



Advanced Optoelectronic Technology Inc.

Solid-State Light. Done Right.

Rules for Performance Evaluation of Board of Directors

Article 1 (Purpose and Basis of Establishment)

To implement corporate governance and enhance the Company's board functions, and to set forth performance objectives to improve the operation efficiency of the board of directors, this template is established pursuant to Article 18 of Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers Article 37 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies for compliance.

Article 2 (Regulations to be observed)

The general evaluation cycles, evaluation periods, scope and method of evaluation, the unit conducting evaluations, evaluation procedures and other matters for compliance under the Company's regulations governing the board performance evaluation shall be subject to these Rules.

Article 3 (Evaluation Cycle and Period)

The Company's board of directors shall conduct an internal board performance evaluation every year according to the evaluation procedures and the evaluation indexes in Articles 6 and 8.

The performance evaluation of the Company's Board of Directors shall be conducted by an external independent professional organization or a team of external experts and scholars at least once every three years.

Internal and external board performance evaluations shall be completed before the end of the first quarter of the following year.

Article 4 (Scope and Method of Evaluation)

The Company's board evaluation scope covers the evaluation of the board as a whole, individual directors and functional committees.

Methods of evaluations include the internal evaluation of the board, self-evaluation by individual board members, peer evaluation, and evaluation by appointed external professional institutions, experts, or other appropriate methods.

Article 5 (Evaluation conducting Unit)

The conducting unit of the company's board of directors' performance evaluation is handled by the secretarial unit responsible for the board of directors and each

functional committee.

The unit conducting internal evaluations of the Company's board of directors shall have an adequate understanding of the operation of the unit subject to evaluation and shall play a fair, impartial and independent role.

Article 6 (Evaluation Procedure)

The procedures for the Company's board performance evaluation are as follows:

1. Determine the units to be subject to evaluation, the period and the scope of evaluation in the current year, e.g. the board of directors as a whole, individual board members, each functional committee, etc.
2. Determine the method of evaluation, e.g. internal evaluation of the board, self-evaluation by the board members of themselves or peers, peer evaluation, and evaluation by an appointed external professional institution and experts, etc.
3. The conducting unit collects information related to the activities of the board of directors and each functional committee, distributes and fills in the following self-evaluation questionnaires and collect all information, give scores based on the evaluation indexes in Article 8, record the evaluation results in a report, and submit the report to the board of directors for discussion and improvement

Attachment 1. "Board of Directors Performance Evaluation Self-Evaluation Questionnaire": each director's performance evaluation of the overall board of directors.

Attachment 2. "Director Member Performance Evaluation Self-Evaluation Questionnaire": each director's performance evaluation of his or his peers' performance.

Attachment 3. "Self-Evaluation Questionnaire for Salary and Remuneration Committee Performance Evaluation": Each member's performance evaluation of the overall Remuneration Committee.

Attachment 4. "Audit Committee Performance Evaluation Self-Evaluation Questionnaire": Each member's performance evaluation of the overall Audit Committee.

Article 7 (External evaluation professional institutions and experts)

When appointing an external evaluation institution or panel of external experts and scholars to conduct evaluations of board performance, the Company shall meet the following requirements:

1. The external evaluation institution or team of external experts and scholars must possess both professionalism and independence.

2. The external evaluation institution shall primarily be an organization or management consulting firm that provides services related to board education and training programs or the enhancement of corporate governance.

3. The team of external experts and scholars shall consist of at least three professionals or academics with expertise in board affairs or corporate governance. They shall assess the implementation of the Company's board performance evaluation and prepare an external evaluation analysis report.

The implementing unit shall submit the external evaluation results to the Board of Directors for reporting. When necessary, the external evaluation institution or experts may be invited to attend the board meeting to provide explanations.

Article 8 (Evaluation Indicators and Scoring Criteria)

The Company shall take into consideration its condition and needs when establishing the criteria for evaluating the performance of the board of directors, which should cover, at a minimum, the following five aspects:

Participation in the operation of the company;

1. Improvement of the quality of the board of directors' decision making;
2. Composition and structure of the board of directors;
3. Election and continuing education of the directors; and
4. Internal control.

The criteria for evaluating the performance of the board members (on themselves or peers), should cover, at a minimum, the following six aspects:

Alignment of the goals and missions of the company;

1. Awareness of the duties of a director;
2. Participation in the operation of the company;
3. Management of internal relationship and communication;
4. The director's professionalism and continuing education; and
5. Internal control.

The criteria for evaluating the performance of functional committees should cover, at a minimum, the following five aspects:

Participation in the operation of the company;

1. Awareness of the duties of the functional committee;
2. Improvement of quality of decisions made by the functional committee;
3. Makeup of the functional committee and election of its members and
4. Internal control.

The indexes of board performance evaluation shall be determined based on the operation and needs of the Company and suitable and appropriate for evaluations by the company.

Scoring criteria may be modified and adjusted based on the company's needs. The weighted scoring method may be adopted based on the aspects of evaluation.

Article 9 (Use of evaluation results)

When electing or nominating members of the board of directors, the Company shall base its election on the evaluation results of the performance of the board

Article 10 (Annual Report Information Disclosure)

The Company shall disclose in its annual report how the board performance evaluation has been conducted each year, including information covering at least evaluation cycle, evaluation period, scope of evaluation, evaluation method, and what is to be evaluated.

In cases where an external institution or experts are appointed to conduct evaluations of board performance, the Company shall, in the annual report, disclose the external evaluation institution, the experts and their team members, and their expertise, and the statement of independence by the external evaluation institution or experts, and describe the evaluation method, standards and suggestions on improvement to be made.

Article 11 (Methods of Disclosure)

The performance evaluation regulations established by the Company shall be fully disclosed on the Market Observation Post System (MOPS) and the Company's website at all times.

Article 12 (Enforcement)

These Rules shall take effect after having been discussed and approved by the board of directors. Subsequent amendments thereto shall be effected in the same manner.

These Rules were enacted on November 12, 2019.

The first revision was on August 7, 2020.

The second revision was on March 12, 2024.

The third revision was on August 13, 2025.

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