)

August 10, 2026

Notes to readers

The limited assurance report and the accompanying selected information are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language limited assurance report and the selected information, the Chinese version shall prevail.

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The image features a central white circle containing the AUO logo and the tagline 'TAP INTO THE POSSIBILITIES'. The background is a light blue gradient with abstract geometric shapes: a large semi-circle on the left composed of green and yellow segments, a smaller semi-circle on the right composed of blue, green, and yellow segments, a small yellow square in the upper left, a small pink circle in the lower right, and a large green square on the far right.

AUO

TAP INTO THE POSSIBILITIES