

EVA Airways Corporation

Procedures for Ethical Management and Guidelines for Conduct

Article 1

The Company goes into all commercial activities on the basis of fairness, honesty, good faith and transparency. To put into effect the ethical management policy and to aggressively prevent any unethical conduct, the present procedures for ethical management and guidelines for conduct are hereby formulated by us in accordance with “Procedures for Ethical Management and Guidelines for Conduct for TWSE/GTSM Listed in Taiwan” as well as the applicable regulations where the Company and the Conglomerate and Organization locate so as to clearly define the noticeable matters when the employees of the Company are executing the business.

These procedures and guidelines for conduct are applicable to any subsidiary of the Company, any foundation that its cumulative funds directly or indirectly donated by the Company are more than fifty percent or other institutions or juristic persons having de facto control (hereinafter referred to as “Conglomerate and Organization”).

Article 2

The staffs of the Company as set forth in these procedures and guidelines for conduct shall mean directors, supervisors, managers, employees, fiduciaries and parties having de facto control of the Company and Conglomerate and Organization (hereinafter referred to as “De Facto Controllers”).

In the event that any staffs of the Company offer, promise to offer, request or accept any unjustified benefit, it shall be presumed as the acts of such staffs of the Company.

Article 3

The unethical conduct as set forth in these procedures and guidelines for conduct shall mean when going into any commercial activity, the staffs of the Company directly or indirectly offer, promise to offer, request or accept any unjustified benefit or have other conducts relating to breach of good faith, illegal conduct or breach of fiduciary duty in order to obtain or maintain benefit.

The objects of the above conducts include public servants, political candidates, political parties or their staffs, any public or private sector or entity and its directors, supervisors, managers, employees, de facto controllers or other interested parties.

Article 4

The benefit as set forth in these procedures and guidelines for conduct shall mean any valuable thing, including money, endowments, commissions, positions, services, preferential treatments or rebates in any form or in any name. However, the benefit received or given occasionally as the accepted social customs and that will not adversely affect the specific rights and obligations shall be excluded.

Article 5

The Company has nominated the Human Resources Div. as the ad hoc panel (hereinafter referred to as “the Ad Hoc Panel”) in order to exclusively deal with amendment, execution, interpretation, consulting service, reporting, registration, filing and supervision and execution of these procedures and guidelines for conduct. Basically, the Ad Hoc Panel is in charge of the underlying matters, rendering the reports to the Board of Directors regularly:

1. To help add honest and ethical value to the corporate management policies; and to take the relevant preventive measures pursuant to the applicable decrees in order to assure of ethical management;

2. To draw up the plan for preventing unethical conduct, and formulate standard operating procedure and guideline of conduct in regard to the work in the respective plan;
3. To plan internal structure, organization and functions, and to establish mutual supervision and check and balance system for the operating activity having higher risk in unethical conduct within the operating scope;
4. To promote and coordinate propaganda and training of ethical policy;
5. To plan impeachment system; and
6. To help the Board of Directors and the Management check and evaluate if the preventive measures for implementing ethical management work effectively; evaluate the compliance of the related operating procedure; and render the report regularly.

Article 6

Where any staffs of the Company offer, promise to offer, request or accept any benefit as specified in Article 4 hereof, it shall comply with “ Procedures for Ethical Management and Guidelines for Conduct for TWSE/GTSM Listed in Taiwan”, our ethical corporate management best practice principles as well as these procedures and guidelines for conduct. Such actions can be started only after completing the relevant procedure. Except the following circumstances:

1. Due to requirements of business, such staffs take the actions as the local courtesy, practice or custom when visiting at home or abroad, receiving foreign guests, promoting business and making communication and coordination.
2. Because of social etiquette, commercial purpose and reinforcement of relationship, such staffs participate in or invite another to participate in the normal social activities.
3. Due to requirements of business, such staffs invite the clients or are invited to take part in the particular commercial activities or visit the factories, and sharing of expenses, number of participants, level of hotel and period

relating to such activities will have been clearly indicated.

4. Such staffs participate in the publicly held folkloric activities, and the public is invited to participate in such activities.
5. Such staffs receive encouragement, help, consolation or gift from the department chief.
6. Such staffs take the actions as social courtesy or custom or as other requirements of the Company.

Article 7

With the exception of the circumstances as set forth in the preceding paragraph or previous reporting and approval by the superior, the benefit as set forth in Article 4 hereof directly or indirectly offered or promised to offer by another all shall be refused or returned by the staffs of the Company no matter if there are any interests with the job, and it shall report the direct department chief and inform the Ad Hoc Panel of the Company as well. In case the return is impracticable, such benefit shall be delivered to the Ad Hoc Panel within three days after receipt of the same.

The Ad Hoc Panel shall, after measuring nature and value of such benefit, propose to return, receive with payment, deliver to the Company, transfer to charitable organization or make other appropriate suggestions. Such action will be started after reporting to the senior director for approval.

Article 8

The Company shall not offer or promise to offer any facilitation payment.

In the event that the staffs of the Company offer or promise to offer any facilitation payment under threat or menace, not only shall it record the course and report to the direct department chief, but shall notify the Ad Hoc Panel of the Company.

Upon receipt of such notification, the Ad Hoc Panel shall deal with forthwith and review the related matters so as to lower the risk of re-occurrence. If any illegality is found, it shall report the judicial organ immediately.

Article 9

The Company remains neutral in the politics and doesn't contribute any frog hair or political donation to any political party or individual.

Article 10

Any charitable donation or sponsorship offered by the Company shall be subject to the applicable regulations and the underlying requirements:

1. It shall meet the regulatory requirements where the office locates.
2. All decisions shall be recorded in writing.
3. If the charitable donation is contributed to the charitable organization, it shall not become a bribe in disguised form.
4. If the payback obtained from the sponsorship is clear and reasonable, the sponsored party shall not be the business counterpart of the Company or any party having interests with the staffs of the Company.
5. In the wake of charitable donation or sponsorship, it shall confirm that the purpose of money shall conform to the purpose of donation.

Article 11

Should any subject proposed at the board meeting have any interests with any director or his proxy, such director shall explain the important details of such interests at that board meeting. In case of prejudice to the corporate benefits, such director shall not join discussion and voting and shall recuse such discussion and voting. Moreover, such director shall not act as the proxy of other director at the voting. The directors shall self-discipline and cannot offer improper mutual supports.

Where the spouse, a blood relative within the second degree of kinship of a

director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

If the staffs of the Company, when executing the business of the Company, find that the business has conflict of interest with himself or the corporation represented by him or that he, his spouse, parents, children or other interested parties might acquire any unjustified enrichment, it shall report his direct department chief and the Ad Hoc Panel, and the direct department chief shall give appropriate advice.

No staffs of the Company can make use of the resources of the Company to any commercial activity out of the Company. Moreover, no staffs of the Company can affect the job performance because of participation in any commercial activity out of the Company.

Article 12

All departments of the Company shall precisely execute the operating procedure relating to management, conservation and confidentiality of trade secret, trademark, patent, copyright and other intellectual property of the Company in order to assure that the confidentiality system of the Company is insistently effective.

The staffs of the Company shall faithfully live up to the regulations relating to intellectual property, internal operating procedure and contract requirements and shall not divulge any trade secret, trademark, patent, copyright and other intellectual property of the Company that they learnt to any third party. In addition, no staffs of the Company shall make inquiry or collection of any trade secret, trademark, patent, copyright and other intellectual property of the Company that is irrelevant to the job.

Article 13

The Company shall be engaged in operating activities in accordance with fair trade law and the other applicable competition regulations and shall not make any unfair competition.

Article 14

The Company shall comply with the applicable regulations and international standards in regard to products and services provided by the Company. In addition to gathering and understanding, the Company shall also collect the notices and publish the same, so that the staffs of the Company can assure of the transparency and safety relating to the information of the products and services in process of research and development, purchase, manufacture, provision and sales of such products and services.

The Company shall establish and publish the policies for protecting the interest of the consumers or other interested parties in order to prevent such products and services from damaging interest, health and safety of consumers and other interested parties directly and indirectly.

If any facts are found that such products and services might prejudice health and safety of consumers and other interested parties, such products shall be basically called back or such services shall be suspended forthwith. Besides, it shall also investigate if the case is true, and a review and improvement plan shall be rendered.

Meanwhile, the Ad Hoc Panel shall submit the Board of Directors a report relating to the manner of handling and subsequent review and improvement steps for the above-mentioned case.

Article 15

The staffs of the Company shall comply with the regulations as set forth in

“ Securities and Exchange Act”. Moreover, such staffs shall neither make the insider trading by making use the unveiled information known to them nor divulge to any third party in order to prevent such third party to make any insider trading by using such unveiled information.

Other entity or staff that participate in merger, division, acquisition, transfer of stocks, important memorandum, strategic alliance, other business cooperation plan or important contract of the Company shall enter into a Non-Disclosure Agreement with the Company, promising not divulge our trade secret or other significant information known by him/her to any third party. Moreover, such information shall not be used without our previous consent.

Article 16

The Company shall disclose its ethical management policy in the internal regulations, annual report, corporate website or other propaganda literature. Moreover, the Company shall also announce such policy at Products Presentation or Investor’s Conference so as to allow its suppliers, clients or other sales-related entity or staff to clearly know its philosophy and rules of ethical management.

Article 17

The Company shall, before establishing any commercial relationship with any third party, evaluate legality, ethical management policy or whether or not there is any record of unethical conduct in regard to agents, suppliers, clients or other commercial counterparts in order to assure that the business is fair and transparent and no any bribe is requested, offered or received.

When making such evaluation, the Company may adopt due audit procedure in the light of the underlying items in order to view its commercial counterparts and to know their status quo of ethical management:

1. Nationality, location, organization and structure, management policy and

- place of payment of such company;
2. If such company has laid down ethical management policy and conditions of its execution;
 3. If the location of such company is a corruptive country with high risk;
 4. If such company is a corruptive profession with high risk;
 5. Status of long-term management and goodwill of such company;
 6. The partner is asked to advance its opinions about such company; and/or
 7. If such company has any record of unethical conduct, such as: bribe or illegal political donation.

Article 18

Not only shall the staffs of the Company explain our ethical management policy and the relevant requirements to the transaction counterpart in the process of commercial activities, but shall flatly refuse to directly or indirectly offer, promise to offer or receive the unjustified benefit in any form or in any name.

Article 19

The staffs of the Company shall avoid making commercial transaction with the agents, suppliers, clients and other commercial counterparts having involved with any unethical conduct. Once any unethical conduct is found for such counterparts or partners, the commercial activities should be stopped immediately, and such counterparts or partners shall be recorded as the rejected objects in order to implement our ethical management policy.

Article 20

When entering into any contract with any third party, the Company shall have full understanding about the status of ethical management of such third party. Meanwhile, our ethical management policy shall be duly observed, and such policy shall be covered as the term of the contract. The following clauses shall be clearly stipulated in the contract:

1. Whenever any party finds any staff violates the contractual term that prohibits receiving any commission, rebate or other unjustified benefits, such party shall advise other party of identify of such staff, manner for offering, promising to offer, requesting or receiving, amount or other unjustified benefits. In addition of production of relevant evidences, it shall also provide cooperation for the investigation by the other party. In case any party has suffered any damage arising therefrom, such party is entitled to claim compensation against the other party and may deduct such compensation directly from the contract price.
2. Where any party is involved with any unethical conduct during the commercial activities, the Company is entitled to terminate or disannul the contract.
3. The reasonable term of payment is clearly indicated, including place and method of payment and the requirement for compliance with related tax laws and regulations.

Article 21

The Company encourages its external and internal staffs to report or impeach any unethical conduct or undue conduct. In the event of false impeachment or accusation in bad faith by any internal staff, he/she will be as the actual situation punished pursuant to the regulatory rules of the Company.

The corporate website and intranet have set up and post internal independent email address ” evapsn@evaair.com” for the use by our internal and external staffs.

Meanwhile, the impeacher shall at least provide the following information:

1. Name and ID number of impeacher, and address, phone and email for immediate contact with the impeacher;
2. Name of impeached person or other data that can identify the status and features of impeached person; and

3. Positive evidences for investigation.

When handling the impeachment case, the Company shall make a written statement in order to keep secret about the status of impeacher and impeachment details. Moreover, the Company shall promise to protect impeacher and prevent any improper treatment resulted from the impeachment.

The Ad Hoc Panel will deal with the impeachment case under the following procedure:

1. If the staffs are involved, the impeachment shall be notified to the department chiefs, while if the directors or officers are involved, it shall be reported to the independent directors.
2. The Ad Hoc Panel and the above-mentioned department chiefs or independent directors or supervisors shall look into the relevant facts forthwith. When necessary, the other respective departments shall extend the helps.
3. If it is proved that the impeached person did violate the applicable regulations or our ethical management policies and requirements, the impeached person shall be required stopping the related behavior, and the proper treatment shall be made. When necessary, the damage can be claimed through the legal procedure in order to maintain our reputation and interest.
4. Acceptance of impeachment, investigation process and investigation results all shall be conserved in writing. The conservation period is five years, and the conservation can be made in electronic form. In case any lawsuit relating to the impeachment case occurs before expiration of conservation period, such information shall be conserved until such lawsuit concludes.
5. If the impeachment case is found true after investigation, the respective department of the Company shall be required reviewing the related internal control system and operating procedure. Besides, the improvement measures shall be proposed in order to prevent re-occurrence of the same

behavior.

6. The Ad Hoc Panel shall report the Board of Directors of details of impeachment, manner of treatment and subsequent review and improvement measures.

Article 22

Where the staffs of the Company finds any ethical conduct from any third party to the Company and if such conduct is illicit, the Company shall inform the judicial or police organ of the related facts. If any government institution or public servant is involved, the Company shall report the agency against corruption of the government.

Article 23

The Ad Hoc Panel shall arrange internal propaganda regularly. Chairman, President or Officer shall convey the importance of ethic to the directors, employees or fiduciaries.

The Company shall bring ethical management into performance appraisal of the employees and human resources policy, and the clear and effective award, punishment and complaint system shall be set up.

If any staffs of the Company violate ethical conduct seriously, such staffs shall be fired or dismissed in accordance with the applicable regulations or our regulatory rules.

The Company shall disclose the information relating to position, name, violation date, violation details and treatment for the staff that has violated the ethical conduct.

Article 24

These procedures and guidelines for conduct shall be put into practice after

approval by the Board of Directors. This provision is also applicable to its amendment.

When reporting these procedures and guidelines for conduct to the Board of Directors for further discussion, the Company shall fully take into consideration the opinions of every independent director, and their opposite and reserved opinions will be duly recorded in the minutes of the board meeting. If the independent director fails to attend the board meeting personally to advance his opposite or reserved opinions, unless there are justified reasons, the independent director shall submit his written opinions in advance. Such opinions will be also duly recorded in the minutes of the board meeting.

The History of “Procedures for Ethical Management and Guidelines for Conduct”

1. The Procedures and Guidelines for Conduct was made on March 26, 2015.
2. The Procedures and Guidelines for Conduct was amended on August 10, 2017.
3. The Procedures and Guidelines for Conduct was amended on April 14, 2020.