

AUO Corporation

Organizational Charter of Sustainability and Enterprise Risk Management (ERM) Committee

Article 1. Basis of Establishment

To practice sustainable development, connect to international trends, actively respond to stakeholders' risk assessment and corresponding measures in terms of the environment, society and corporate governance and achieve the target of sustainable operation, the Company has established the organizational charter of its Sustainability and Enterprise Risk Management Committee (hereinafter the "Committee") in accordance with the Company's Guidelines for Sustainable Development and Guidelines for Corporate Governance.

Article 2. Scope of Application

The number of committee members, their term, duties, meeting rules and the resources to be provided by the Company when the Committee exercises its duties, etc., shall be governed by this Charter.

Article 3. Composition of Committee, Number of Members and Term

The members of the Committee are appointed by the board of directors through a formal board resolution. A minimum of three members is required, with at least two of them being independent directors, ensuring their active participation and effective oversight.

The term of the Committee members aligns with the term of the board of directors appointing them. In the event that the number of members falls below the stipulated minimum due to dismissal or any other reason, the board of directors may appoint new members to fill the vacancy.

To facilitate the smooth operations of the Committee, the Company designates one secretary. This individual is appointed by the chairman and holds the responsibility for managing the general affairs of the Committee.

Article 4. Duties

The Committee shall assist the board of directors with continuous enforcement of corporate sustainable development and risk management in order to achieve the practice of sustainable operation. Members shall exercise the due care of good administrators and faithfully perform below duties.

Sustainable Development:

1. Establish the Company's comprehensive guidelines for sustainable development, urge the enforcement thereof, review the results, follow up and make amendments, with annual report to the board of directors.
2. Supervise the proposals of sustainable development policy, system, relevant management guidelines and specific programs, including the results of execution. Pass resolutions on the Company's important decisions about sustainability issues, including technical application, product value, energy development, green production, value chain management, citizen responsibility (including human and human rights), risk management, circular economy and operation of carbon reduction and energy efficiency.
3. Reinforce communication with various stakeholders and follow issues of their concern.
4. Ensure the timeliness and correctness in the disclosure of sustainable development related information.
5. Supervise other sustainable development related work resolved by the board of directors.

Risk Management:

1. Review risk management policy, procedure and structure and evaluate the effectiveness of risk policy.
2. Fix qualitative and quantitative risk tolerance levels and allocate resources most effectively.
3. Execute risk management decisions of the board of directors, supervise various risk management mechanisms in the Company and determine the order of priority in risk control.
4. Review risk management execution status, provide necessary improvement recommendations and make annual report to the board of directors.

Article 5. Convening Meetings and Notice

The Committee shall meet at least twice a year. Additional meetings may be held as required.

To hold a meeting, an agenda shall be provided and a notice shall be given to the Committee members 7 days in advance, unless there is an emergency.

All members of the Committee shall elect one person from among themselves to serve as the chairman of the Committee and to chair its meetings. When the chairman is on leave or cannot convene a meeting due to any reason, another member of the Committee shall be designated by the chairman to act on his behalf. If the chairman does not make such designation, the members of the Committee shall elect one person from among themselves to act on the chairman's behalf.

Article 6. Attendance and Resolution

The meeting agenda shall be established by the person convening the meeting. Other members may also submit proposals for discussion by the Committee.

When the Committee holds a meeting, the Company shall provide a signature book for attending members to affix their signatures for record and reference.

Members of the Committee shall attend meetings in person. A member who cannot attend a meeting in person may designate another member to attend the meeting on his behalf. Any member who participates in a meeting through video conference shall be deemed to have attended the meeting in person.

Each person shall represent no more than one other person. When a Committee member designates another member to attend a meeting on his behalf, a proxy must be issued on each instance, specifying the scope of authorization for matters listed on the agenda.

The Committee may ask the Company's senior officer, manager of relevant department, internal auditor, accountant, legal advisor or other persons to sit in meetings, make reports and provide relevant and necessary information, provided that these persons shall excuse themselves during discussion and voting.

Unless otherwise provided by the law or the Company's articles of association, resolutions of the Committee shall be passed with approval by the majority of members attending a meeting that is attended by 1/2 or more members. At the time of voting, if the chairman makes an enquiry and no member voices an objection, the proposal shall be deemed passed, with the same effect as a vote.

Article 7. Recusal

A member with a personal interest in any meeting matter shall explain the key points of such interest. If such interest may jeopardize the interest of the Company, the member shall not participate in the discussion or voting and shall recuse himself at the time of discussion and voting. Such person shall not exercise the voting right on behalf of any other member, either.

When the spouse of a member or a blood relative within two degrees of kinship has an interest in a meeting matter under the previous paragraph, such member is deemed to have a personal interest in such matter.

Article 8. Meeting Minutes

Meeting of the Committee shall be recorded in minutes, detailing the following:

1. Term, time and location of the meeting.
2. Chairman's name.
3. Member attendance, including the names and number of members present, on leave and absent.
4. Names and titles of other persons sitting in the meeting.
5. Names of record keeper.
6. Reported matters.
7. Discussion matters: Manner and result of resolution for each proposal, with objection or reservation opinions of members.
8. Motions: Name of person making the proposal, manner and result of resolution for the proposal, summary of statements by Committee members, experts and other persons, event of recusal, objection or reservation opinions.
9. Other details that should be recorded.

Signature books are part of the meeting minutes. When a meeting is held through video conference, audiovisual data from the video conference shall be deemed part of the meeting minutes.

Minutes shall be affixed with the signatures or seals of the chairman and record keeper and shall be distributed to Committee Members within 20 days from the meeting. Minutes shall also be submitted to the board of directors and included as important company files for retention over 5 years.

Minutes under the first paragraph may be prepared and distributed in electronic manners.

Article 9. Engagement of Expert

The Committee may engage external professionals through resolution to perform required audit or provide consulting assistance in relation to the exercise of duties by the Committee, at the cost of the Company.

Article 10. Information Disclosure

The Company shall disclose the operating situation of the Committee in its annual report or on its website or on the MOPS.

Article 11. Authorized Execution of Resolution

The chairman or other members of the Committee may be authorized to execute the resolutions of the Committee and make written or verbal report to the Committee during the execution period. Ratification by or report to the Committee may be scheduled in the following meeting as required.

Article 12. Effect

This Organizational Charter is implemented following approval by resolution of the Company's board of directors. The same is applicable to any amendment hereto.

This Charter was established on 11 March 2024.