

AUO Corporation

Policy on shares held by directors and independent directors

- I. To establish the rules for shares held by directors and independent directors of the Company, the Company has established this specification for compliance according to Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies.
- II. An independent director who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, may not have an aggregate holding of one percent or more of the total number of issued shares of the Company, or rank in the top 10 in terms of holdings, during the two years before being elected or during the term of office.
- III. A director who holds shares should refer to Article 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the total shares owned by all directors shall not be less than two percent of the total issued shares.
If the Company has exceeded one-half of the total director seats, and an audit committee has been established, the provisions on the minimum percentage requirements for the shareholding respectively of all directors shall not apply.