

Sustainability and Corporate Social Responsibility Principles

Approved by the Board of Directors December 19, 2019

- Article 1 In order to fulfill its corporate social responsibility initiatives and to promote economic, environmental, and social advancement for the purpose of sustainable development, the E Ink Holdings Inc. Sustainability and Corporate Social Responsibility Principles (hereinafter these “Principles”) are established in reference to the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies.
- Article 2 These Principles apply to the Company and the subsidiaries in its consolidated income statements (hereinafter the “Company and Its Subsidiaries”).
- Article 3 In operating and executing its businesses, the Company and Its Subsidiaries shall, in addition to pursuing financial interest for their shareholders, also take into consideration and protect stakeholders’ interest, focus on the positive impact of its corporate conduct on society and reasonably reduce the use of resources.
- Article 4 The Company’s “sustainability and corporate social responsibility” covers the following:
1. Exercise corporate governance.
 2. Foster a sustainable environment.
 3. Preserve public welfare.
 4. Enhance disclosure of corporate social responsibility information.
- Article 5 The Company has a Corporate Social Responsibility Committee, responsible for proposing corporate social responsibility related policies and management systems. The corporate objective of the Company is to implement local development and social care through innovation and teamwork and to create globalized friendly products and diversified sustainable values.
- Article 6 The board of directors shall supervise the implementation of these Principles by the management team. The management team shall make periodic reports to the board of directors about the implementation status of corporate social responsibility. Concepts related to sustainability and social responsibility shall be integrated into employee training programs to ensure continued implementation of the Company’s corporate social responsibility system.
- The above periodic report shall include the following:
1. Mission and prospect of the Company’s corporate social responsibility.
 2. Execution status of stakeholder communication.
 3. Specific promotion plans and execution results.
 4. Status of disclosure of sustainability and social responsibility related information.
- Article 7 The Company shall fully promote and communicate sustainability and social responsibility related concepts, specific promotion plans and the implementation status to stakeholders.
- The Company establishes a stakeholders section on its website to facilitate expression of expectations and needs towards the Company by the stakeholders, to which the Company shall provide proper replies.
- Article 8 In engaging in operating activities and business performance, the Company and Its

Subsidiaries shall fully take into account the impact on the environment, comply with the environmental legislations in the places of operations and refer to applicable international guidelines in a timely manner.

Article 9 To reduce negative impact on the environment by enterprise operations, the Company shall:

1. Collect and evaluate the impact of its business operations on the natural environment, with sufficient and up-to-date information.
2. Establish measurable environmental targets, with regular review and timely adjustment.
3. Adopt concrete plans or action plans, with regular review of the results.

Article 10 In engaging in operating activities such as research and development, procurement, production, operations and services, it is advisable for the Company to:

1. Reduce the resource and energy consumption of its products and services.
2. Reduce the emission of pollutants, toxins and waste, and dispose of waste properly.
3. Improve recyclability and reusability of raw materials or products.
4. Maximize the sustainability of renewable resources.
5. Enhance the durability of products.
6. Improve the efficiency of products and services.

Article 11 The Company has a Safety, Health and Environmental Management System Promotion Committee, with the following duties:

1. Energy consumption management.
2. Management of greenhouse gas emission quantity, energy conservation and carbon reduction.
3. Water resource management.
4. Air pollution control.
5. Waste management.

Article 12 The Company adopts standards generally used in Taiwan and abroad to enforce greenhouse gas inventory in main operating locations and to make disclosures thereof, the scope of which shall include the following:

1. Direct greenhouse gas emissions (i.e., emissions from operations that are owned or controlled by the Company).
2. Indirect greenhouse gas emissions (i.e., emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam).

It is advisable for the Company to pay attention to the impact of climate change on its business operations and establish policies for energy conservation, carbon and greenhouse gas reduction based on its operating status and greenhouse gas inventory result. Such policies shall be promoted accordingly to minimize the impact of its business operations on climate change.

Article 13 The Company has a Safety, Health and Environmental Management System Promotion Committee, with the following duties:

1. Establishment and execution of water resource related policies.
2. Ensure proper handling of effluents to reduce environmental impact.
3. Improve water resource usage efficiency and promote recycled use of water resources.

Article 14 The Company and Its Subsidiaries shall comply with human rights related legislations in the place of their operations and shall establish management policies that are consistent with human rights standards in reference to internationally recognized

principles for labor human rights in order to avoid infringement or breach of human rights and to treat employees with dignity and respect.

The human resource policies of the Company and Its Subsidiaries do not contain differential treatments based on gender, sexual orientation, race, socioeconomic status, age, or marital and family status, so as to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.

The Company and Its Subsidiaries provide an effective and appropriate employee grievance mechanism in order to ensure equality and transparency of the grievance process and to respond to any employee's grievances in an appropriate manner.

Article 15 The Company and Its Subsidiaries adopt reasonable remuneration policies to ensure that remuneration arrangements support the strategic aims of the organization and align with the interests of stakeholders.

The employee remuneration policies reflect the business performance or achievements of the Company to ensure the recruitment, retention, and motivation of human resources.

Article 16 The Company and Its Subsidiaries provide information for their employees so that the employees have knowledge of the labor laws and the rights they enjoy in the countries where the companies have business operations.

Article 17 The Company has a Safety, Health and Environmental Management System Promotion Committee. The management gives due consideration to employees' safety and health, cares about environmental protection and energy issues, and provides management proposals based on the considerations of safety, health, environmental protection and energy to implement proper safety, health, environmental protection and energy measurement tools into daily operation control in order to achieve the targets of safe work, clean production, environmental protection, energy conservation and sustainable development of enterprise operations.

Article 18 The Company and Its Subsidiaries create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.

Article 19 The Company and Its Subsidiaries have a platform for communication between the management and the employees for the employees to obtain relevant information and express their opinions on the Company's operations, management and decisions.

The Company and Its Subsidiaries respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with necessary information and hardware equipment, in order to improve the negotiation and cooperation among employers, employees and employee representatives.

The Company and Its Subsidiaries shall, by reasonable means, inform employees of operation changes that might have material impacts.

Article 20 The Company and Its Subsidiaries shall follow the laws and applicable regulations of the places of their operations to ensure the quality of products and services and to treat clients in a fair and reasonable manner.

The Company and Its Subsidiaries shall avoid damage to consumer interest, health or

safety through its products or services and shall not engage in willful cheating, misleading, fraud or any other act that jeopardizes client trust or damage client interest.

- Article 21 The Company provides a clear and effective procedure for accepting client and consumer complaints to fairly and timely handle client and consumer complaints and shall comply with laws and regulations related to the Personal Data Protection Act for respecting consumers' rights of privacy and shall protect personal data provided by clients and consumers.
- Article 22 The Company and Its Subsidiaries cooperate with their suppliers to jointly implement corporate social responsibility.
- The Company and Its Subsidiaries avoid transactions with parties with records of breach of the Company's corporate social responsibility initiatives. In signing contracts with others, corporate social responsibility clauses shall be included as required.
- Article 23 The Company actively promotes positive effects of its business operations in local communities, establishes good communication and interaction channels with the communities, reduces negative impact on the communities, and adequately employs personnel from the locations of business operations.
- The Company dedicates resources to the community through commercial activities, endowments, volunteering service or other charitable events, etc., to promote co-existence and co-prosperity between the Company and the community.
- Article 24 The Company discloses information according to relevant internal and external laws and regulations and fully discloses relevant and reliable information relating to its corporate social responsibility initiatives.
- Article 25 The Company adopts internationally widely-recognized standards or guidelines when producing corporate social responsibility reports and discloses the status of the implementation of its corporate social responsibility policy. It is also advisable to obtain a third-party assurance or verification.
- Article 26 The Company shall at all times monitor the development of domestic and foreign corporate social responsibility standards and changes in the business environment so as to examine and improve its established corporate social responsibility framework.
- Article 27 These Principles, including any amendments hereto, are implemented following approval by the board of directors and shall be reported to the shareholders meeting.