

**EVA Air's  
Corporate Social  
Responsibility Report**



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# Preface





EVA Air Chairman

*Steve Lin*



EVA Air President

*Clay*

## A Message from the Executives

The COVID-19 pandemic has drastically changed international airline travel. As country borders remain closed, the international economy is struggling to stay afloat, with the airline industry suffering unprecedented losses. In an effort to combat this world-wide crisis, EVA Air remains focused on maintaining organizational resilience, and ensures our business continuity management. We continue to work tirelessly to develop proactive, dynamic, and comprehensive business solutions to ensure the safety of our customers and employees. Through it all, we remain dedicated to safety and pledge to remain vigilant in the fight against the COVID-19 Pandemic. In addition to our wide sweeping operational policies incorporating all manner of epidemic safety and preventative measures, we have also unveiled an operation model for the post-pandemic era.

As a result of our ongoing efforts and tenacious dedication to flight safety and epidemic response, EVA Air has been awarded numerous honors and accolades. We are proud of our 9th place “Airline Safety Ranking” from the JACDEC. Other accomplishments include being ranked the 6th among the “World’s Top 20 Safest Airlines” from the AirlineRatings.com, and receiving the “COVID-19 Seven-Star Rating”, and being ranked as one of the “World’s Top 20 COVID-19 Compliant Airlines”. Customer Service is also an important aspect of our business focus. For a fifth year in a row, EVA Air has been ranked as a “5-Star Airline” by SKYTRAX and received numerous other customer service-based accolades including the 7th place ranking on TripAdvisor’s list of “Top 10 World’s Best Airline Award”. While the airline industry has undoubtedly struggled in the face of the COVID-19 pandemic, EVA Air understands our critical role in protecting the environment, and has never faltered in our dedication to environmental protection, social inclusion, and corporate governance. EVA Air is also diligently working on strengthening our role in terms of greenhouse gas management, ensuring that all relevant domestic and international regulations are followed, and continuously improve on the transport industry’s greenhouse gas reduction efforts.

In addition to our achievements related to the environment, society, and corporate governance, we also uphold the core management values of “Safety, Service, and Sustainability”. We also proactively respond to material issues of concern to stakeholders, and continue to work toward better-sustainable corporate operations. In order to further strengthen the corporation’s sustainable development, we have formulated the corporate sustainability strategy. Using UN Sustainable Development Goals (SDGs), as well as participating the Dow Jones Sustainability Index (DJSI) assessment, we strive to perfect our internal guidelines and enhance our corporate social responsibility.

Looking to the future, the COVID-19 may continue to affect global economic development, and the end results are difficult to predict. Nevertheless, EVA Air retains our adherence to the spirit of “Challenge, Innovation and Teamwork”. We apply our resilience across all aspects of our corporate strategy, attitude, and action. With safety as the prerequisite, we set our strategies, adjust our attitudes, carefully consider responses, implement actions, and bring out the effectiveness of teamwork to maintain sustainable management for the corporation. We are squarely facing the “new normal” for the airline industry as we prepare for post-pandemic airline travel. While maintaining an attitude of professionalism and proactiveness, we strive to maximize benefits for investors, employees, society at large and our stakeholders, and we shall fulfil our corporate social responsibility toward sustainable future.



## EVA Air's Response to COVID-19

As the COVID-19 pandemic continues to rage across the globe, country after country has closed their borders, and set strict policies for travel, entry, quarantine, and self-isolation. This has caused demand for passenger transport to rapidly shrink, and a huge number of passenger aircraft to be grounded. As vaccination is in progress, which has bringing the world promise of safe travelling from the pandemic. EVA Air was certified as a vaccine cold chain transport partner, and we shall provide our upmost effort to assist countries in the transportation.

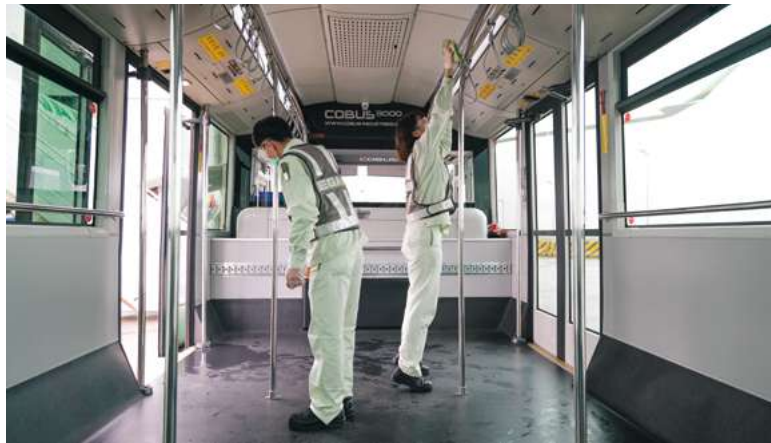
In order to handle the uncertainties and crisis systematically, we set up EVA Epidemic Prevention and Response Committee, with the president as chairman. Over the pandemic period, we held many committee and task group meetings for complying with regulation requirement, evaluating potential risks and formulating short and mid-term strategies. Through three task groups – Protection; Operations; and Administration & System Support – to fight and respond to the pandemic have been put in place.

### **A Purpose Shared Among All Personnel: To Fight the Pandemic**

EVA Air stands steadfast in our position against the pandemic. We follow the Central Epidemic Command Center (CECC) and Civil Aeronautics Administration (CAA) various epidemic prevention regulations; and we continue to refine our pandemic prevention measures and management to ensure workplace safety. As our flight crew members have been categorized as a high-risk group, the Company has reinforced our thorough efforts to carry out corporate epidemic prevention measures. Extra health and safety measures have been deployed not only at home base, but also their stay at outstations to protect everyone's health and workplace safety.

## Operational Strategy

The latest International Air Transport Association (IATA) data and report shows that the COVID-19 pandemic has inflicted a heavy toll on the world economy and the air travel industry. In 2020, the air travel industry lost c. US\$118 billion, and overall demand dropped 61% from 2019. In the second half of 2021, passenger demand will gradually return to normal, with global air travel demand to increase by 56% over 2020. In order to increase cargo revenues and reduce impacts from passenger travel, EVA Air modified our business strategy quickly by using passenger aircraft to carry cargo. On April 21, 2020, we flew our first Boeing 777 passenger aircraft carrying cargo in the passenger cabin. It flew medical supplies from Taipei to Chicago in the US. Not only are we maximizing revenues in a crisis, we are also delivering medical care and pandemic-fighting supplies to countries and regions where they are needed. This simultaneously demonstrates the airline industry's core capacity for social responsibility.



### PASSENGER TRANSPORT

- In accordance with market demand, gradually increased flight frequency on core networks and resumed capacity on tourist routes.
- Took the initiative to join biometric boarding at San Francisco Airport, thus lowering chances for physical contact with personnel and assuring passenger health and safety.
- Continued employing technology to optimize service processes; developed “zero-contact” customs clearance and boarding procedures.
- Reviewed capital outlays, including holding off non-urgent/unnecessary procurement, repair projects, and advertisements.
- Ensured sufficient inflight cabin supplies and aeronautical materials, and coordinated with suppliers to adjust contract and payment terms.



### CARGO TRANSPORT

- Increased cargo capacity by loading cargo in passenger cabin, with total cargo tonnage growing 15.28% over 2019, and freight ton-kilometers (FTK) growing 97.08%.
- Reconfigured some Boeing 777, Boeing 787 and Airbus 330 passenger aircrafts for CIC (cargo in cabin) operation.
- Expanded air cargo business opportunities, and developed cold chain cargo market.
- Enlarged freighter fleet and heightened industry competitiveness; 3 more Boeing 777 freighters will be added and delivered in 2021 Q4.

## Passenger Safety

With reference to International Civil Aviation Organization (ICAO) procedural recommendations, we implemented our “C+ Travel” program, which includes four key elements: Clean Aircraft, Clean Crew, Clean Passengers, and Clean Airport Facilities. By carefully monitoring every level and implementing a variety of epidemic prevention measures, we have provided the safe journey for all passengers. As the pandemic has developed, we shall have continually improved upon our epidemic prevention measures, in order to reduce the risk of air travel.



### CUSTOMER SERVICE

- Constantly updated our website's information area to include new policies and travel restrictions from respective regulations, in order to assist passengers in understanding what the rules are.
- In accordance with CAA requirements, arranged transfer-passenger only seating areas, and worked as much as possible to maintain physical distancing between passengers.
- Did pre-flight verification that passengers had completed temperature checks, filled out Passenger Health Declaration, and wore masks.
- Put in place disinfection procedures for all checked baggage entering Taiwan.
- As the pandemic developed, extended validity of award miles, membership tier, and award ticket; provided multiple mileage redemption types of discounts.



### IN-FLIGHT SERVICE

- All routes fully implemented epidemic prevention in-flight dining. Meal services on several routes are simplified.
- Pillows and blankets are available on-demand only and fully sanitized after each use.
- Service products such as earphones, one-time use headrest covers and napkins are still available; suspended the service of providing magazines, newspapers, and food & beverage menus.
- Anti-bacterial products such as Wellness kits and sanitizing wipe are available on all flights irregularly during COVID-19 pandemic. Also provided hand sanitizers in lavatories.
- All cabins are sanitized with "Calla 1452 Neutral Aircraft Disinfectant Cleaner" frequently as part of our enhanced cleaning procedure.



## Employee Safety

In accordance with CECC and CAA regulations, EVA Air set COVID-19 epidemic prevention guidelines; and as the pandemic has developed, EVA employees shall always follow the governmental epidemic prevention regulations. No leniency will be given to those employees who violate the governmental epidemic prevention regulations.

We have also provided personal protective equipment to flight crew and front-line staff, in order to protect employees' health and safety. The "2020 Occupational Safety and Health annual recurrent training" focused on COVID-19 epidemic prevention, and required all employees to complete the e-learning and test, in order to strengthen their knowledge of epidemic prevention; the training completion rate was 100%.

- Surgical and N95 masks, nitrile gloves, eye protection equipment, disposable water-resistant isolation gowns and thermometers are provided to the duty crew members and front-line ground staff.
- Designated toilet for crew use only.
- Did regular health inquiries on crew during home quarantine period; also set up EAP (Employee Assistance Program) to provide psychological counseling services.
- Accommodation, transport, and dining arrangement and health condition monitoring for flight crews that having layover at outstations shall be in full compliance with CAA directives.
- Actively strive for prioritization of COVID-19 vaccination for flight crews and front-line staff.
- Implemented regular disinfection at all offices in all business locations; placed thermal imaging cameras to check employee temperatures.
- Maintained social distance or mask-wearing in office areas.
- Practiced traffic flow separation for employee dining, with masks worn by all when getting meals, and void talking during meals.
- As required by the domestic pandemic circumstances, arranged backup plans such as ground staff working from home/split groups/off-site office working.
- Cut down on non-essential meetings or replace them with video conferences or conference calls.
- Politely refused non-essential visitors; when necessary, guests were met in designated meeting rooms. Guests were required to undergo temperature check, disinfect their hands, and wear a mask before entering.



## Human Resources

In order to economize on Company operating costs, we put in place the "Special Pandemic Leave" program and encouraged air and ground crews to apply. During the leave period, employees continue to accrue seniority, and the leave period does not affect an employee's annual review, rights, or interests. In addition, due to the reduced number of flights and resultant lower requirements for air service arrangements, we also gave air crews varying numbers of paid vacation days. When employees meet the local government's requirements for salary subsidization, the Company assisted them in making applications to such governments. Other flexible programs included providing short-term unpaid leave and easing restrictions on requests for annual leave. In 2020, we temporarily paused external recruitment, switching instead to internal searches. In combination with one-year short-term transfers and business support methods, this effectively helped our front-line workforce to go to other departments and learn multidisciplinary skills. We have already held related trainings and interdepartmental talks, and implemented talent deployment and employee career planning. Via these actions, we cultivate all-around talent.

For more information, please visit the EVA Air website: [www.evaair.com/zh-tw/emerg/2019-nCoV.html](http://www.evaair.com/zh-tw/emerg/2019-nCoV.html)

# 01

PART

## Sustainable Value Creation



EVA Air's sustainable development framework centers on our core value "Safety, service and sustainability". Based on the core value, we have developed short, mid, and long-term strategies. The short-term strategy is to share experiences with our subsidiaries and suppliers, based on which we draw up integrated mid and long-term strategies. In the end, we incorporate all stakeholders that concern the aviation industry to work hand in hand in the promotion of the systematic action plans. EVA Air will continue to work hard to achieve the ultimate goal of becoming an iconic airline with global influence.

# 1-1 About EVA Air

## The Growth of EVA Air

Since its establishment for more than 30 years, EVA Air has upheld its corporate principles of “Challenge, Innovation and Teamwork”, insisting on rigorous flight safety, service quality and corporate sustainability. Today, EVA Air has a fleet of over 80 aircrafts; and through strategic alliances with the world’s leading airlines, EVA Air has created a globally network. EVA Air has established 111 operating locations in 20 major countries around the world, as well as flight destinations across more than 68 major cities. To become a more internationalized and competitive airline, EVA Air officially joined Star Alliance on June 18th, 2013. A close-knit global network was formed to provide more than 12,000 flights every day to 1,300 destinations in 197 countries.

In 2020, the world suffered the attack of COVID-19. Faced with this severe challenge, EVA Air immediately upgraded our cabin epidemic prevention measures and launched the “C+ Travel Safe Travel” plan. Through layers of checks from pre-travel preparations to setting out to boarding, we fully safeguarded the health and safety of travelers. Although the demand for travel has fallen sharply, we were quick to respond to market changes through strategies to flexibly adjusted passenger and freight operations. Furthermore, we used passenger cabin space for freight services, and strived for opportunities to transport medical supplies, e-commerce and vaccine cargo. We also rolled out the “Semi-Travel (Sightseeing) Flights” and “Pilot/ Flight Attendant/ Airline Catering Experience Camps” to satisfy the travel desires of the public. In addition, in response to epidemic prevention, we also designed special functional protective jackets for fashionable epidemic prevention. These were widely popular as soon as they were launched, and were sold well in advance, thus showing that by demonstrating resilience during the pandemic, infinite possibilities can be created.



## Fleet

EVA Air introduced 2 new Boeing 787-10 Dreamliners in 2020. Meanwhile, EVA Air has reached an agreement with Boeing to adjust seven of the 787-10 Dreamliners yet to be delivered to three 777Fs and four 787-9s in response to the shifting commercial environment. EVA Air adds that decision is to reflect the “changed market demands” as well as a continuous optimization of its fleet and network.

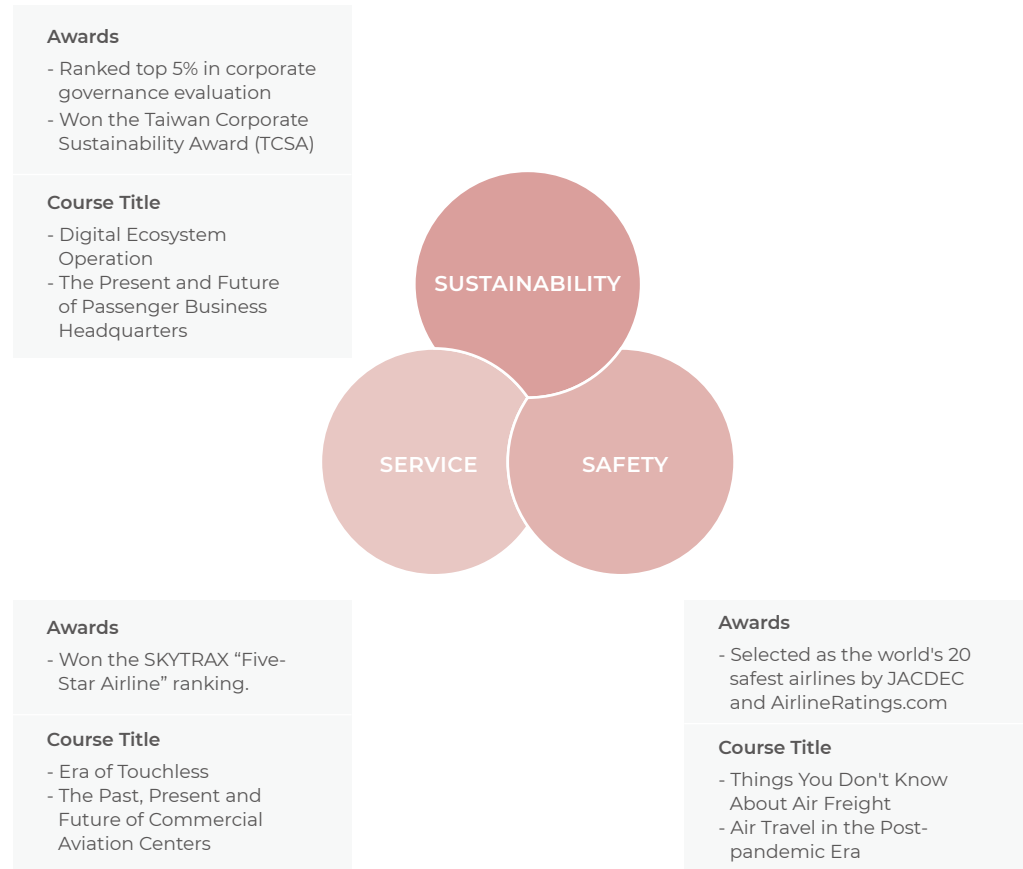
Average Age of Passenger Fleet	Average Age of Cargo Fleet	Number of Fleet	Average Age of the Fleet
6.47 years	2.36 years	87	6.23 years

Note : Updated as of December 31<sup>st</sup>, 2020.

## Brand Strategy

Since its inception, EVA Air has adopted the brand strategy of “Safe and Convenient Flight, Welcoming and Thoughtful Service, Efficient and Innovative Operation”. The company has always been committed to flight safety quality, service, continuous improvement in operating performance and the pursuit of sustainable operations in order to build a high-quality brand image that is trustworthy to customers. At the same time, based on our core values of "Safety, Service and Sustainability", we promoted various internal and external activities, continued to integrate the core of the brand into operational activities, and maintained communication with all our stakeholders.

In 2020, the aviation industry was severely affected by COVID-19, and the working hours and duties of employees had to be re-adjusted. Therefore, EVA Air encouraged employees to use the time to improve their professional knowledge and provided many training programs as well as learning resources. In addition to various professional courses, we offered a total of 6 courses on business administration and aviation trends, in both seminars-in-person and online training, for all employees to sign up freely. These courses help to facilitate communication between different departments and further strengthen the company’s corporate values and brand recognition among employees, preparing everyone for the new challenges to the aviation industry in the post-pandemic era. There were a total of 4,456 participants signed up for the programs and over 8,500 hours in course time.



Facing the global pandemic of COVID-19 in 2020, the capacity of aviation industry worldwide has shrunk sharply. However, adhering to its corporate philosophy of sustainable operation and meeting customers' needs, EVA Air continued to launch sightseeing flights and one-day experience camps to maintain interaction with consumers, deliver core value and enhance brand recognition.



### Semi-Travel (Sightseeing) Flights

- EVA launched many sightseeing flights of different themes.
- The special flights are not only reported by local media in Taiwan, but also covered by CNN and Singapore Straits Times, thereby increasing brand exposure.
- In total, EVA offered 38 semi-travel and corporate contracted flights for nearly 7,500 passengers.



### Pilot/ Flight Attendant/ Airline Catering Experience Camps

- The activities conveyed EVA Air's flight safety, service philosophy and brand image.
- EVA offered three types of one-day experience camps, namely pilot, flight attendant and airline catering camps. In total, 48 camps were held with nearly 1,200 participants.
- We used relevant instructor resources and equipment to conduct activities during the pandemic to increase internal and external benefits.

## BRAND ACTIVITY

	2020	2019	2018
Safety	<p><b>01 Safety Week</b></p> <p>Since 1996, events for increasing the cohesiveness and strengthening the team work of employees have been held every year during Safety Week. Moreover, all aircrews and ground staffs are made aware of their personal responsibility toward safety in order to create a proactive safety culture and enhance the safety awareness of all employees.</p> <p><b>02 Reward Programs for Outstanding employees</b></p> <p>The Most Valuable Pilot (MVP) and Performance Elite Award (PEA) are given quarterly to commend flight crew and frontline service employees with outstanding safety and service performance.</p> <p>Note : In 2020, due to the COVID-19 pandemic, the Safety Week Conference, flight safety lectures and Performance Elite Award were suspended.</p>		
	<p><b>Non-financial Performance</b></p> <p><b>Safety Week</b></p> <ul style="list-style-type: none"> <li>- A total of 1,424 people submitted their creative works in the Safety Week competition.</li> <li>- A total of 68 entries won awards in the competition.</li> </ul> <p><b>Reward Programs for Outstanding employees</b></p> <ul style="list-style-type: none"> <li>- 14 MVPs</li> <li>- 95 PEAs</li> </ul>	<p><b>Non-financial Performance</b></p> <p><b>Safety Week</b></p> <ul style="list-style-type: none"> <li>- 630 people participated in the convention.</li> <li>- 858 people participated in the flight safety lecture.</li> <li>- A total of 1,555 people submitted their creative works in the Safety Week competition.</li> <li>- A total of 69 entries won awards in the competition.</li> </ul> <p><b>Reward Programs for Outstanding employees</b></p> <ul style="list-style-type: none"> <li>- 24 MVPs</li> <li>- 40 ESAs</li> <li>- 167 PEAs</li> </ul>	<p><b>Non-financial Performance</b></p> <p><b>Safety Week</b></p> <ul style="list-style-type: none"> <li>- 532 people participated in the convention.</li> <li>- 852 people participated in the flight safety lecture.</li> <li>- A total of 1,172 people submitted their creative works in the Safety Week competition.</li> <li>- A total of 58 entries won awards in the competition.</li> </ul> <p><b>Reward Programs for Outstanding employees</b></p> <ul style="list-style-type: none"> <li>- 43 MVPs</li> <li>- 200 ESAs</li> <li>- 174 PEAS</li> </ul>

Service

2020

**01 Semi-Travel (Sightseeing) Flights**

To satisfy the public's desire for flying, different festival themed and corporate contracted semi-travel flights were planned during the pandemic.

**02 Pilot/ Flight Attendant/ Airline Catering Experience Camps**

During the pandemic, three themed experience camps were organized, namely the pilot camp, flight attendant camp and airline catering camp.

Financial Performance

**Semi-Travel (Sightseeing) Flights**

Nearly TWD 40 million in ticket revenue.

**Pilot/ Flight Attendant/ Airline Catering Experience Camps**

About TWD 5 million in event revenue.

Non-financial Performance

**Semi-Travel (Sightseeing) Flights**

- 38 flights.
- 7,500 flight passengers.
- Event news exposure.
- Newspapers: 58 articles.
- Internet: 978 articles.
- Facebook: 30 posts, with a total of 58,281 likes and 5,691 shares.

**Pilot/ Flight Attendant/ Airline Catering Experience Camps**

- 48 sessions.
- 1,200 participants.
- Event news exposure.
- Newspapers: 6 articles.
- Internet: 92 articles.
- Facebook: 10 posts, with a total of 14,945 likes and 509 shares.

2019

**01 ecoTHREAD™ Economy Class Blanket Project**

Partnered with our suppliers to provide soft, skin-friendly and eco-friendly ecoTHREAD™ blankets that are made from recycled plastic bottles.

**02 Advanced Training for Quality Service**

Continued to require quality in-flight service and arranged various annual training courses.

Financial Performance

**ecoTHREAD™ Economy Class Blanket Project**

Saved about TWD 26 million from the price difference between the new and old styles and consumption.

**Advanced Training for Quality Service**

The training cost of about TWD 2.1 million.

Non-financial Performance

**ecoTHREAD™ Economy Class Blanket Project**

Equivalent to recycling 2,548,000 PET bottles.

**Advanced Training for Quality Service**

- 2,747 cabin crew trained.
- 730 ground staff trained.
- Passenger flight customer satisfaction: 4.41

2018

**01 Launch Event for New and Upgraded Service Products**

Provided own brand resources and collaborated with partners to integrate the brand advantages of various fields so as to jointly create a new structure for comfortable cabin services, enhance brand awareness, expand the customer base of EVA Air to different fields, and drive the sales of existing brand products.

**02 Advanced Training for Quality Service**

Arranged annual training courses to improve work performance of every employee.

Financial Performance

**Launch Event for New and Upgraded Service Products**

N/A

**Advanced Training for Quality Service**

The training cost of about TWD 5 million.

Non-financial Performance

**Launch Event for New and Upgraded Service Products**

- In the catering category, collaborated with Yellow Lemon, Master Chef Huang Ching-Biao and Taiwan TaiHu Brewing on a total of 9 products.
- In the in-flight service items category, collaborated with Jason Wu, Luzerne, Furla, Salvatore Ferragamo and sport b. on a total of 27 items.

**Advanced Training for Quality Service**

- 8,697 cabin crew trained.
- 478 ground staff trained.
- Passenger flight customer satisfaction: 4.42

Sustainability

2020

**01 Cooperative Education**

Has been signing cooperation agreements with the Civil Aviation University of China (CAUC) since 2006; and jointly opened the Civil Aviation Engineering Program with National Cheng Kung University (NCKU).  
Note : With the impact of the COVID-19 pandemic in 2020, no teachers or students from CAUC has come to Taiwan.

**02 The Young Eagles Program**

Promote aviation knowledge and aviation safety education to young student through the Company's visiting and experiencing project.

Non-financial Performance

**Cooperative Education**

- 168 NCKU students completed training.
- 17 trainees received certificate.

**The Young Eagles Program**

- One event held.
- 40 students from rural areas participated.

2019

**02 Delivery of Boeing 787**

The old fleet is constantly renewed. Compared with the previous generation of wide-body passenger aircraft, the new Boeing 787 has benefits in both fuel efficiency and cabin comfort. It can reduce fuel consumption and greenhouse gas emissions by 20%, which will improve operational performance.

Non-financial Performance

**Cooperative Education**

- 173 NCKU students completed training.
- 5 trainees received certificate.
- 5 people from the CAUC came to Taiwan for exchanges.

**Delivery of Boeing 787**

With the modernization of the fleet, the average aircraft age is 5.32 years old.

2018

**02 Taiwan in My Eyes**

The "2018 Taiwan in My Eyes" organized by the CTCI Education Foundation and the Center for Corporate Sustainability included a one-day visit to EVA Air to allow young students to understand how Taiwan's aviation industry creates sustainable flight services.

Non-financial Performance

**Cooperative Education**

- 179 NCKU students completed training.
- 6 trainees received certificate.

**Taiwan in My Eyes**

48 students visited.

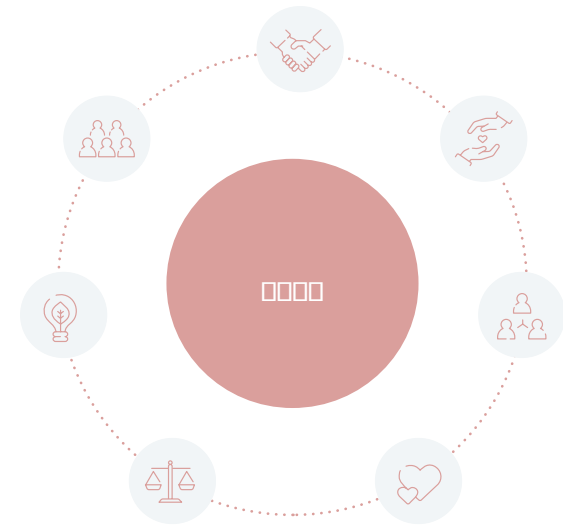
## INTERNATIONAL ENGAGEMENT

<p><b>IATA</b></p>  <p><b>International Air Transport Association</b></p> <p>Member</p> <ul style="list-style-type: none"> <li>- IATA is an association that coordinates and manages civil airline activities and issues such as flight operation, air cargo, safety, service and environmental protection.</li> <li>- Joining IATA will help EVA Air keep abreast of the latest developments in the global airline industry, aviation law and regulations.</li> </ul>	<p><b>AAPA</b></p>  <p><b>Association of Asia Pacific Airlines</b></p> <p>Member</p> <ul style="list-style-type: none"> <li>- AAPA is a regional international organization composed of airlines in the Asia-Pacific region. The organization consists of various working committees-Security, Aviation Policy, Airline Services and Technical Committees, as well as different project teams. AAPA aims to advocate for the aviation industry in the Asia-Pacific region and influence the industry globally by coordinating stakeholders and governments.</li> <li>- Joining AAPA will help EVA AIR keep abreast of the latest developments in the Asia -Pacific region, the global airline industry and aviation law and regulations.</li> </ul>	<p><b>FSF</b></p>  <p><b>Flight Safety Foundation</b></p> <p>Board of Governors International Advisory Committee Member ICARUS (Think Tank) Committee Member</p> <ul style="list-style-type: none"> <li>- FSF holds various kinds of flight safety seminars and releases the latest flight safety information.</li> <li>- Actively participated in international advisory committees and the ICARUS Think Tank Committee to jointly establish methods for improving aviation safety and assist with drafting the agenda for the International Air Safety Summit.</li> </ul>	<p><b>Star Alliance</b></p>  <p><b>Star Alliance</b></p> <p>Member</p> <ul style="list-style-type: none"> <li>- Star Alliance is the largest global airline alliance. Through member collaboration and co-ordination, Star Alliance takes initiatives such as locating member airlines close together in airports, employing connections teams for smoother transfers, sharing facilities, analyzing flight schedules and introducing innovative technology to make flying experience as comfortable and seamless as possible.</li> <li>- Joining Star Alliance strengthens the cooperation between EVA Air and member airlines through system co-development and joint-sourcing. It also enables the expansion of network services, cooperation of passenger mileage reward programs between member airlines, and provision of innovative products.</li> </ul>
<p><b>TAA</b></p>  <p><b>Taipei Airlines Association</b></p> <p>Chairman</p> <ul style="list-style-type: none"> <li>- The TAA is committed to coordinating matters among stakeholders and speaking out for the common interests of the industry. It serves as a bridge between the government and the local aviation, and is entrusted by the government to provide relevant services. The TAA also funds the operation of the "Airport Coordination Taipei". EVA Air is currently serving as the Chairman of the TAA 11th Board of Directors.</li> <li>- Participating in the TAA allows EVA Air to discuss and communicate with other industry stakeholders on relevant issues and voice out demands or suggestions to the government.</li> </ul>	<p><b>FSFT</b></p>  <p><b>Flight Safety Foundation-Taiwan</b></p> <p>Directors of the Board of Directors Committee chair</p> <ul style="list-style-type: none"> <li>- Planned and promoted Taiwan's civil aviation safety. Provide various aviation, security and ground handling safety-related courses and publish quarterly flight safety magazines.</li> <li>- Collected international aviation safety information, provided education and training to airline industry, and coordinated the revision of relevant unit regulations or strategy formulation to improve the safety and security of domestic civil and military aviation.</li> </ul>	<p><b>CSOCA</b></p> <p><b>Chinese Society of Civil Aviation</b></p> <p>Member of Board</p> <ul style="list-style-type: none"> <li>- Conduct civil aviation academic activities; promote civil aviation knowledge and integrate with modern technology to strengthen civil aviation technologies and exchanges of experience.</li> <li>- Communicate and coordinate aviation issues in the industry, government and academia.</li> </ul>	<p><b>CCS</b></p>  <p><b>Center for Corporate Sustainability</b></p> <p>Member of Board</p> <ul style="list-style-type: none"> <li>- As one of the board directors, EVA Air actively participates in the board activities; we exchange and share industry experience with various industries through this platform and keep up with the development trend of sustainability.</li> <li>- Established by the Taiwan Institute for Sustainable Energy, the Center is a non-governmental organization oriented towards public welfare. It is responsible for matters such as developing international relations, academic seminars, policy evaluations and analysis, training services promotion, and the compilation of corporate sustainability benchmark cases for annual reports. The Center is also a resource exchange platform for sharing corporate sustainability related resources.</li> </ul>

# 1-2 Sustainable Management

## Corporate Sustainability Policy

In order to fulfill corporate social responsibility and implement the sustainable management, the Board of Directors passed the "Corporate Social Responsibility Best Practice Principles" and the "Corporate Sustainability Policy" declaring our expectations and commitment to economic, environmental and social issues. To further keep abreast of the trends, we invite external experts to hold CSR education and training in an effort to improve the employees' awareness of sustainable development. We also extend our CSR philosophy to the subsidiaries through the influence of EVA Air.



### Business Integrity: Protect shareholders' rights and interests

Create maximum benefits for investors with professional operation, good faith and risk management.



### Mutual Benefits: Grow with our partners

Properly manage suppliers, and jointly comply with the environmental, safety and health regulations to create a sustainable business environment.



### Fair Trade: Say no to corruption and bribery

Promote ethical education, abide by the laws and refuse bribery, corruption and illegal trading.



### Care and Dedication: Promote social welfare

Help the disadvantaged, sponsor public welfare activities and actively contribute to society.



### Service Innovation: Exceed customers' expectations interests

Offer innovative services, enhance brand value and touch customers' hearts with the "attentive, sincere, enthusiastic" service spirit.



### Energy Saving and Carbon Reduction: Protect our Mother Earth

Implement the environmental sustainability development policy in conjunction with environmental regulations to maintain a green earth.



### Harmonious Teamwork: Look after employees' welfare interests

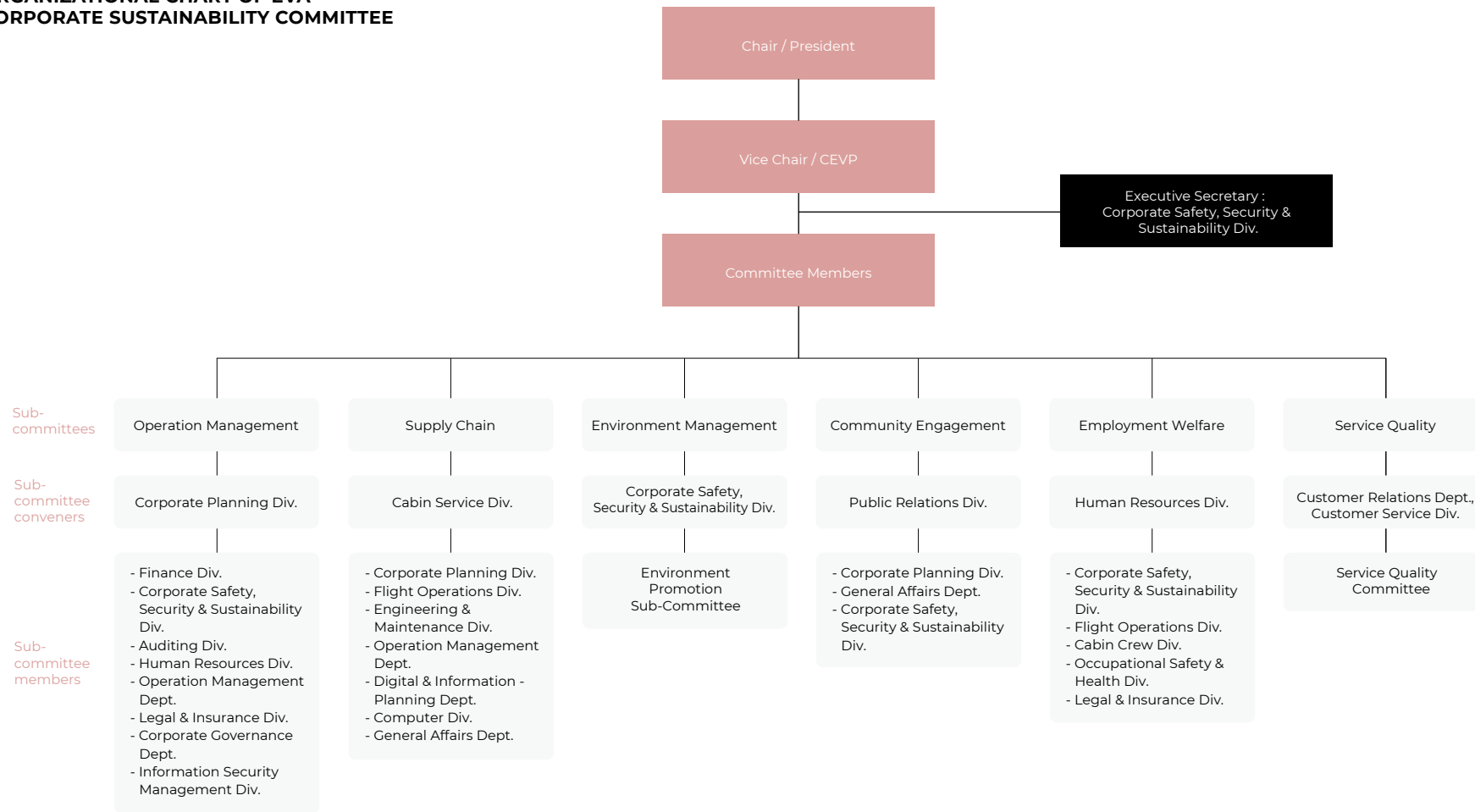
Care for employees' living, assist their career development, protect their rights and interests, and establish a friendly and fair working environment.

## Sustainable Development Strategies and Blueprint

EVA Air's sustainable development strategy centers on our core value "safety, service and sustainability", and is linked to the economic, social and environmental aspects (ESG) of sustainable development. EVA Air's vision of sustainability is built upon our commitment to establishing the sustainable management and service to provide safer flight, a greener environment, better customer service and friendlier workplace. EVA Air encourages our partners to work hand in hand with us to create sustainable aviation services and realize the dream of becoming a globally influential and iconic airline.

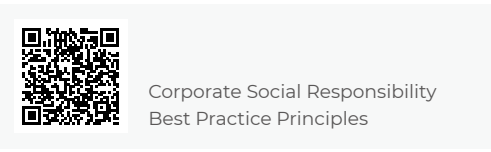


## ORGANIZATIONAL CHART OF EVA CORPORATE SUSTAINABILITY COMMITTEE



## Organization of Sustainable Governance

Realizing the importance of corporate social responsibility, in 2014, EVA Air established the “Corporate Social Responsibility Committee” in order to ingrain the sustainable operating philosophy and effectively implement sustainability-related actions. In 2020, it was renamed as “Corporate Sustainability Committee”, the CSC, to strengthen the implementation of corporate sustainable operations. The President serves as the chairman of the Committee, and is responsible for implementing the corporate social responsibility policies and plans. The CSC meeting is held once every season. A variety of issues are passed on to each relevant authorized team, which communicates with the stakeholders, and sets annual goals for the improvement projects. The implementation results of each project are tracked by the CSC and reported to the Board of Directors every year.



# 1-3 Sustainable Supply Chain Management

## Business Model

EVA Air has always concentrated on its industry, and is committed to its corporate spirit of "Challenge, Innovation, and Teamwork". The business philosophy is "Safe and Convenient Flight, Welcoming and Thoughtful Service, Efficient and Innovative Operation", and its mission is to become the best airline in the world. EVA Air put our emphasis on customers' needs. With a series of service systems from the upstream aircraft parts manufacturing and pilot training, through the ground handling services and airline catering, to passenger and cargo transportation services and products sales, we construct a comprehensive aviation value chain.

## Supplier Overview

EVA Air works hard to provide the best products and services in close collaboration with all the partners of the supply chain. With numerous suppliers from all over the world, we have categorized and graded our suppliers in order to grasp the complex supply chain and carry out effective management. We have gradually grasped the status of the overall supply chain, and as of 2020, EVA Air has 1,068 suppliers from all over the world.

### OVERVIEW OF GLOBAL SUPPLIERS

Unit: Number of companies

AREA	2018	2019	2020
Asia	610	854	771
America	269	304	191
Europe	138	158	101
Oceania	6	7	5
<b>Total</b>	<b>1,023</b>	<b>1,323</b>	<b>1,068</b>

### EVA AIR VALUE CHAIN

Upstream	Airline Industry Chain	Downstream
Aircraft manufacturers/ modification factories	Ground handling services	General public
Aircraft engine manufacturers	Passenger and cargo transportation	Travel agencies
Ground handling equipment manufacturers	Aircraft maintenance industry	Freight forwarders
Aircraft leasing industry	Petroleum industry	Courier industry
	Airline catering industry	

As of 2020, EVA Air has divided procurement into five major categories to strengthen supply chain management. These categories are aviation fuel procurement, aircraft maintenance & aviation materials procurement, ground handling procurement, cabin supply and catering procurement, and operation maintenance & general affairs procurement. Given the different nature of the suppliers, procurements from some suppliers are very low annual transaction amounts or one-time purchases. Therefore, suppliers that annual purchase amount account for the top 99% of the total procurement amount are consolidated and defined as tier 1 suppliers. Furthermore, suppliers are also distinguished according to the purchase category, and critical suppliers are delineated. In 2020, there is a total of 302 tier 1 suppliers, and a total of 70 critical suppliers.

<b>Tier 1 suppliers</b>	Annual purchase amount accounts for the top 99% of the total procurement amount.
	A. Exclusive/ Oligopolistic supplier.
	B. Privileged/ Designated supplier.
<b>Critical tier 1 suppliers</b>	C. Irreplaceable suppliers (e.g. with special patents, manufacturing, technology, tools or exclusive agents).
	D. Top 3 suppliers continuously traded with for more than three years.
	E. Major suppliers in various procurement categories

## NUMBER OF TIER 1 SUPPLIERS AND CRITICAL TIER 1 SUPPLIERS AND THEIR PROPORTION OF THE PURCHASE AMOUNT

Procurement Category		2018	2019	2020
 <b>Aviation Fuel</b>	Total number of tier 1 suppliers	26	23	21
	Number of critical tier 1 suppliers	26	23	21
	% of purchase amount from critical suppliers	100%	100%	100%
 <b>Aircraft Maintenance &amp; Aviation Materials</b>	Total number of tier 1 suppliers	357	97	66
	Number of critical tier 1 suppliers	18	22	15
	% of purchase amount from critical suppliers	82%	69%	62%
 <b>Ground Handling</b>	Total number of tier 1 suppliers	76	63	50
	Number of critical tier 1 suppliers	24	24	13
	% of purchase amount from critical suppliers	27%	30%	28%
 <b>Cabin Supply and Catering</b>	Total number of tier 1 suppliers	346	201	82
	Number of critical tier 1 suppliers	57	43	11
	% of purchase amount from critical suppliers	83%	83%	60%
 <b>Operation Maintenance &amp; General Affairs</b>	Total number of tier 1 suppliers	218	126	83
	Number of critical tier 1 suppliers	6	12	10
	% of purchase amount from critical suppliers	38%	53%	46%
<b>Total</b>	Total number of tier 1 suppliers	1,023	510	302
	Number of critical tier 1 suppliers	131	124	70
	% of purchase amount from critical suppliers	87%	85%	77%

## OVERVIEW OF TIER 2 SUPPLIERS

Year	2020
Total number of suppliers	39
Number of tier 2 critical suppliers	39

## Supplier Sustainability Review

As a global corporate citizen, EVA Air has realized that the issue of sustainability is not restricted to corporate operations. An overall drive must be launched to help implement the concept of sustainable development. Therefore, EVA Air revised the internal procurement procedures with "Supplier Partnership Social Responsibility Policy for Sustainable Development" by the President in 2015. The international sustainability criteria such as environment, human rights, labor practices and social impact were incorporated as the main items of consideration for selecting new suppliers. We hope that we can encourage our suppliers to make joint efforts to fulfill corporate social responsibility through our procurement policies and practices, combined with sustainable standards. Before working with suppliers, EVA Air evaluates their past credit records as well as other aspects, including supplier image and whether there are any records of serious legal (regulation) violations. We have announced the "Supplier Partnership Social Responsibility Policy for Sustainable Development" to the internal main procurement departments, and all the contracts with our major suppliers include termination or cancellation clauses. If any supplier is found to have violated the corporate social responsibility policy, we have the right to demand improvement and reserve the right to terminate the contract if the violation is not improved or there is any major violation.

To fulfill the development policies and commitments of our procurement and supply chain, we have established a five-stage sustainability management process to drive continuous improvement in our partner suppliers so as to enhance their sustainability performance and achieve the core value of mutual benefit.



EVA Air has always been committed to the sustainable development of the Company and respond to Sustainable Development Goals (SDGs). Likewise, we also expect the same values in our suppliers. Therefore, in 2019, we formulated the Eva Air Supplier Code of Conduct (SCoC) according to the spirit of human rights, labor standards, environment and anti-corruption regulations of relevant international initiatives and requirements such as the UN Global Compact, the International Labor Organization (ILO), the Organization for Economic Cooperation and Development (OECD), the Social Accountability 8000 International Standard (SA8000), the ISO 26000 Social Responsibility Guidance, the Global Reporting Initiative (GRI), and the UN Guiding Principles on Business and Human Rights. This Eva Air SCoC is replacing the original Letter of Commitment - Supplier Partnership Social Responsibility Policy for Sustainable Development. It is applicable to all suppliers/ contractors/ subcontractors/ service providers who provide products or services to EVA Air. Likewise, EVA Air's subsidiaries and the affiliated companies of its suppliers are encouraged to adhere to the SCoC so that through mutual influence, the sustainability of the overall industrial chain can be enhanced.

### KEY ITEMS OF THE EVA AIR SUPPLIER CODE OF CONDUCT

Human Rights & Working Conditions	Occupational Safety & Health	Environmental Protection	Business Ethics	Sustainable Supply Chain	Confidentiality & Information	Management System
Freely Chosen Employment	Occupational Safety	Permits and Compliance	Principle of Integrity	Communicate the Sustainability of Supply Chain	Duty of Confidentiality	Management Responsibility
Child Labor and Young Worker	Emergency Preparedness	Pollution Prevention and Energy/ Resource Conservation	Avoid Conflict of Interest	Compliance	Information Security	Risk Assessment and Management
Non-discrimination	Occupational Injury	Hazardous and Harmful Substances	Fair Trade and Antitrust	Continuous Operation		Training
Humane Treatment	Training and Communication	Waste and Emission	Intellectual Property Rights		Communication	Documents and Records
Working Hours			Whistle-blowing System		Encourage the Establishment of Management System	
Wages and Benefits						
Freedom of Association						

In order to continuously improve the sustainability of its supply chain, EVA Air requires suppliers to sign the Supplier Code of Conduct (SCoC). In 2020, the signing rate of tier 1 suppliers and critical suppliers reached 100%.

#### EVA AIR SCoC SIGNING STATUS

	2019	2020	
<b>Tier 1 suppliers</b>	<b>Number of Suppliers</b>	510	302
	<b>Number of suppliers receiving the SCoC</b>	509	302
	<b>Number of suppliers signing the SCoC</b>	413	302
	<b>% of suppliers signing the SCoC</b>	81%	100%
<b>Critical tier 1 suppliers</b>	<b>Number of Suppliers</b>	124	70
	<b>Number of suppliers receiving the SCoC</b>	123	70
	<b>Number of suppliers signing the SCoC</b>	100	70
	<b>% of suppliers signing the SCoC</b>	81%	100%

#### PERFORM SUPPLIER RISK IDENTIFICATION

In addition to requiring suppliers to provide good quality and meet delivery deadlines, EVA Air also works with suppliers to fulfill the responsibility of protecting the environment and providing a good employment environment in order to lead suppliers towards sustainability and thereby enhancing the competitiveness of the industry chain. In order to understand and grasp the sustainability status of the overall supply chain, we have formulated the Sustainability Assessment Questionnaire (SAQ) according to the procurement procedure manual. Through the questionnaire, we evaluate the sustainability risks of suppliers. Then based on the survey results, we conduct on-site audit of high-risk and key suppliers to determine their actual conditions, provide recommendations and request improvements to be completed within a time limit. In 2020, questionnaires were issued to tier 1 suppliers, and the response rate was 100%.

#### SUPPLIER SUSTAINABILITY RISK ASSESSMENT

	2019	2020	2021 Target	
<b>Tier 1 suppliers</b>	Number of suppliers surveyed	510	302	-
	Number of suppliers who responded	510	302	-
	Response Rate (%)	100%	100%	100%
<b>Critical tier 1 suppliers</b>	Number of suppliers surveyed	124	70	-
	Number of suppliers who responded	124	70	-
	Response Rate (%)	100%	100%	100%
<b>Critical non-tier 1 suppliers</b>	Number of suppliers surveyed	-	39	-
	Number of suppliers who responded	-	39	-
	Response Rate (%)	-	100%	100%

#### ANALYSIS OF QUESTIONNAIRE RESULTS

In order to implement sustainable supply chain management, EVA Air uses the results of the sustainability risk assessment to identify potential economic, environmental and social risks of the supply chain. Potentially high risk suppliers and key suppliers are audited and counseled to ensure that the risks can be effectively controlled and reduced. In 2020, the sustainability risk survey results of EVA Air's overall supply chain showed that no supplier scored less than 60 points, which would indicate high risk. We are continuing to further analyze the results of the Sustainability Assessment Questionnaire to discover possible potential risk factors of the supplier's ESG (such as penalties imposed by the government for violation of various laws and regulations, supply may be interrupted, labor working conditions and salary issues, a major incident has caused property damage), and continuing to counsel suppliers in improvement efforts.

#### RESULTS OF SUPPLIER SUSTAINABILITY ASSESSMENT QUESTIONNAIRE

	2019	2020	
<b>Tier 1 suppliers</b>	Number of suppliers surveyed	510	302
	Number of high-risk suppliers	15	0
	% of high risk suppliers	3%	0%
<b>Critical tier 1 suppliers</b>	Number of suppliers surveyed	124	70
	Number of high-risk suppliers	4	0
	% of high risk suppliers	3%	0%
<b>Critical non-tier 1 suppliers</b>	Number of suppliers surveyed	-	39
	Number of high-risk suppliers	-	0
	% of high risk suppliers	-	0%

## FOLLOW UP ON SUPPLIER AUDIT AND IMPROVEMENT

In order to implement sustainable risk management for suppliers, EVA Air has formulated supplier auditing measures, which require on-site audits of high-risk and critical suppliers. Among the 15 domestic and foreign high-risk suppliers in 2019, audit measures for 7 domestic high-risk suppliers were implemented. In 2020, due to the impact of COVID-19, the audit was adjusted to online auditing. Those selected for audit were major suppliers of each procurement category, irreplaceable suppliers and major annual transaction amount suppliers who occupy a key position in the stability of the Company's operations. The goal was to audit 19 critical suppliers and complete online audits. Among the defects found in the audit, most were overtime issues or fines imposed for inadequate safety and health equipment and measures over the last three years, and incomplete equipment records. The suppliers were requested to make improvement and the improvements were followed up and confirmed. All the issues have been improved, and sustainability performance has greatly improved.

	2019	2020	2021 TARGET
<b>Number of high-risk and critical indicator suppliers</b>	15	19	-
<b>Number of audited on high-risk and critical suppliers</b>	7	19	-
<b>% of high-risk and critical suppliers audited</b>	47%	100%	100%
<b>Defect found in audit (number of cases)</b>	Slight defects: 19 cases Observation: 9 cases	Slight defects: 5 cases Observation: 1 case	-
<b>Defect improvement rate (%)</b>	100%	100%	100%

## Growing Together with Suppliers

### STRATEGIES FOR SUSTAINABLE SUPPLY CHAIN DEVELOPMENT

EVA Air and its suppliers have developed together, supporting each other and growing together through the partnership. To provide better quality and service while at the same time striving towards sustainability, we have formulated strategies for the development of a sustainable supply chain in accordance with the procurement procedures manual. Safety, quality, price, delivery, service and sustainability are clearly defined, and suppliers are invited to participate and invest, and share in innovation opportunities through mutual cooperation.

### GE FES Fuel Conservation and Carbon Reduction

**Goal** Reduce environmental pollution and create a better environment.

**Content** EVA Air has always been actively committed to carbon reduction operations and the purchase of the latest fuel efficiency aircraft in order to promote environmental sustainability, effectively achieve greenhouse gas reduction and slow global warming. In 2014, it began a five-year fuel conservation cooperation plan with GE. With the assistance of GE, operating procedures in the various fuel conservation, carbon reduction and aircraft weight reduction measures were optimized. Although the cooperation officially ended in 2019, many of the fuel conservation and carbon reduction operations and experiences have been internalized and are continuing. With the various fuel conservation programs provided by GE, EVA Air has achieved substantial carbon reduction benefits. Therefore, GE has also invited EVA Air to participate in the promotion of numerous fuel conservation cultures and tools, such as inviting the fleet to assist with video creation, participate in meetings, and share its experiences with other airlines that are seeking to conserve fuel. We uphold the attitude of together changing for the better and working together to improve the global environment.

**Performance**

	Unit	Until 2019	2020
<b>Amount of fuel saved</b>	Ton	5,830	640
<b>Dollar amount saved</b>	USD	About 3.7 million	About 270,000
<b>Carbon reduction</b>	Ton	18,365	2,016

## ecoTHREAD™ Economy Class Blanket Project

**Goal** Develop a circular and sustainable economy and enhance the new value of products.

**Content** EVA Air deeply recognizes the preciousness and non-renewability of resources. In order to effectively reduce carbon emissions and improve the comfort of the cabin environment, EVA Air partnered with its supplier to provide economy class blankets that are developed according to sustainable development goals and primarily based on using environmentally friendly recycled materials. During the development process, the passenger resting environment for long-haul flights was simulated. For one year, the cabin temperature, humidity, ambience, seat design and other elements were discussed with the supplier and modified. The final product design for travelers is unique, elegant, soft to the touch, and skin and environmentally friendly.

The ecoTHREAD™ blankets are made from 100% recycled plastic bottles. After the product was launched online, it was validated by well-known industry indicator organizations. In 2019, it won the internationally renowned Onboard Hospitality Awards and Travel Plus for the best economy class blanket. This has enhanced the competitiveness and exposure of the supplier in the industry and correspondingly increased the Company's revenue. This cooperation project has also incorporated the philosophy of plastic reduction and carbon emission reduction into service products. While pursuing diversified innovation, EVA Air also values the sustainability of green procurement and joint growth with suppliers.

**Performance**

	Unit	2019	2020
<b>Blanket consumption</b>	Piece	About 98,000	About 30,500
<b>Dollar amount saved (*1)</b>	TWD	About 26 million	About 8.3 million
<b>Fuel reduction (*2)</b>	Ton	About 234.3	About 92.2
<b>Converted carbon reduction amount (* 3)</b>	Ton	About 738	About 290.4

Note 1 : Price difference between old and new blankets x consumption.

Note 2 : Formula for each flight = Weight difference between new and old blankets x number of flight hours x Unit fuel consumption.

Note 3 : 1 ton of aviation fuel = 3.15 tons of CO<sub>2</sub>e.

## SUSTAINABLE SUPPLY CHAIN DEVELOPMENT IMPROVEMENT PLAN

Before the COVID-19, EVA Air conducted a catering competition every year to improve the meal and service quality of our global catering. Catering with excellent performance are awarded trophies in their local area. This event also helped to reiterate to our global catering the importance of maintaining excellent meal quality. However, due to the impact of the COVID-19, this event was suspended in 2020, but will resume depending on the assessment of the pandemic. To strengthen supplier awareness of sustainable development information and international sustainable development trends, supplier sustainability education training courses were conducted in 2020. The courses promoted policies on human rights and labor conditions, occupational safety and health, environmental protection, and sustainable supply chains. 100% of the suppliers completed the courses. A supplier conference will be held in 2021 to continue to promote the sustainability awareness and capability of the supply chain.

## LOCAL PROCUREMENT

Based on the Taiwan region where EVA Air's main operations are located, local employment opportunities are created through active partnership with local suppliers. In 2020, EVA Air's local procurement in Taiwan accounted for approximately 38.9% of its procurements.

## PERCENTAGE OF LOCAL PROCUREMENT

PROCUREMENT AREA	2018	2019	2020
<b>Domestic</b>	40.4	41.1	38.9
<b>Foreign</b>	59.6	58.9	61.1

Note 1 : Aircraft and the peripheral products/ services have their unique characteristics and the main suppliers are from abroad, so we prioritize flight safety quality in our procurement policies and practices.

Note 2 : With the consolidation and definition of tier 1 suppliers in 2020, the proportion of local procurement in 2018 and 2019 are affected.

## SUPPLY CHAIN MANAGEMENT KPI

ANNUAL TARGET	2019	2020	2021 TARGET
<b>100% of tier 1 suppliers signed the Supplier Code of Conduct</b>	81%	100%	100%
<b>100% of tier 1 suppliers completed the Sustainability Assessment Questionnaire</b>	100%	100%	100%
<b>Sustainability management audit performed on 100% of high-risk suppliers</b>	47%	100%	100%
<b>Conducted annual supplier education and training</b>	-	100%	100%

# 1-4 Sustainable Value and Performance

## EVA Air 6 Values and Management Approach

EVA Air has formulated a comprehensive management approach, including input resources, policies, commitments, and actions. By investing resources in internal sustainable management and service models, it creates maximum value for all major stakeholders. The resources invested are divided into manpower, material, financial and system aspects. In our business model, we have incorporated the policies and commitments in the management guidelines, and confirmed the complete action plan, which not only produces sustainable value for our seven major stakeholders (customers, employees, government, travel agencies or distributors, media, shareholders, suppliers or contractors), but also conforms to the UN's SDGs.

01

### Flight Safety



#### 2020 Highlight

"The world's Top-20 Safest Airlines" by JACDEC – 9<sup>th</sup> place.



#### Achievement & Award

AirlineRatings.com.  
 - "COVID-19 Seven-Star Rating".  
 - "World's Top 20 COVID-19 Compliant Airlines".  
 - "World's Top 20 Safest Airlines 2021" – 6<sup>th</sup> place.

#### Management Approach

##### Input Resources

- Aviation Safety Training and SMS Courses: 356 trainees.
- SMS team: 146 members.
- Safety Promotion Committee: 19 members.
- Develop FORAC App: approx. TWD 315 thousand.
- The Applications of AI to Flight Data Analysis: approx. TWD 489 thousand.

##### Business Model

- Policy-** We aim to assure your safety whenever you are airborne. We never compromise safety in the air or on the ground.
- Commitment-** Regularly examine the effectiveness of various operations, and establish a positive safety culture.
- Action-**
  - Execute annual safety internal audit.
  - Strengthen various operations of safety risk management.
  - Integrate safety databases, use big data analysis and import AI technology.

#### Output Values

- "Zero Accidents" is the ultimate safety goal of EVA Air.
- Flight safety performance (no. of incident/total flight hours): 1.54 times/10<sup>6</sup> flight hours.
- Flight safety satisfaction: 4.55/5.00.

Material Aspects	KPI	Short-term Objectives	2020 Achievement	Mid-term Objectives	Long-term Objectives	Chapter
Flight Safety	Flight safety performance (times/10 <sup>6</sup> flight hours).	Performance ≤ 4.	Actual value: 1.54, achievement rate: 162%.	Performance ≤ 4.	Performance ≤ 4.	2 Intelligent Safety





2020 Highlight

“Top 10 World’s Best Airline Award” - 7<sup>th</sup> place, “Travellers Choice Major Airline in Asia”, “Best Business Class - World”, “Best Business Class - Asia”, “Best Premium Economy Class – Asia” by TripAdvisor.



Achievement & Award

- 5-Star Airline by SKYTRAX for five consecutive years.
- “Top 10 International Airlines 2020” by Travel + Leisure - 4<sup>th</sup> place.
- “Best Business Class Sparkling” by Business Traveller.
- “Asia Best Economy Class Amenity Kit (Kipling,.)” by PAX International.
- “Gold Award of Business Class Sleeper Suit”, “Gold Award of Sustainable Textile” by TravelPlus.

Management Approach

Input Resources

- 111 operating locations in 20 countries on 4 continents and flight destinations across 68 cities.
- Number of fleet: 87.
- In-flight service product: approx. TWD 43 million.
- Biometric facial recognition self-boarding: approx. EUR 6,000.
- New functions for EVA website and Mobile App (Note); implement NDC as new distribution channel: approx. EUR 182,143 and 1,013 man-day of IT resource.

Note : EVA website functions include Promo Code and Auto Refund; new functions for Mobile App include Chargeable Seat, Face/Touch ID, and EVA Fans.

Business Model

- Policy-** Constantly pursue better services.
- Commitment-** Implement our “Service Declaration”.
- Action-** Regularly hold Service Quality Committee to view each target achievement rate; and hold meetings to examine service status and causes of operation abnormalities, and draw up response measures.

Output Values

- Number of passengers: 2,330,025.
- Cargo volume: 703,704 tons.
- Total flights: 34,074.
- Departure on-time performance rate: 97.2%.
- Passenger satisfaction: 4.44.
- Cargo satisfaction: 4.36.
- Growth rate of membership: 2%.

Material Aspects	KPI	Short-term Objectives	2020 Achievement	Mid-term Objectives	Long-term Objectives	Chapter
Fleet Planning	Introduce Boeing 787.	Up to 13 aircrafts in 2020.	10 aircrafts, achievement rate: 76.9%.	Up to 15 aircrafts in 2021.	Up to 21 aircrafts in 2023.	1-1 About EVA Air
In-flight Catering Management	a. Meal defect-free rate of business class. b. Meal defect-free rate of premium economy & economy class. c. Airline catering hygiene inspection rate.	a. Target value: 99.992%. b. Target value: 99.997%. c. Target value: 100%.	a. Actual value: 99.996%, achievement rate: 100%. b. Actual value: 99.999%, achievement rate: 100%. c. Actual value: 100%, achievement rate: 100%.	a. Reach 99.992%. b. Reach 99.997%. c. Reach 100%.	a. Reach 99.992%. b. Reach 99.997%. c. Reach 100%.	3-1 Innovation with Heart
Service Innovation	AI-powered chatbot and live hat service.	Provide Traditional Chinese version in 2020.	Traditional Chinese version launched on official website and mobile app, achievement rate: 100%.	Set up Traditional Chinese version chatbot on major social platform.	Answer matching rate of AI-powered chatbot >90%.	3-1 Innovation with Heart
Customer Relationship	Passenger/ Cargo service quality.	Passenger satisfaction=4.36.	Passenger satisfaction: 4.44, achievement rate: 102%.	Net Promoter Score(NPS) ≥ 40	Net Promoter Score(NPS) ≥ 40.	3-2 Customer Relationship

## Human Resources



### 2020 Highlight

"Top 100 Most Attractive Employer" by Cheers Magazine – 5<sup>th</sup> place.



### Achievement & Award

- "2020 National Airlines Outstanding Maintenance personnel" by CAA - one ground staff was awarded.
- "2020 National Airlines Outstanding Aircraft Pilot" by CAA - three captains were awarded.
- "2020 National Airlines Outstanding Flight Attendant" by CAA - two cabin crews were awarded.

### Management Approach

#### Input Resources

- Salary: TWD 11.1 billion.
- Labor and health insurances: TWD 770 million.
- Benefits: TWD 2.11 billion.
- Pension: TWD 710 million.
- Annual training expense: TWD 115.52 million.

#### Business Model

- Policy-** Equal employment opportunity.
- Commitment-** Comply with the "Employment Service Act" and "Personal Data Protection Act" for personnel recruitment.
- Action-**
- Ground staff are recruited at least once a year, including the disabilities.
  - Cabin crews are recruited 1 to 3 times per year according to the needs.
  - Continue to recruit experienced flight crew every month; and recruit 4 batches of cadets every year.

### Output Values

- 11,220 employees worldwide.
- Employee retention rate: 99.24%.
- 276 new employees.
- The average training hours per permanent employee: 29.2 hours.
- Employee turnover rate: 4.7%.
- The average cadet training hours per flight crew: 549 hours.
- The average training hours per cabin crew trainees: 464 hours.

Material Aspects	KPI	Short-term Objectives	2020 Achievement	Mid-term Objectives	Long-term Objectives	Chapter
<b>Workplace Diversity and Inclusion</b>	Prevention of sexual harassment and discrimination, unlawful workplace violations, and maternal health protection.	Hold at least one internal lecturer training course or required course for new recruits every year.	Held two courses, achievement rate: 200%.	The internal lecturer conducts internal training courses in batches.	All employees complete the training and have considerable knowledge.	4-1 Diversity and Tolerance
<b>Human Resources Development (Ground Staff)</b>	Job competency conformity.	100%	100%	100%	100%	4-3 Employee Development
<b>Human Resources Development (Flight Crew)</b>	a. On-the-job training. b. Position upgrading. c. Promotion evaluation.	a. 100% completion rate of recurrent training. b. 5% of SFO upgrade to PIC annually. c. 5% flight crew is trained for aircrafts transition annually.	a. A total of 2,353 completed EBT training, achievement rate: 100%. b. Over 19 SFOs received upgrade training, achievement rate: 100%. c. Over 71 flight crews received transition training, achievement rate: 100%.	a. 100% completion rate of recurrent training. b. Establish survey system to understand the willingness of the flight crew and establish rotation mechanism based on the manpower needs of the fleet.	a. 100% completion rate of recurrent training. b. Periodically conduct promotion evaluation (SFO to PIC) and promote accordingly. c. Aircraft transition based on the manpower needs of the fleet and the willingness of the flight crew.	4-3 Employee Development

Material Aspects	KPI	Short-term Objectives	2020 Achievement	Mid-term Objectives	Long-term Objectives	Chapter
<b>Human Resources Development (Cabin Crew)</b>	a. On-the-job training. b. Promotion evaluation.	a. Completion rate: 100% b. Reach 100%.	a. Achievement rate: 100%. b. (*1)	a. Completion rate: 100%. b. Conduct promotion evaluation based on the manpower needs.	a. Completion rate: 100%. b. Reach 100%.	4-3 Employee Development
<b>Occupational Safety and Health Management</b>	Injury Frequency Rate (FR).	FR<7.4	FR=2.36, achievement rate: 168%	FR<6.0	FR<5.0	4-5 Friendly Work Environment
<b>Labor Relations and Human Rights Protection</b>	Promote "Employee Assistance Programs" and maintain labor-management communication.	a. Hold the communication and negotiation meeting with the union every six months. b. Conduct one annual retraining for "care taker".	a. Held 2 meeting, achievement rate: 100%. b. (* 2)	a. Hold the communication and negotiation meeting with the union quarterly. b. Combine with the club subsidies of the "Employee Assistance Programs" and hold EVA Air Parent-Child/Charity/Environmental Protection/Public Welfare Day once every 3 years.	a. Hold the communication and negotiation meeting with the union monthly. b. Combine "Employee Assistance Programs" with Work-Life Balance Program to increase employees' willingness to stay employed.	4-2 Retention of Talent

Note 1 : The flight operation had been severely reduced due to COVID-19 in 2020, which leads to manpower reduction and the cancellation of promotion courses.

Note 2 : The annual retraining was cancelled due to COVID-19 in 2020, so the care takers promote "Employee Assistance Programs" during the department meetings.

## 04 Environment



### 2020 Highlight

Introduced the smart energy management system to significantly reduce electricity consumption in the Nankan Park.



### Achievement & Award

- Scored to B level in the 2020 CDP questionnaire.
- "Gold Award of Sustainable Textile" by TravelPlus.

### Management Approach

#### Input Resources

- Environment Promotion Sub-Committee: 18 members.
- Environmental capital expenditure: approx. TWD 100 million.
- Environmental operating expenses: approx. TWD 2 million.
- Green procurement: approx. TWD 18.3 million.

#### Business Model

- Policy-Commitment-** Formulate and implement "Environment and Energy Policy". Comply with environmental regulations and respond to Green Purchase.
- Action-** Operate ISO 14001 and ISO 50001, continuously improve and effectively implement the management of energy, resources, air pollutants and waste; control and reduce the impact on the environment.

### Output Values

- Electricity consumption at operating locations in Taiwan decreased by 1,542,378 kWh compared with the previous year.
- Implementation of fuel conservation measures saved 13,181 tons of fuel.

Material Aspects	KPI	Short-term Objectives	2020 Achievement	Mid-term Objectives	Long-term Objectives	Chapter
Environmental Impact Management	a. Implement Environment and Energy Management System. b. Water consumption (m <sup>3</sup> ). c. Daily waste generation per capita (kg).	a. EVA Air Nankan Park and Taipei Building obtain certification to ISO 14001 and ISO 50001. b. 1.5% reduction in 2020 compared to 2018. c. 3% reduction in 2020 compared to 2018.	a. Achievement rate: 100%. b. Missed target. c. Achievement rate: 140%.	a. Implement environmental risk investigation for outstations. b. 5.25% reduction in 2025 compared to 2018. c. 7% reduction in 2025 compared to 2018.	a. Increase ISO 14001 coverage to 100%. b. 9% reduction in 2030 compared to 2018. c. 12% reduction in 2030 compared to 2018.	5-1 Environmental Sustainability
	Fuel efficiency.	Annual average fuel efficiency increase 1.5%, the 2020 objectives are: a. 4.3825 (L/100 RPK) for passenger aircraft. b. 0.0712 (L/FTK) for cargo aircraft.	Missed target.	Achieve carbon-neutral growth form 2020.	Reduce carbon emissions to 50% of 2005 levels by 2050.	5-2 Climate Change
	Power consumption (kWh).	2% reduction in 2020 compared to 2018.	Missed target.	7% reduction in 2025 compared to 2018.	12% reduction in 2030 compared to 2018.	5-1 Environmental Sustainability

Note 1 : RPK = Revenue Passenger Kilometer.

Note 2 : FTK = Freight Tonne Kilometer.

Note 3 : The power consumption excludes the power consumption of Nankan Park's outsourced vendors.



**2020 Highlight**

The total value of cash, tickets, and all sorts of resources for sponsorships is approx. TWD 116.46 million.



**Achievement & Award**

“The 13<sup>th</sup> Taiwan Corporate Sustainability Awards”:  
 - Corporate Comprehensive Performance – Taiwan TOP50 Corporate Sustainability Awards.  
 - Corporate Sustainability Report Transportation Category - Platinum Award.

**Management Approach**

**Input Resources**

- Cash: approx. TWD 55.31 million.
- Barter tickets: approx. TWD 3.63 million.
- Ticket: approx. 300, valued TWD 51.23 million.
- Others (donations, devoted manpower and time): approx. TWD 6.3 million.

**Business Model**

- Policy-** In response to public welfare needs, we are committed to implementing corporate social responsibility.
- Commitment-** EVA Air upholds the spirit of giving back to society by constantly contribute to public welfare with joint efforts by various sectors.
- Action-**
  - a. Donate goods and materials to the disadvantaged through the Chang Yung-Fa Foundation.
  - b. Sponsor tickets for organizers to introduce well-known overseas arts; organize international competitions and support potential athletes in their overseas competitions to actively promote Taiwan's art and culture and attention to sports development.
  - c. Assist official and local associations in organizing events.

**Output Values**

- 6 arts and cultural activities, which benefited nearly 80,000 people.
- 11 public welfare activities.
- Donated materials: benefit 115 social welfare groups and schools.
- 7 projects of giving back to local community.
- Sponsored 2 sports events.
- Sponsored 11 sports players.
- Sponsored 4 sports teams.

Material Aspects	KPI	Short-term Objectives	2020 Achievement	Mid-term Objectives	Long-term Objectives	Chapter
Community Engagement and Social Welfare	<ul style="list-style-type: none"> <li>a. Sponsor arts and culture activities.</li> <li>b. Hold and sponsor sports events.</li> <li>c. Sponsor local sports players to participate in international competitions.</li> <li>d. Collaborate with local tourism authorities to hold tourist events.</li> </ul>	<ul style="list-style-type: none"> <li>a. 3 activities.</li> <li>b. 1 activity each.</li> <li>c. 4 players.</li> <li>d. 3 local tourism events.</li> </ul>	Achievement rate: 100%.	Continue to evaluate and implement welfare donations, sports event sponsorship, arts and cultural activities, giving back to local community projects and education promotion events. Look for various matching channels to give the most substantial help to society.	Implement corporate social responsibility and shape the Company's good public welfare image.	6 Social Inclusion and Community Engagement



**2020 Highlight**

In 2020, cargo revenue reached a record high of TWD 50 billion.



**Achievement & Award**

EVA was listed in “Corporate Governance 100 Index”, “Taiwan High Compensation 100 Index”, “Taiwan Employment Creation 99 Index”, “FTSE4Good TIP Taiwan ESG Index” and recognized ESG A class for two consecutive years by MSCI.

**Management Approach**

**Input Resources**

- The Company’s total assets: TWD 302.2 billion.
- The Company’s amount of capital: TWD 48.5 billion.

**Output Values**

- The Company’s total revenue: TWD 79.6 billion

**Business Model**

- Policy-** Business integrity, protect shareholders’ rights and interests.
- Commitment-** Create maximum benefits for investors with professional operation, good faith and risk management.
- Action-** The Company protects the interests of all stakeholders through periodically updating overview of the company and uploading financial statements, holding annual shareholders’ meeting or investor conference and replying investors’ questions by email or telephone.

Material Aspects	KPI	Short-term Objectives	2020 Achievement	Mid-term Objectives	Long-term Objectives	Chapter
<b>Sustainability Strategy and Goals</b>	a. Actively participate in domestic or international corporate sustainability assessment. b. Regularly report the implementation of corporate social responsibility to the board of directors each year.	a. Achievement rate: 100%. b. Once a year.	Achievement rate: 100%.	Participate in the Corporate Sustainability Assessment (CSA), and increase S&P Global ESG Score.	Improve CSR awareness in all employees, and implement ESG action plans.	1-2 Sustainable Management
<b>Business Integrity and Ethics</b>	a. Hold a regular 3-hour training course every six months. b. Appoint the Independent Directors Undertaking Public Welfare. c. Carry out the internal board performance evaluation.	a. Two training courses every year, 3 hours each time. b. Achievement rate: 100%. c. Once a year.	a. Achievement rate: 100%. b. Achievement rate: 100%. c. Achievement rate: 100%.	a. Continue to hold training courses for the directors b. Carry out the board performance external evaluation.	Raise the standards of corporate governance and ensure investors rights and interests.	7-1 Ethical Management
<b>Risk and Opportunity Management</b>	Set up effective risk management, improve and maintain it; ensure the company’s profit growing continuously.	Formulate the “Risk Management Policy and Procedures”; and regularly report risks and response measures at the CSC each year.	Achievement rate: 100%.	Continue to operate risk management and effectively implement risk management policies.	Implement risk management and improve the task division effectiveness of risk management to ensure that the Company’s operational goals are reached.	7-1 Ethical Management
<b>Brand Strategy and Value</b>	Focus on brand positioning and commitment, continuing to enhance the Company’s positive image and gain consumer trust and recognition.	a. Publish a total of 2,000 posts on the Company’s social media platforms. b. Issue 35 Chinese and English press releases, which exposure on Internet and print media. c. A total of 80 global advertising exposures, including 50 in both Company’s and Evergreen Group’s premises, and outdoor advertising spaces, and 30 in stations in Europe, America, Asia and Australia.	Achievement rate: 100%.	Create different topics, continue to strengthen the promotion of the Company’s positive image to enhance global brand recognition, and increase consumer stickiness to create Company revenue.	Build EVA Air as a world-renowned brand and achieve the Company’s sustainable business goals.	1-1 About EVA Air
<b>Financial Performance</b>	Annual consolidated revenue growth.	Continue to boost the Company’s consolidated revenue.	Miss target.	Continue to boost the Company’s consolidated revenue.	Continue to make profits every year.	7-3 Operational Highlights

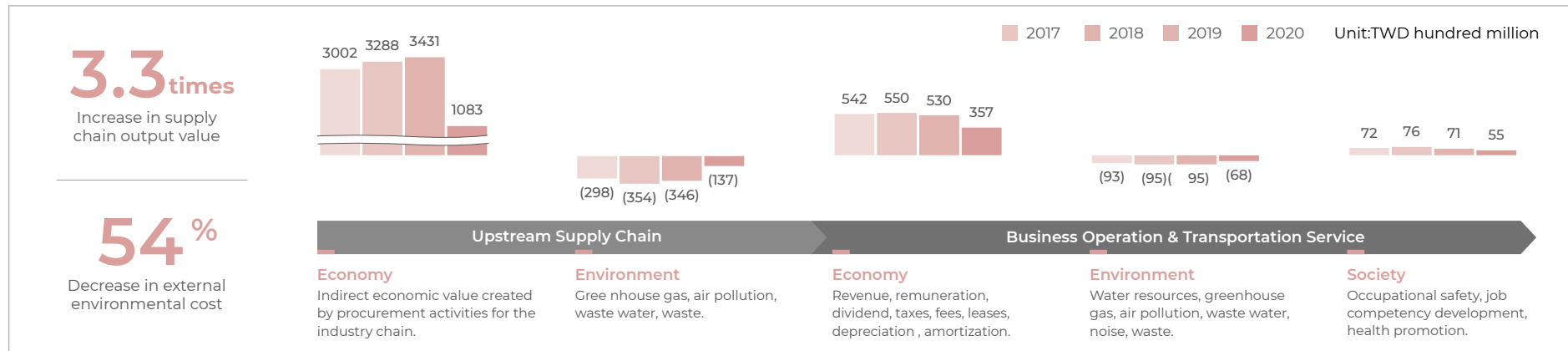
Material Aspects	KPI	Short-term Objectives	2020 Achievement	Mid-term Objectives	Long-term Objectives	Chapter
Supply Chain Management	a. Improve response rate of "Supplier Code of Conduct" (SCoC). b. Improve response rate of "Sustainability Assessment Questionnaire" (SAQ).	a. Achieved response rate: 70% for tier 1 suppliers; 85% for critical suppliers. b. Response rate: 85%.	a. Response rate: 100% for tier 1 suppliers, accounting for 143% of achievement rate; 100% for critical suppliers, accounting for 118% of achievement rate. b. Response rate: 100%, achievement rate: 118%.	a. Achieve a 100% response rate of SCoC for tier 1 suppliers. b. Achieve a 100% response rate for tier 1 supplier SAQ. c. Complete audit for 70% of the critical tier 1 suppliers. d. Conduct one supplier education training and supplier conference every year.	a. Achieve a 100% response rate of SCoC for tier 1 suppliers. b. Achieve a 100% response rate for tier 1 supplier SAQ. c. Complete audit for 100% of the critical tier 1 suppliers. d. Conduct one supplier education training and supplier conference every year.	1-3 Sustainable Supply Chain Management

## SUSTAINABILITY IMPACT VALUATION

On the path of sustainable development, EVA Air always aims to become one of the world's best airlines. To promote more efficient management policies, we started to jointly develop the sustainability impact valuation with academic institutions from 2018, identifying the externality caused by value chain activities through the Impact Pathway Approach, transforming the external effects of different attributes into consistent and comparable monetary terms with logical thinking of profit and loss, and establishing a more flexible business model to cope with the potential business risks and opportunities in a timelier manner.

In 2020, despite the severe impact of the COVID-19 pandemic on the airline industry, EVA Air created a net positive impact of nearly TWD 130 billion for stakeholders. Among these, the supply chain output value of TWD 108.3 billion driven by procurement demand was the most significant. At the same, it also generated TWD 13.7 billion in external environmental costs. In terms of the Company's operations and air transport services, the main source of environmental impact is the TWD 6.7 billion social cost of carbon from aircraft greenhouse gases emissions. Improvement in employee competency is expected to bring a future benefit of TWD 5.5 billion per year. EVA Air will continue to promote the influence of our sustainable management structure and drive the improvement of supply chain sustainability to achieve the goal of creating long-term sustainable value for the Company.

Note : Net Positive Impact = Positive Impact - Negative Impact



Note 1 : The economic contribution of the supply chain was estimated with the input-output analysis method by referring to the Preparation Report on 2011 Input-Output Tables issued by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan, Republic of China.

Note 2 : The environmental externality of supply chain was estimated by referring to the 2017 Preparation Report on Green National Income Account issued by the Directorate-General of Budget, Accounting and Statistics, Executive Yuan, Republic of China.

Note 3 : The social methodology of supply chain is under development.

Note 4 : The economic contribution of business operation and air transportation services was calculated based on the revenue and expenditures put to the stakeholders, and its data came from the annual report of the Company.

Note 5 : The environmental externality of business operation and air transportation services was estimated by referring to the research reports and databases of US EPA (2016), ReCiPe (2016), LC-Impact (2016), IPCC (2006), UNEP & SETAC (2017), USEtox (2017), PWC UK (2015), and OECD (2012).

Note 6 : The social externality of business operation and air transportation services was estimated by referring to the research reports of HSE (2017), Ecomatters (2016), WHO (2008), Jiune-Jye Ho (2005), and Chieh-Hsien Lee (2009).The


Note 7 : The basis for calculating job competency development is adjusted, and the results of the past years are simultaneously revised.

Note 8 : Currency value conversion takes into account the inflation coefficient based on 2018 and the exchange rate of the TWD to the foreign currency.

# 02

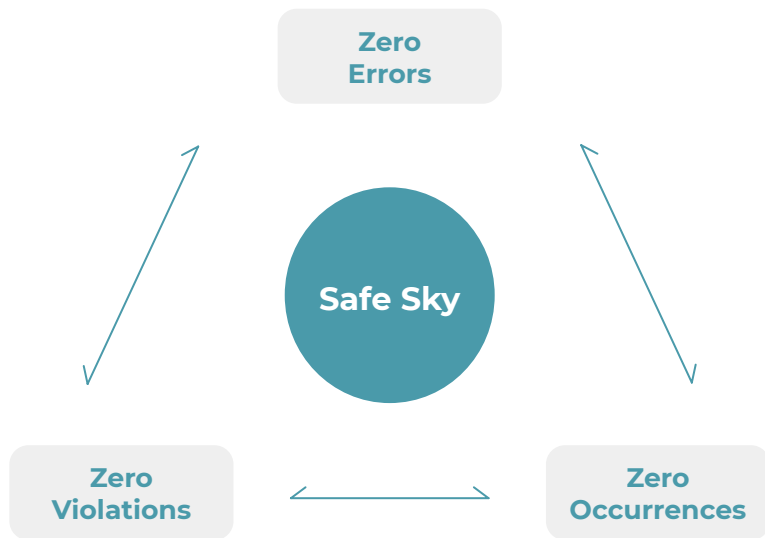
PART

## Intelligent Safety



Safety, Service and Sustainability are not only our core value, but also the foremost goal of the entire staff. EVA Air's safety vision is, "We aim to assure your safety whenever you are airborne. We never compromise safety in the air or on the ground.", and we instill the safety goal of "zero accidents" into every employee's mindset and action. With our persistent efforts in the past, EVA Air has been recognized as one of the world's safest airlines.





There is no perfect safety, only better safety. EVA Air takes "Zero Occurrences, Zero Violations, Zero Errors" as all employee's responsibility. Adopting "Intelligent Safety" as EVA's Safety Roadmap, EVA Air has advanced its safety management system that based on Data Driven, Evidence Base, and Systematic Approach by integrating the wisdom of humans and technology to ensure a safe operation. Our execution strategies are:

- 01 **Smart integration and action implementation.**

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- 02 **Technology applications and system research and development.**

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- 03 **Advanced mindset and cultural shaping.**

## 2-1 Smart Integration and Action Implementation



EVA Air has been promoting the SMS since 2006, and actively incorporating safety methodology into the management system. In addition, EVA Air has formulated the "EVA Corporate Safety & Security Policy" to concretely demonstrate our commitment to promote our safety management system and make safety a part of the corporate culture. We incorporate the SMS's core element – "hazard identification and risk management" into the employees' thinking logic and daily operation, and allow it to work with strategic planning, procedure formulation and operation execution. Through the establishment of a complete safety management organization, each department can use it to identify the various hazards present in operating environment, and appropriately conduct risk management in a systematic manner for the impacts that may result from such hazards.



- Regulations → Policy"lized"
- Policy → Proceduralized
- Procedure → Documented
- Document → Standardized
- Standard → Action-Oriented
- Action → Result-Oriented
- Result → Expected

## Safety Risk Management

EVA Air applies risk management to flight operation by means of Safety & Security Reporting System to cultivate employees' keen observations and enhance information collection and application capabilities, thereby identifying existing hazards or potential risks. We manage potential risks in the operating system with a proactive and predictive attitude, preventing the occurrence of possible hazards and reducing hazards to an acceptable level.

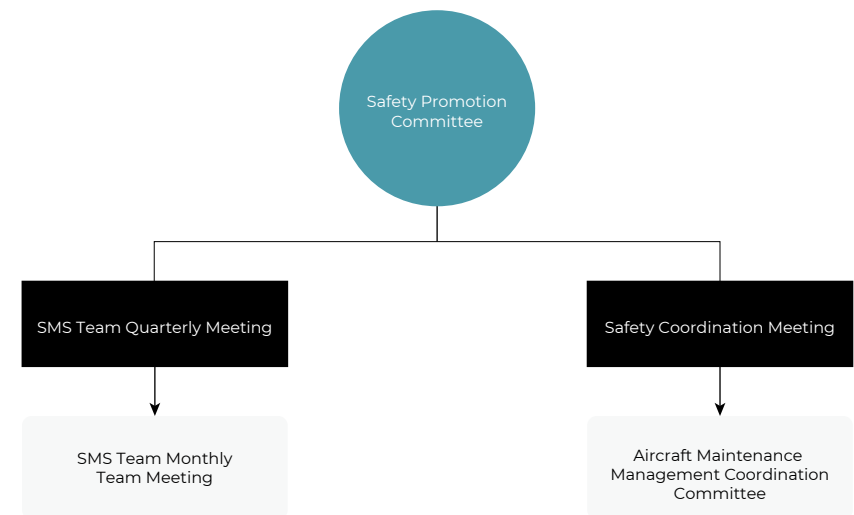
In the practice of our Safety Management System (SMS), we promoted the "Seven Processes Campaign" as the process logic for all employees in their practice of SMS. In other words, this is to ensure that relevant laws and regulations are integrated into the Company's policies and implemented in the standard operating procedures. Most important of all, it is to ensure that the implementation outcomes are consistent with the expectations of the Company and that the safety goals of the organization are achieved.

## Safety Management System – Hazard Identification and Risk Management

To ensure the safety of various operations and effectively prevent accidents, the "SMS Team" is set up under the Safety Promotion Committee. Based on the operational characteristics, the SMS Team is divided into eight groups, which are organization and management system, flight operations, operational control and flight dispatch, aircraft engineering and maintenance, cabin operations, ground handling operations, cargo operations and security management. The groups conduct real time monitoring of risk items in their various domains, establish risk management and control measures, and report regularly to the senior executives of the Safety Promotion Committee.

In the 2020 quarterly meeting of the "SMS Team", a total of 14 risk control cases were identified, including aircraft malfunctions, the ground handling agents not comply SOP, etc. In response to these cases, 75 improvement measures were formulated and managed, Except for 3 mitigations to be replied by manufacturers, the other improvements such as procedure amended, training enhancement, parts replacement and case study have been implemented and the risk level effectively reduced, thus obtaining a measure achievement rate of 96%. Under effective risk control, EVA Air's safety ranking continues to rank among the top in global aviation. Under the premise of legal compliance, it meets the expectations of the stakeholders.

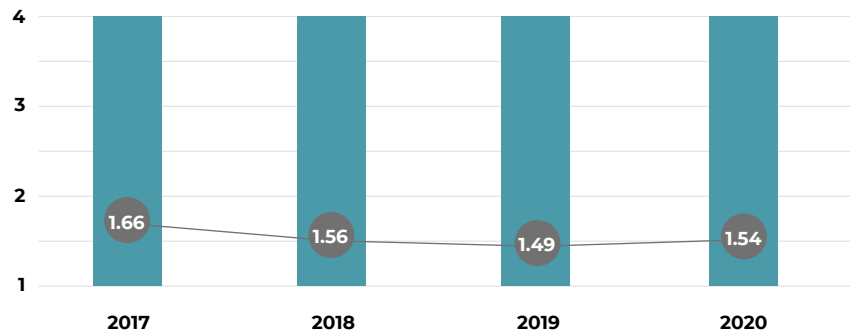
### SAFETY MANAGEMENT MEETINGS



## FLIGHT SAFETY OBJECTIVES

According to the instruction of civil aviation authority and the 2020-2022 Global Aviation Safety Plan (GASP) issued by International Civil Aviation Organization (ICAO), the five High-risk Categories of Occurrence (HRCs) are major safety items of EVA Air's SMS. The five major risks include Controlled flight into terrain (CFIT), Loss of control in-flight (LOC-I), Runway excursion (RE), Runway incursion (RI), and Mid-air collision (MAC). Flight serious incident is one of the safety performance indicators of State Safety Plan, and these five high-risk items are the precursors for flight serious incidents. In response to the above operational priorities, EVA Air implements various risk management and control measures, sets annual safety performance indicators, and regularly reviews the effectiveness of its SMS implementation through the Safety Promotion Committee. In response to the above five risks, EVA Air has made efforts in SOP formulation, personnel training, and operation monitoring, with a view to the occurrence of any incidents.

EVA Air compiles the achievement status of the previous year's safety performance target (SPT) every January, sets the current year's SPT, and has them reviewed quarterly, so as to fulfill and reinforce the Company's internal safety management. The current year's safety quality objectives are set and reviewed by referring to actual values occurring over the years and other objective reference data, including the requirements of the competent authority and information from relevant overseas civil aviation institutions or organizations, so as to reinforce its reasonableness.



$$\text{Formula for annual flight safety performance} = \frac{\text{No. of flight incident (accumulated over last 5 years)}}{\text{Total flight hours (accumulated over last 5 years)}}$$

■ Actual Value ■ Target ≤ 4 times / one million flight hours



## International Certification



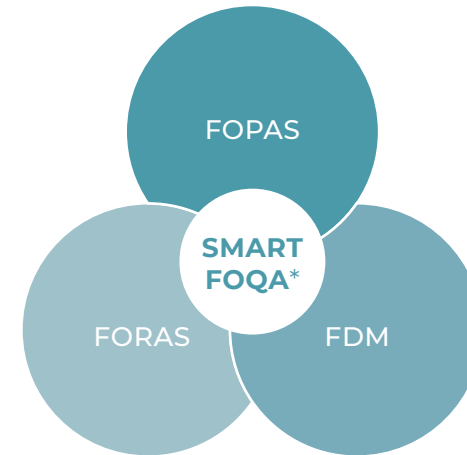
The IATA Operational Safety Audit (IOSA) is a safety audit standard for airlines, which is an internationally recognized airline safety inspection mechanisms used to assess whether various operational of an airline meet the operation safety standards of the International Civil Aviation Organization (ICAO). The certification and audit are conducted by the auditing accreditation organizations authorized by the IATA. Being Taiwan's first airline company to pass the certification, EVA has also demonstrated "No Findings" in IATA's Operational Safety Audits (IOSA) that have taken place every two years since 2005. This certification not only proves that EVA Air's operating system complies with international safety standard, but also shows the outstanding flight safety has been recognized.



## 2-2 Technology Applications and System Development – Smart FOQA

To achieve “accurate and effective flight safety management, proactive flight safety monitoring, and forward-looking prevention in flight safety”, we have selected advanced aviation equipment and transmission technology and adopted artificial intelligence/ big data technology to develop a safety risk management system suitable for the Company’s operations.

Quantify flight operation performance to grasp the overall trend of flight operation performance.



Manage and quantify flight risk factors and provide safety reminders to flight crew to enhance their risk awareness.

Comprehensive flight data analysis to understand SOP compliance and flight discipline implementation.

Note : FOQA - Flight Operations Quality Assurance.

### ARTIFICIAL INTELLIGENCE AND BIG DATA APPLICATION

EVA Air has also collaborated with Tamkang University, Chung Yuan Christian University and National Taiwan University to apply artificial intelligence to flight data analysis. In 2020, it has completed the automatically analysis system for flight’s landing performance to improve the risk identification efficiency of respective flights. In the future, we will continue to integrate the flight and maintenance information with flight data to effectively grasp the Company’s overall risk.

## CONTROL FLIGHT RISKS AND OPERATIONAL QUALITY



### Before the Flight

#### Flight Operations Risk Assessment System, FORAS

EVA Air uses the FORAS as a decision support tool and adopts appropriate preventive measures. The FORAS system then provides departure and landing risk information and appropriate safety reminders to the flight crews through iPad, 2.5 hours before take-off. Additionally, the FORAS re-analyze the latest weather information 45 minutes before landing, to identify the changes in external environmental risks, so as to control the accuracy of the analysis.

### During the Flight

#### Real Time Aircraft Condition Monitoring

The Aircraft Condition Monitoring System (ACMS) and the Aircraft Communications Addressing and Reporting System (ACARS) are used to control in-time aircraft status. At the same time, we download data such as turbulence, mechanical failure, air craft approach warning and engine failure. The FORAS calculates the real-time en-route risk value (ERV) and provides the information as a risk warning and for monitoring purposes.

### After the Flight

#### Comprehensive Flight Data Analysis

EVA Air has established the Flight Data Analysis System since 1992 to perform comprehensive flight data analysis for controlling the quality of flight operations. In addition, it has established the Flight Operation Performance Assessment System (FOPAS). Applying linear functions and safety margin methodology, the FOPAS uses 56 criteria to quantify the operational performance of each flight.

## 2-3 Advanced Mindset and Cultural Shaping

Safety work has no room for the slightest negligence. It requires careful exploration, careful thinking and determination to solve problems and achieve every operational detail. From flight, maintenance to ground handling, all EVA Air employees understand the great responsibilities they shoulder, and deeply realize that their work is a great ethical mission. With a little more caution and attention and by taking the initiative to pay attention to the details of each operation, possible human errors can be avoided to ensure a safe flight environment for passengers. The safety mindset of employees is enhanced through cultural shaping. We actively elevate safety awareness from "required to be safe" to "I want to be safe." The culture of "Use morals as the compass for developing teamwork in accuracy, diligence, consistency and creativity. We do things right the first time and aim for the greatest safety margin to secure passenger, crew and aircraft safety." is indeed the key to EVA Air's success!

Shaping the SMS mindset: Through the transformation of ideas, a behavioral pattern of safety has been shaped and has become the safety climate of the organization, thereby achieving the safety goals of the organization.



### SAFETY TRAINING

Striving to be one of the safest airline in the world, EVA Air requires every employee to bear the responsibility of "flight safety" and participate in safety training. Since 1993, we have been promoting safety training, thereby eliminating the occurrence of human errors. Flight-related operators are requested to attend Safety Management System (SMS) training.



### SAFETY PROMOTION

Since 1996, EVA Air has conducted Safety Week activities every year to promote safety awareness among all employees; the activities include propaganda competition, safety promotional video, holding seminars, outstation safety workshop, Safety Week conference, etc. The objective is to enhance the team's cohesiveness, improve teamwork, and increase the safety responsibilities awareness of every member of EVA Air to shape a positive and active safety culture.

#### THE THEME OF 2020 SAFETY WEEK "Safety never changes even the world does, we never quit even the pandemic is severe."

Many airlines around the world have been unable to withstand the impact of the COVID-19 pandemic and have collapsed. The most important thing at this stage is to fully demonstrate our resilience. From formulating strategies, adjusting attitudes to implementing actions, we are able to uphold the spirit of "safety never changes even the world does, we never quit even the pandemic is severe". With prompt adjustment to the pace of our thinking and full creativity in the face of difficulty, and preemptive preparedness, all our employees have remained highly competitive to achieve our highest goal of corporate sustainability.

## 2-4 Aircraft Maintenance

### Aircraft Maintenance Management



Maintenance management focuses on doing a good job in aircraft inspection and maintenance to ensure the reliability of the aircraft's various systems.

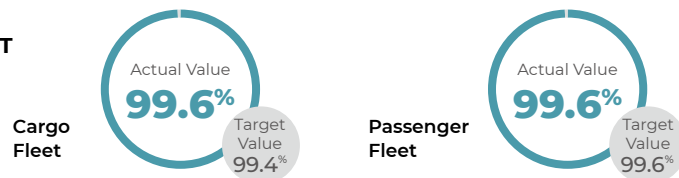
Maintenance quality is an important foundation of flight safety. Every detail of maintenance must be completed in accordance with the original technical specifications and in compliance with laws and regulations. Therefore, the cultivation of maintenance culture and disciplined implementation are the foundation of maintenance. Moreover, the spirit of "Complying with Regulations and Meeting Standards" is also our primary criterion for aircraft maintenance.

In order to ensure the quality of maintenance, the Precision Measurement Equipment used in aircraft maintenance operations is based on the original technical specifications of the equipment. Equipment is regularly sent for factory inspection and checked against national calibration standards such as the US National Institute of Standards and Technology (NIST) or equivalent to ensure compliance with the specifications of the original manufacturer.

Regardless of maintenance operations on the apron or in the hangar, relevant specific operation items require re-checking through the quality control inspection process or through flight verification to confirm the safety of the aircraft. These repeated inspections and protective layers of rigorous maintenance operations reflect and ensure the standards of continuous airworthiness.

Our safety guarantee is in truly grasping every detail of maintenance. From the safe use period of each component to the precise requirements of all maintenance procedures, the purpose is to reduce all possible risks and fulfill the requirements of flight safety. EVA Air not only insists on maintenance quality, but also sets dispatch rate target for each fleet. Dispatch rates and the reasons for aircraft delays are monitored and analyzed during monthly Quality Review Board. Aircraft maintenance plans are adjusted or engineering commands are executed to prevent delays and maintain the fleet dispatch target to provide safe and punctual flights.

#### 2020 PASSENGER AND CARGO FLEET DISPATCH RATE



### Reliability Control Program

To ensure aircraft reliability and improve flight safety, technical information and problems generated during daily operations are collected and analyzed according to the Reliability Control Program to formulate maintenance methods for providing various warning standards for aircraft abnormalities. In the event that aircraft abnormality rate exceeds the standard, engineers from various professional domains are assigned to analyze and formulate improvement projects. The projects are incorporated into the aircraft maintenance plan in order to maintain the reliability of the aircraft system, improve maintenance quality and ensure flight safety.

The technical information and problem characteristics generated during the daily operation of the aircraft are divided by the Reliability Control Program into (1) System, (2) Components, (3) Powerplant, and (4) Structure for monitoring. The "Reliability Meeting" and the "Quality Review Board" convene regularly each month to monitor, discuss and formulate improvement for issues such as aircraft maintenance reliability, technical corrective and preventive measures, and human errors.

## 2-5 Operation Monitoring

### OPERATION MONITORING MANAGEMENT

Flight Control Department works around the clock for flight dispatch and control. The Flight Information System (FIS) and Flight Trace System provide access to flight-related status, and tracks changes in the external environment (e.g. airport and weather). For flight dispatch operation, the personnel responsible for drawing up flight plans are all qualified dispatchers with licenses issued by the CAA. With their expertise and assistance of the system, a safe, fuel-saving and comfortable journey is made possible on every EVA Air flight.

EVA Air participates in European Free Route Airspace Work Group, FAA Cross Polar Work Group (CPWG) and Informal Pacific ATC Coordinating Group (IPACG) to improve the European, North America, Russian Far East, North Pacific and Japan region Air Traffic Service (ATS) efficiency of transit flights. In addition, it discuss and develop a fuel-saving and time-saving route to reduce CO2 emissions with the air traffic controllers of various countries.





## 2-6 Crew Member Health Management

### PHYSIOLOGICAL AND PSYCHOLOGICAL MANAGEMENT FOR FLIGHT CREW

To realize the Safety Vision of "Pursue safety, never compromise", EVA Air has established a flight risk management system; it not only adopts the highest standards for the aircraft maintenance, but also focuses on the physiological and psychological state of the flight crews. When conducting flight duties, the flight crew must always pay attention to flight safety. They also have to adjust fatigue and pressure to ensure that each duty is successfully completed in an appropriate physical and mental state. Therefore, EVA Air, besides introducing the world's best Crew Management System (CMS), has been continuously optimizing the flight crew's schedule, taking into account factors such as crossing time zones, working night shift, duty hours and vacation length to establish quantitative indicators, in the hope of reducing the impact of fatigue on flight safety. EVA Air also provides flight crews with professional management and counseling on stress, health, alcohol and medication. It is expected that EVA Air flight crew can perform their duties under the optimal physical and psychological conditions.

As a result of the COVID-19 pandemic, crew members are subject to quarantine and isolation regulations. To reduce the negative psychological and physical impact of long-term quarantine and isolation on its crew, EVA Air continues to promote Employee Assistance Programs (EAP). In addition, for crew members on home quarantine, it has established a remote counseling service to provide them with timely assistance and counseling.



#### Schedule Management

- Advance preparation for sufficient flight crew manpower is made according to the established operation plan and the seasonal operation requirements to allow the crew members to make reasonable arrangements for rest days.
- In order to establish the crew schedule for a greater safety margin, efficiency and friendly crew member participation (Bidding) and Real Time Tracking, EVA Air utilized the CMS, complementing the Flight Information System (FIS) and Crew Record Management.



#### Stress and Health Management

- To perform flight duties with healthy body and mind, besides providing a friendly CMS/Bidding module for the flight crew to arrange schedule and leave with greater ease, EVA Air offer our flight crew a maximum of 42 days of paid annual leave and 30 days of paid annual sick leave, a benefit package that is better than the Labor Standards Act.
- EVA Air has an infirmary that offers the flight crew advice on health and stress management at all times.
- Whenever the flight crew suffers from any stress in their work or private life, they can seek the solution through the Company's employee consultation program.



#### Fatigue Management

- EVA Air is the first in Taiwan's aviation industry to implement the Fatigue & Risk Management System (FRMS), which refers to the scientific and quantitative sobriety values during the crew's period of duty. The FRMS meetings are held monthly, where dispatch methods are reviewed and feasible improvement measures are proposed to the lowest 5% sobriety index to improve flight safety.




#### Alcohol, Drugs and Others

- EVA Air has strict stipulations concerning flight crews' consumption of alcohol or drugs and activities which may affect flight safety prior to flight missions. For instance, flight crews are strictly forbidden to ingest any alcoholic drink or engage in scuba diving within 12 hours prior to their flight. The full-time physician at the Company's infirmary must be consulted before any drugs can be taken.

# 03

PART

## Service Innovation



Being the best airline in the world has always been EVA Air's goal. We have earnestly carried out our service declaration: be attentive to customers' needs, respond proactively, and provide seamless service; be sincere in caring limited resources and environment, sharing no-boundary service with our neighbors; be enthusiastic in offering hospitality, treat customers as family, and establish a warm, friendly relationship. EVA Air care for passengers' needs and always strive to provide better customer service experiences. Although the aviation industry has been facing daunting challenges since the sudden outbreak of COVID-19, we remain committed to services of attentiveness, sincerity, and enthusiasm, ensuring safety travel throughout each stage of our passengers' journey.



### 3-1 Innovation with Heart

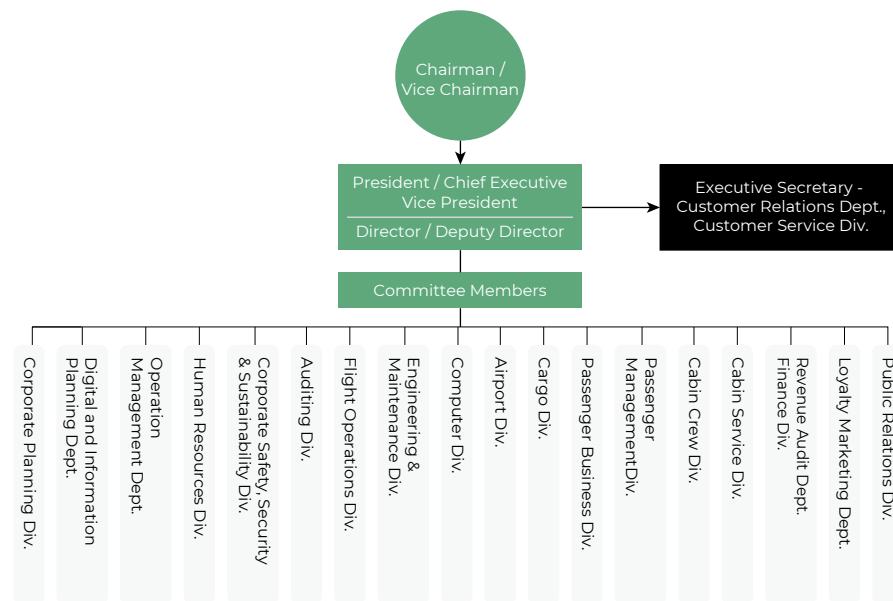
Since its establishment in 1989, EVA Air has been working hard to improve its services. We see flight safety as the core of management and provide passengers with diversified services as its duty. EVA Air have been ranked as one of the top 5-star airlines, the honor is also the beginning for us to face the challenge of protecting it. In the future, we will work incessantly to pursue better safety records and pay more attention to every detail of our services, thereby offering the perfect flight experience for passengers around the world.

EVA Air starts to introduce Boeing 787 Dreamliners in 2018 and expects to introduce 21 787 aircraft by 2023. The Boeing 787 Dreamliners adopts the finest aerospace technology, including lighter carbon fiber and the latest engine which will reduce by 20% of fuel consumption and greenhouse gas emission compared with the previous wide-body aircraft. The Boeing 787 Dreamliners is equipped with the newest high-efficiency particulate air (HEPA) filter, which can improve the air quality in the cabin and also increase the cabin humidity by 3-4 times compared with the traditional aircraft type. As for the cabin pressure, it reduce the pressure from 8,000 feet to 6,000 feet to allow passengers to enjoy a more comfortable and high-quality journey.

### Service Quality Committee

The President acts as the Chairperson of the Service Quality Committee, and the Chief Executive Vice President as the Vice Chairperson. The heads of various service business departments serve as the ex officio members of the Committee. The Committee meeting is held every quarter to conduct internal analysis to improve the Company's service quality through grasping customer satisfaction and opinions, and jointly examining the progress of the goals in each service area. Each member has to report the implementation progress in the meeting, and the Chairperson/Vice Chairperson supervises the results of the resolutions to execute improvement plans and provide better services for the passengers, in order to keep carrying out service improvement plans. In 2020, the number of passengers reduced drastically due to global entry and exit restrictions in response to COVID-19 pandemic. Air travel was limited by government regulations of each country and various uncontrollable factors, epidemic prevention therefore became our first priority in related service fields. Service Quality Committee meeting was suspended during the epidemic, with goal-achievement of each service field being analyzed and reviewed via internal announcements as an alternative, in order to keep carrying out service improvement plans.

#### ORGANIZATIONAL CHART OF THE SERVICE QUALITY COMMITTEE



## Trustworthy Services

In order to constantly improve service quality and provide the best services for our customers, EVA Air holds an evaluation meeting on service quality with the responsible department every quarter to evaluate the progress of the services. EVA Air listens to the customers' advice and identify the reasons behind each customer complaint and the subsequent response measures, implement plans, and take preventive measures. At the same time, the Company continues to track the customer satisfaction and requires relevant departments to make improvements to meet the target, ensuring the accomplishment of the highest service quality. Considering epidemic prevention plans in 2020, service evaluation meetings was temporarily replaced by internal announcements.

### RELIABLE AND TRUSTWORTHY

To provide passengers with reliable service quality, EVA Air has set up the on-time performance target of 15 minutes in accordance with AAPA (Association of Asia Pacific Airlines) regulations. In 2020, the rate of departure on-time performance for all routes was 97.2%. The rate of arrival on-time performance for short-haul routes was 98.0% and the long-haul was 97.9%. From 2017, the long-term renovation of airside, run way and T3 terminal for Taiwan Taoyuan International Airport is expected to influence flight departures, arrival and the ground operations. Therefore, the 2021 on-time performance target of 15 minutes for all routes is set at 95.0%.

### CARE FOR PASSENGERS' RIGHTS AND HEALTH

All products and services provided by EVA Air comply with the statutory laws and regulations. There was no case of large fines resulting from the violation of laws and regulations concerning the provision and use of the products and services. The reporting procedures in relation to EVA Air's flight ticket sales are made in accordance with the regulations and approved by the CAA, so our passengers' interests are protected by an excellent governance system. No significant law or relevant voluntary codes violation has been observed during the marketing and advertising, promotion and sponsorship processes of the passenger products and services. The tender invitation of in-flight products clearly states the relevant laws and regulations that must be met. All suppliers must provide the relevant certificates of inspection at the point of tender submission for evaluation. In 2020, there were no cases of non-compliance with the laws and regulations concerning product and service information labeling or other relevant voluntary standards for the in-flight products used for cabin service. Prohibited and controversial products were not sold.

		2017	2018	2019	2020	2021 TARGET
<b>Departure On-time Performance Rate</b>		96.2%	96.9%	97.9%	97.2%	95.0%
<b>Arrival On-time Performance Rate</b>	<b>Short-haul flight</b>	99.2%	99.2%	98.7%	98.0%	95.0%
	<b>Long-haul flight</b>	98.8%	98.6%	97.7%	97.9%	95.0%

Note 1: The definition of short-haul flight - Voyage is less than 3 hours.

Note 2: The definition of long-haul flight - Voyage is equal or more than 3 hours.

Note 3: Above target rate excluding uncontrollable factors such as weather and air traffic control.

### IN-FLIGHT PRODUCTS FOR CABIN SERVICE COMPLY WITH LAWS AND PROCUREMENT STANDARDS

PRODUCT CATEGORY/ PROCUREMENT STANDARDS	% OF COMPLIANCE	TOTAL NUMBER OF ITEMS			
		2017	2018	2019	2020
<b>Children's toys</b> (Safety Toy inspection mark is required)	100%	12	11	12	17
<b>Plastic tableware</b> (Certificate of inspection is required, e.g. test of plasticizer or heavy metal, etc.)	100%	46	47	45	45
<b>Food</b> (Certificate of inspection is required, e.g. test of Escherichia coli, etc.)	100%	44	45	41	33

# Innovative, Friendly Customer Service

## MOBILE SERVICE



### EVA Mobile App

EVA Mobile App currently supports 27 language settings and provides services such as flight booking & changing, special offers, flight status, itinerary management, and frequent flyer program (Infinity MileageLands). To better provide a personalized user experience, and facilitate mobile check-in, we have developed some new features such as passport scanning, and electronic boarding passes that are saveable to Google Pay and iPhone Wallet. Meanwhile, passengers can now log into Infinity MileageLands or EVA Fans by using FACE ID or TOUCH ID, which is an even more convenient way to manage their booking records.



### EVA Sky Shop App

EVA Sky Shop App is a convenient option for passengers to purchase in-flight duty free goods. Passengers may preorder duty free goods before their flight and pick up the goods on board.



### EVA Home Delivery Shopping App

EVA Air launched an online shopping mall, which customers can purchase EVA Air exclusive goods and other premium products online, then experienced the free delivery to the doorstep (home delivery service is limited to the Taiwan region only).

## AI-POWERED CHATBOT AND LIVE CHAT SERVICE

EVA Air introduced diversified customer service channels by tapping into AI-powered Chatbot and live chat service in December 24th 2019. The AI-powered Chatbot “EVA” can answer including reservation and ticketing, membership, flight schedule, airport service and nearly 500 questions. Therefore, customers can reach EVA Air any time through official website or App to get correct answers. If EVA is unable to answer, log in as a member and passenger can choose to the live chat service which is provided during office hours. With these help, it will effectively improve the service quality and provide multiple service channels for passengers.

Since the Chatbot was launched, it's able to answer over 95% in 2020 of the question correctly. In the near future, we expect to provide more communication channels with different language, besides current traditional Chinese service on official website and App.

## EVA'S BRAND-NEW CORPORATE WEBSITE, DELIVERS SERVICE CONSISTENCY, MOBILITY ON RANGE OF DEVICES

Designed to meet consumer demand for easily accessible information whenever and wherever they want it, EVA is using Responsive Web Design (RWD) technology to deliver consistent information services on different devices from office or home to mobility or tablet on the go. It also chose new user interface (UI) for easier and more convenient operating functions.

RWD technology gives EVA's new website the enhanced accessibility and flexibility it needs to be responsive on a variety of platforms. Synchronizing dynamic changes with compatible solutions, the website automatically accommodates image sizes on different devices. EVA also enabled the website to serve its global customer base with 12 language selections, including English, Chinese, Japanese, Korean, Vietnamese and more. Users can easily switch to their language of choice and enjoy the friendly, efficient services they are most comfortable with.

EVA adopted the "User Experience Design" (UX Design) to its website needs for the upgrades. The design team interviewed internal and external users to gain insights into needs and usage habits. The team then analyzed results and applied what they had learned to the designs of EVA's new operating systems and user interface functions. They tested the upgraded website systems and features to make sure they are user-friendly and meet passengers' service demands by inviting one group of business travelers and another of tourists to try them.

## SELF-BOARDING BY FACIAL RECOGNITION

In order to provide safe travel to passengers, EVA Air does integrate boarding system to offer biometric identification boarding service by 2020 Q4. The pilot airport was launched at San Francisco on 01st December, 2020, and passengers can have biometric identification boarding at boarding gate on which passenger can exempt from the contact with airport agent to handover boarding pass to agent for boarding. Be noted those of infant and passenger requiring special assistance are excluded from biometric identification boarding service and will keep the current boarding procedure assisted by agent. EVA Air is planning to expand our biometric boarding service to Los Angeles and Hong Kong on 2021 and closely watching the progress of worldwide airports on the deployment of biometric identification boarding system to include more airports and enhance the service scope of safe travel to passengers.

## WEB ACCESSIBILITY DESIGN

The U.S. Department of Transportation (DOT) requires all airline companies with U.S.-bound flight to have their websites that are targeted at the U.S. market meet the "Web Content Accessibility Guidelines (WCAG) 2.0 Level AA" established by the World Wide Web Consortium (W3C). Therefore, the American English version of EVA Air's official website has been set up with reference to the U.S. laws and regulations in 2015, to provide users with hearing or visual impairment, physical disabilities or learning disabilities with a user-friendly interface.

## MODERATIONS DURING COVID-19 PERIOD

In order to provide a more secure environment for all passengers, EVA Lounges have adapted our service to prevent the spread of COVID-19. We have taken the following measures to ensure all passengers safety during their stay.



Hand sanitizer for passengers to sterilize hands.



Rearranged seats for social distancing to ensure passengers sit separately.



Provide individual meal box and disposable tableware to reduce contact with others.



Sterilize tables and seats after passengers left, and sterilize the whole area on daily basis.

## INNOVATIVE VIP LOUNGE IN STYLE

In order to make our passengers unwind before departure, EVA Air provides four lounges of unique styles at Taoyuan International Airport Terminal 2. Equipped with modern and thoughtful facilities including breastfeeding rooms, business center, accessible toilet and shower rooms, the lounges allow our passengers to experience the hospitality with a wide range of services. We've selected not only delicious but certificated cuisines to provide our passengers relaxing and privileged services before boarding. The unique interactive 360 degree panorama tour available in Traditional Chinese, Simplified Chinese, English and Japanese allows passengers to browse all the facilities of the lounges before they arrive.

The four VIP lounges have very different and unique design, highlighting the diverse and high-quality design concepts:

### The Garden

Elegant and unique, with a high ceiling, bright skylights, and lush foliage, offering a relaxing getaway from the grind of business.

### The Infinity

Modern and futuristic, and was proudly awarded as the "Top 10 Best Business Class Lounges" by SKYTRAX in 2016.

### The Star

Surrounded by warm and bright starry sky, a perfect place with a great view to relax before boarding.

### The Club

Spacious and was designed as beautiful urban skyline representing a modern and simple style.

## Cabin Cleanliness

EVA Air pays great attention to cabin cleaning management. Affected by the pandemic in 2020, cabin cleaning is also an important part of Safe Travel. All aircraft are thoroughly cleaned before departure, including seats, tables, TV screens, walkways, toilets, and storage spaces above and around the seating area. During the flight, lavatories are cleaned and disinfected every 30 minutes. Cabin crew check and clean the relevant cabin environment periodically, and reinforce the own health control measures also. After returning to Taiwan, aircraft are thoroughly cleaned and disinfected by the dedicated cleaning team using the professional aviation disinfectant CALLA 1452, which the disinfectant is up to AMS specifications and certificated by the U.S. Environmental Protection Agency. Disinfected areas include: tray tables, armrests, seat belts, seats, TV screens, remote controls, vents, reading lights, side panels, windows, partitions, magazine racks, decorative panels, luggage lockers, etc. All actions are to provide passengers with a safe and clean cabin space. In order to build safer and cleaner cabin environment, once if a seat has been occupied by a passenger that is “suspected” of or “confirmed” as having COVID-19, the entire row, as well as the row in front, the row behind and the area’s lavatories will be given an additional deep disinfection.



## Eat Safe: In-flight Meal and Airline Catering Management

EVA Air’s airline catering food safety management complies with the hygiene standards assessment form for airline catering set by IFSA, as well as HACCP regulations. We ask our caterers to comply with related regulations, such as supplier management, personnel hygiene, staff training, pest control, cleanliness and environmental hygiene. From food source through delivery, storage, cooking to loading on board, all steps are under strict control to ensure food safety and quality. In addition, the quarterly defect-free meal rate was calculated based on meal irregularity cases reflected by our passengers. The defect-free meal rate for Business Class in 2020 was 99.996% (the target rate is 99.992%) , and that of Premium Economy Class and Economy Class in 2020 was 99.999%. (the target rate is 99.997%)

### AIRLINE CATERING HYGIENE INSPECTION

In order to provide hygiene in-flight meals, EVA Air formulates the hygiene standards assessment form for airline catering set by IFSA. Every year, airline caterers which offer in-flight meals for the whole year are inspected for hygiene, and the inspection rate in 2020 was 100%. At the beginning of 2020, there were 36 airline caterers providing in-flight meals for EVA Air. However, due to the impact of COVID-19, several airline caterers had suspended service since Q1 of 2020. Inspections are done on airline caterers in line with local regulations. EVA Air encourages caterers to continue rolling out environmental & occupational safety & health and energy management systems, such as those specified in ISO 14001, ISO 45001, and ISO 50001, in order to enhance sustainability results. Also, in 2020, there was no violation of laws by EVA Air which was related to food safety or health concerns.

### OPTIMIZED FOOD SAFETY CONTROL PROCESS

Evergreen Sky Catering Corporation, the major in-flight meal supplier for EVA Air, has a very strict standard procedures of food safety control. There are 7 steps: raw material testing, delivery truck control, low temperature preservation, food and tableware cleaning, cooking control, meal quality control, temperature control of aircraft loading. With the insistence on quality control and service enthusiasm, we provide various airlines with tasty in-flight meals that are hygienic, safe, and convenient.



## FOOD LOSS MANAGEMENT

Currently, in-flight meal supplies are based on the number of people ordering the meals via the reservation system for the various flights. When passengers don't board in accordance with their pre-set orders, those meals remain uneaten and become food losses. Food losses result from factors both uncontrollable (e.g., mechanical issues, flight connection issues, disaster, communications, politics, communicable diseases, passenger documentation, etc.) and controllable (e.g., passenger check-in rates: using a rolling average of the passenger check-in rate to estimate the appropriate number of meals, thus controlling and reducing food losses). In order to reduce food losses, we calculate the passenger check-in status of all routes, and then use a rolling average of the passenger check-in rate as a basis for meal orders. The number of meals is then adjusted based on changes in the passenger reservation rate, in order to push the actual number of meals closer to the number of passengers.

In terms of our collaboration mechanism, we implement an operations process with our upstream catering suppliers. 72, 48, and 24 hours before a flight takes off, the system provides updated reservation numbers, which serves as a reference for caterers as they prepare ingredients. 24 hours prior to the flight, based on the estimated passenger check-in rate, we implement a meal order reduction. This reduces both waste of the caterers' meal ingredients and food losses for the airline. Many countries have passed strict limits on the amount of food waste that can be produced on international flights, in order to protect their agriculture and to fight the pandemic. As a result, uneaten meals must all be incinerated, and cannot be used for other purposes or recycled. Currently, all food waste collected from round-trip Taoyuan and Songshan flights is incinerated in dedicated incinerators. Through the incineration process, the heat produced is converted via cogeneration into reusable energy.

MEASURE	UNIT	2017	2018	2019	2020	2020 TARGET
<b>Total weight of all food loss &amp; waste (A)</b>	Tonnes	72.2	75.0	67.1	29.8	71.48
<b>Total weight of food loss &amp; waste volumes used for alternative purposes (B)</b>	Tonnes	51.5	47.0	43.2	24.0	47.29
<b>Total discarded (A-B)</b>	Tonnes	20.7	28.0	23.9	5.8	24.19
<b>Food loss &amp; waste intensity (grams/grams * 100%)</b>	%	1.00	0.98	0.87	2.35	0.95

Note 1: Weight of global food loss is calculated as the number of global airline meals lost x the average weight of meals in all seating classes.

Note 2: The sudden impact of the pandemic beginning in February 2020, and restrictions caused by uncontrollable factors such as various countries' border controls and transfer flights being disallowed in Taiwan, caused passenger check-in rates to drop. As a result, the average wastage rate per gram for 2020 went up.



## Creative and Thoughtful In-flight Experiences

EVA Air cooperates with world-renowned brands. The intention of every design and plan is to innovate and to strive for perfection through the characteristics of both parties, bringing passengers a better flight experience. EVA Air regularly updates in-flight meals with fresh seasonal ingredients and collaborate with world-renowned chefs. In combination with all types of alcohol and beverages, our in-flight meals will make passengers feel at home during their journey. New generation of in-flight entertainment is developed with the introduction of the 787 Dreamliner, and is equipped with a newly designed user interface.

### IN-FLIGHT PRODUCTS



#### 2020 Premium Economy Amenity Kit

Our 2020 Premium Economy Amenity Kits are EVA Air's first collaboration with Belgian fashion brand Kipling. The designs integrate the brand's special features and Taipei 101; these kits are provided to premium economy passengers taking off from Taipei. Kits for those returning to Taipei continue to be the collaboration with Italian brand Furla, with a second-generation design.



#### 2020 Wellness Kit

EVA Air has teamed up with well-known French skincare company Payot to bring out our Wellness Kit to fight the pandemic. The paper bag design is easy to carry and store. In Royal Laurel/Premium Laurel/Business class and Premium Economy class, one medical-grade face mask is provided, as well as alcoholic wipes and hand sanitizer. In Economy Class, alcoholic wipes and hand sanitizer are provided. All are practical and reassuring.



#### 2nd Generation Jason Wu Co-branded Pajamas

In January 2020, we rolled out the 2nd Generation Jason Wu pajamas. The collars were changed to a comfortable, convenient drawstring design. Also, with reference to passenger suggestions, we made optimizations such as adjusting the thickness of the material and adding pants pockets. We also designed three different sizes, to meet the needs of passengers with different bodies. All this helps passengers to sense how much we care.



#### Environmentally-Friendly Withdraw Bags

In the spirit of environmental friendliness and to reduce plastic, EVA Air made adjustments to our in-flight withdraw bag material for 2020. We now use PBAT, a new thermoplastic, fully-biodegradable material, instead of the earlier polyethylene. When the environment and time allow biodegradation to occur, the material leaves no remnant at all within the environment; it automatically degrades in nature.

### CHISHANG RICE

Upholding the corporate social responsibility, EVA Air provides meals with the award-winning “Premium Grade Rice” but also limitedly provides Kaohsiung No. 147 Organic rice which is grown by farmer Hsieh Mei-kuo who was awarded gold at a rice competition in Japan, for Royal Laurel, Premium Laurel and Business Class of the flights departing from Taipei. We hope passengers from around the world can explore the beauty of Taiwan and the dedication of the farmers in Chishang through a grain of rice and make a favorable impression on each traveler we encounter.



### JOYFUL AIRCRAFT LIVERIES

EVA Air launched the world’s one and only Hello Kitty Jets together with Japan’s Sanrio Co., Ltd. The colorful jet was exquisitely built along with the provision of more than 100 in-flight amenities, meals, various limited Hello Kitty Jet products and an exclusive website which innovated over time. With the themed design inspiration, from naming to creative events experiences, Hello Kitty Jet will convey the happiness and expectation to passengers’ right at the moment they start the journey.



For more flight experience, please visit Hello Kitty Jet official website

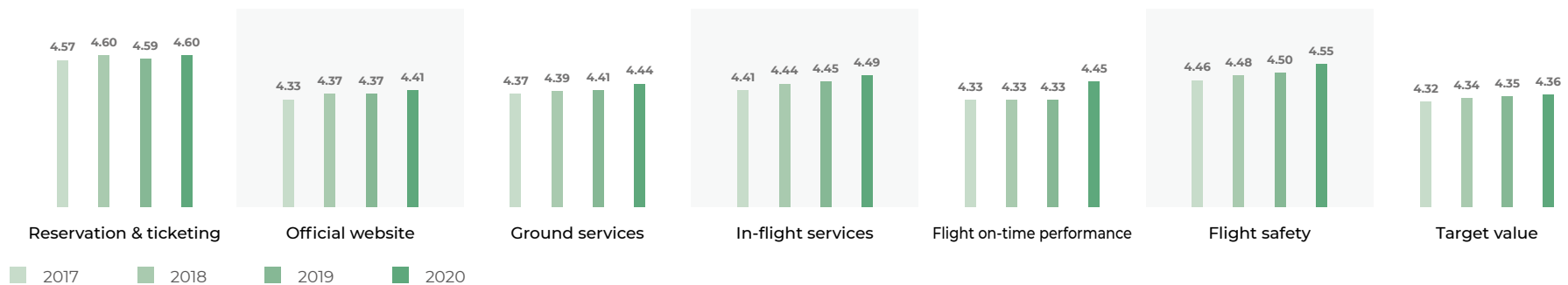
## 3-2 Customer Relationship

### Passenger Satisfaction Survey

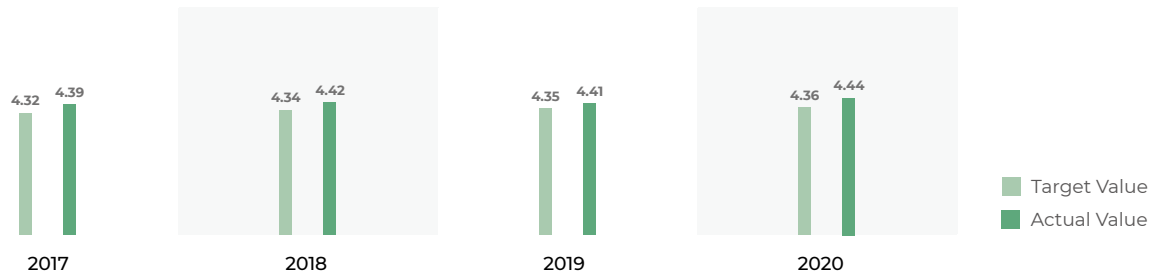
The aviation industry was severely impacted by COVID-19 in 2020. Number of passengers reduced drastically due to global entry and exit restrictions, and air travel was limited by government regulations of each country and various uncontrollable factors, epidemic prevention therefore became our first priority in related service fields, and “EVA Air Online Customer Satisfaction and Net Promoter Survey” was suspended between 27th March and 31st December 2020. From 1st January to 26th March 2020, total 85,502 questionnaires were sent to traveled members who were willing to receive the survey; 11,532 responses were collected, with response rate 13.49%, indicating that overall passenger satisfaction level for 2020 was 4.44 (5-point Likert Scale), which exceeded 2020 target value of 4.36. NPS also exceeded the average score of 31.92% of Star Alliance member airlines between 2017 and 2019.

In response to continued spread of COVID-19 pandemic in 2021, worldwide travel restrictions and quarantine regulations are tightly enforced and the aviation industry is still facing daunting challenges. Given that related service contents and procedures are subject to various uncontrollable factors, 2021 EVA Air Online Customer Satisfaction Survey will be temporarily adjusted to “EVA Net Promoter Survey”, with NPS (Net Promoter Score)  $\geq 40.00$  as target value, in order to understand members' willingness to recommend EVA branding during the pandemic.

#### CUSTOMER SATISFACTION WITH PASSENGER SERVICES



#### OVERALL CUSTOMER SATISFACTION WITH PASSENGER SERVICES



## Listen and Communicate

EVA Air values customer's voice and offers various feedback channels such as online Traveling Experience Feedback, local call centers or mailing addresses, and local branch office service counters. Our customer service representatives focus on customer needs and respond attentively, treat customer comments with expertise and stringent attitude, and utilize systematic procedures to monitor, investigate, trace, and respond each feedback, in order to fix the problems immediately. We regularly analyze customer feedback, review service performances and indicate root causes of each service failure case with concerned departments, and plan corresponding prevention actions for service enhancement. In addition, through conducting internal service quality audits, executing plans, examining the results of operations and taking preventive measures with relevant departments, we can effectively manage our service quality.



## Membership Services

Our member services continue to seek out partnerships in other industries, which can be exchanged for member award tickets, for cabin class upgrades, and combine mileage with cash to book tickets via our Miles & Cash program. In addition, for 2020, we added collaborations with Chunghwa Telecom, Klook, and CanLead CallCarBar to provide members with international travel, airport transport, traveling cash, wi-fi, and other commercial goods and services. Our publications included fashion and education collaborations with Marie Claire and Studio Classroom magazines. We are also working to make our member awards program more useful in everyday life, including collaborations with Pizza Hut/KFC/Eztable by which members can show their member card or exchange miles for value-added discounts. HSBC and their Traveller's Card have also implemented a cumulative miles collaboration, to add ways for passengers to gain mileage.

In response to the COVID-19 pandemic, we also led the domestic industry in proactively extending card tier, mileage, and cabin class upgrade verification periods. This allows members to experience how much EVA Air cares about our members, and helps the Company to retain important members during the pandemic. In addition, we rolled out a series of flexible mileage accumulation and use programs, to help members unable to go abroad during the pandemic to still use their co-branded cards/credit cards to purchase and use miles to exchange for non-airfare products & services. For example, Mileage for Products Promotion with 30 different products in 5 major categories, require only 1500 miles to make an exchange. We have also promoted our "Almost Abroad" program flights, in which passengers can earn award miles and status miles, and promoted our mileage exchange for member award airfare discount program. We have also maintained interaction with members, using the Mileage Statement and member e-newsletter to announce the Company's anti-pandemic measures and policies. All this helps our members understand and fly safely.

July 15, 2020, we updated the website's Infinity MileageLands section to better match the Company webpage's responsive design. This helps make it even more convenient for members to access their member information at any time via their mobile devices, and to more intuitively understand how many miles they have, when the miles expire, and how many miles they still need to accrue to upgrade their card tier. The new design also provides members with a one-click connection to their itinerary management. At the same time, we rolled out EVA Fans, which only requires filling out a simply electronic form and setting a password to complete registration. Joining EVA Fans allows easy itinerary planning, and enjoying quick internet-based registration and transaction record management services.

At the end of the year, we held A Night for EVA Air's Honored Guests 2020 - Delight in Starry Melody. At the end of this perilous year, we gathered together with the members who have so supported and cared for our Infinity MileageLands Diamond/Golden Cards and guests from all sectors of society. Through the healing power of music, we brought momentum for hope, and a wish that when everything gets back to normal, we will again travel to the ends of the Earth with our members!

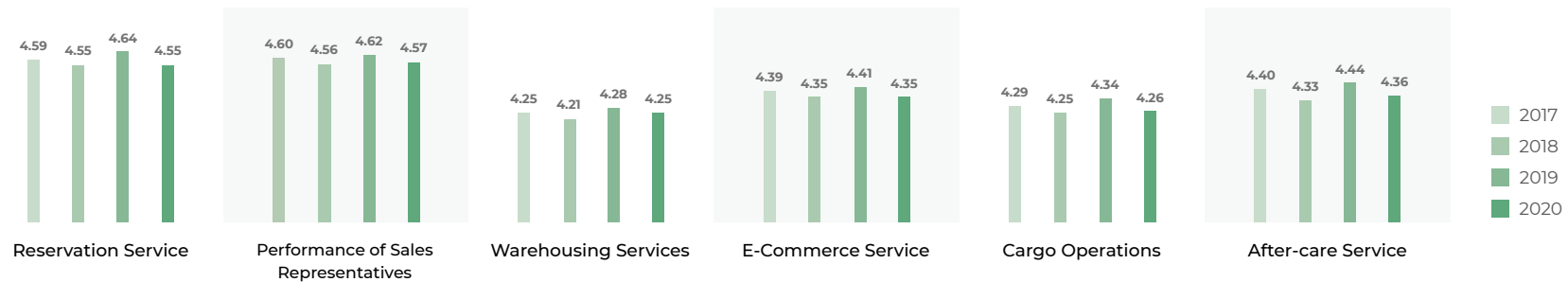
## 3-3 Cargo Service

EVA Air enjoys a reputation for outstanding flight safety records and professional cargo transport capacity in the cargo industry, and therefore has repeatedly won the “Air Cargo Excellence Award.” Over the past few years, EVA Air launched the cold chain cargo service and expanded its network, while reinforcing staff training and optimizing the process control and emergency response in response to the demands of market growth. In consideration of both mid- and long-term development strategies, EVA Air cargo service continuously boosts its market competitiveness and operating efficiency.

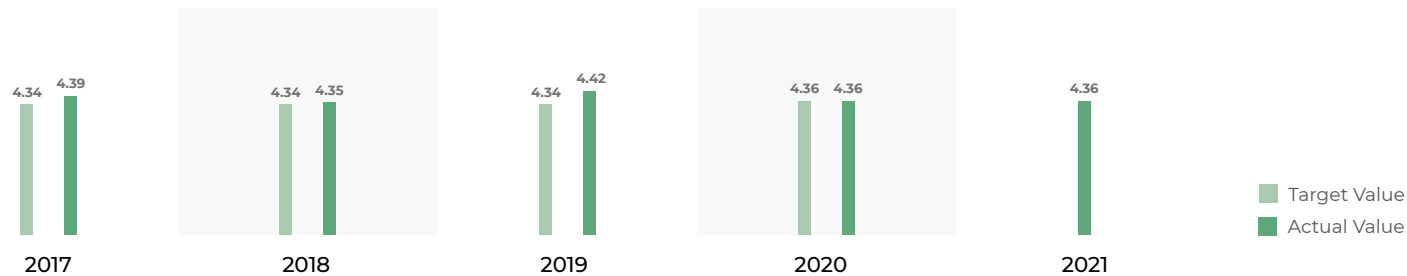
### Cargo Satisfaction Survey

EVA Air attaches equal importance to customers using our cargo services and insists on providing excellent service quality. We constantly track the customer satisfaction, service requirements and other suggestions for improvements. Every year, we conduct a customer satisfaction survey on our main freight forwarders, which comprises 6 major categories.

#### CUSTOMER SATISFACTION WITH CARGO SERVICES



#### OVERALL CUSTOMER SATISFACTION WITH CARGO SERVICES



The overall customer satisfaction of cargo services was 4.36 in 2020. Although the target value was reached, it was a little declined compared with 2019 (4.42). The satisfaction scores of the six major service items all declined slightly mainly due to the impact of COVID-19 epidemic. Some EVA flights were forced to cancel and unable to provide space and related cargo services to customers. In addition, some of the station sales personnel and customers were forced to change to work from home due to the severe epidemic. Due to the difficulty of obtaining real-time information for sales representative, the timeliness of response to reservation service, marketing service, and after-care service is not as good as last year.

## Cold Chain Service

Since the launch in 2015, for high-value goods such as biotechnology products, drugs, vaccines, high-end foods and semiconductor wafers, EVA Air offers cold chain service that uses temperature-controlled containers to keep specific temperature during the transportation. Currently, there are 28 locations around the world that offer EVA Air's comprehensive cargo cold chain service.



Locations of Cold chain Service in 2020

## Cargo E-Commerce

In response to the trend of automation, EVA Air provides the Cargo e-Commerce and Cargo App, allowing customers to keep track of the shipment status anywhere and anytime. We also actively devote ourselves to the “e-freight” project initiated by IATA, in striving to promote the e-AWB for our global cargo agents and advance towards a more convenient paperless operating environment to facilitate energy saving and carbon reduction.

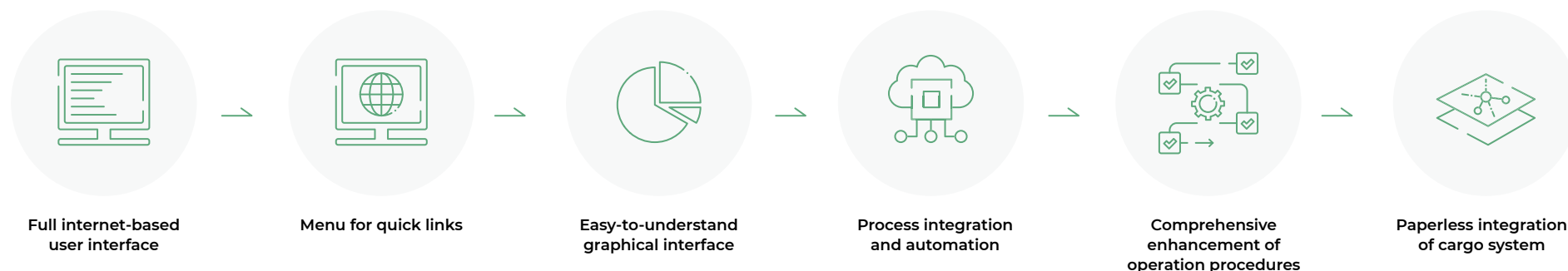
	2017	2018	2019	2020
<b>Number of Visits Cargo e-Commerce for Shipment Tracking</b>	5,320,681	6,318,536	6,669,301	7,444,234
<b>Number of Using Cargo App</b>	102,756	105,129	111,438	120,055
<b>e-AWB Coverage Rate</b>	59.8%	69.6%	74.9%	75.5%

Note : In 2017 CSR report, the data regarding the usage status of e-AWB were the amount of e-AWB used yearly. Yet, the amount varied with the cargo space and operating status. Therefore, from 2018 onwards, the usage status of e-AWB in the CSR report is indicated using the e-AWB coverage rate.



## ESTABLISHMENT OF NEW CARGO SYSTEM: NEW CARGOWING

Ever since the self-developed CargoWing was launched in 2001, EVA Air has been comprehensively expanding automation and digitalization of many cargo operations, including import/export operations and booking, cargo capacity monitoring and control, instant pricing management, transportation cost management, digitalized customs clearance, etc. Yet, the continuous development of advanced functions has encountered bottlenecks due to the limitations of the existing development tool (Goolgen). In addition, the process of downloading and installing is interfered by inevitable shut down when there is a new feature going online. Therefore, we have planned to develop a new web-based core cargo system by introducing the latest online technology, gathered the required information and integrated the system in stages. Also, through the new development tools and construction optimization, the overall operations of the system have been sped up to provide our customers with more quality services. Functional features include Web-based operating environment interface, quick links to customized menus, easy-to-understand graphical interface design, comprehensive optimization of operation methods, and paperless integration of information related to the operation process.



## Customs AEO Certification

EVA Air worked with the Customs Administration, MOF to extend the AEO (Authorized Economic Operator) certification, and has established secure and convenient supply chain for trade. The Company obtained the certification of Customs AEO Certification on November 18th, 2011. As the certification must be renewed every three years, we had obtained the certification again in November, 2020. This certification means that EVA Air has gained the Customs' trust and is able to provide a safe air cargo supply chain environment to ensure the safe transportation.

## Multimodal Transportation: Air & Ground Shipping Services

EVA Air provides diversified intermodal transportation services, combining land and air transportation through cooperation with contracted truck companies to provide customers with sufficient air transportation space and efficient truck transfer services. For example, EVA can deliver the air cargo to all major destinations in the United States through EVA direct flight points (such as: Los Angeles, San Francisco, Seattle, Chicago, Atlanta, Dallas, Houston, and New York) combining with the dense network truck services. In the same way; it is also convenient to transport the air cargo from USA inland cities to major destinations in Asia (such as Taipei, Shanghai, Tokyo, Singapore... etc.) by land transportation connecting EVA direct flights.

	UNIT	2017	2018	2019	2020
<b>Total Cargo Weight</b>	Ton	497,562	500,721	479,206	545,248
<b>Truck Weight</b>	Ton	61,305	61,023	54,548	53,163
<b>Truck Weight Percentage</b>	%	12.3%	12.2%	11.4%	9.8%

# 04

PART

## Happy Workplace

# EVA AIR



EVA Air values every employee and aims to create a safe and inspiring environment. In the aviation industry, each category is like a different industry. We provide our employees with opportunities to switch their job fields. During the impact of the COVID-19 epidemic, we actively handle cross-departmental rotation or trainee support according to business needs to assist employees develop potential, increase opportunities for experience, and become a full range of international talents. Meanwhile, EVA Air has been constantly investing resources in creating a well-rounded work environment. In so doing, employees will continue to work hand in hand with EVA Air to advance towards a better future.





### COLLECTIVE LABOR RELATIONSHIP

EVA is a 100% privately owned enterprise, fully responsible for sustaining our operations, safeguarding the rights and interests of 130 thousand shareholders and more than 10 thousand employees. “Flight safety” has always been the core value of EVA Air. The Company views its employees as the most important assets, remains in absolute compliance with all the relevant regulations of this country, fully realizes the labor rights of its employees, taking actively reviews and improving the labor conditions and benefits of its employees.

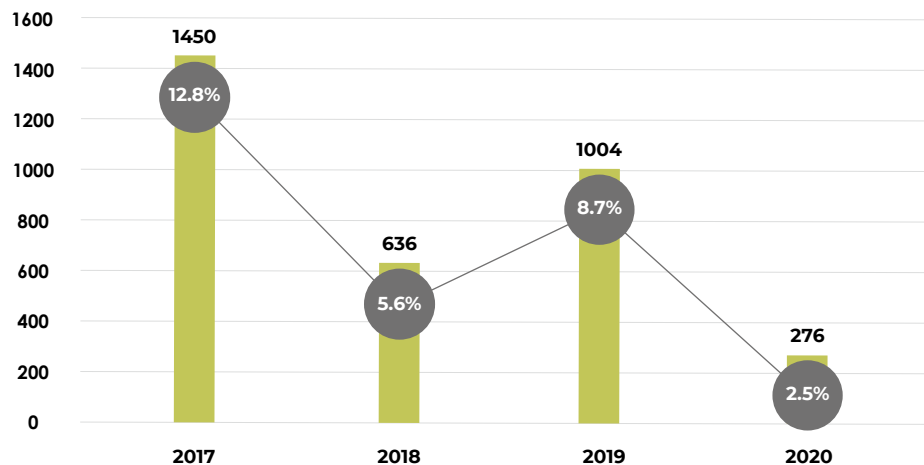
To build up harmonious labor relationships is an important foundation for operation an enterprise. EVA maintains all employees’ rights equally, and respects all kind of suggestions not only from employees but also from every tread union. Convening regular communication meeting with every trade union every month (or two), and hoped that every trade union can express their demands through various communication channels in a rational manner. As long as its suggestions contributes to positive growth, the company will actively listen and communicate to create a win-win situation for labor and management.

## 4-1 Diversity and Tolerance

### Recruitment Policy

Because of COVID-19, the amount of passenger traffic and the amount of work had been reduced. In 2020, we had not recruited general ground staff, trainees of cabin crew, and interns. We only opened positions for pilots or some positions for ground staff which needed professional skills. At the same time, through long-term career planning and professional training, we have increased the proportion of job vacancies being internally filled or promoted. In 2020, a total of 56 job vacancies were 100% filled internally by employees.

Our employees are divided into two categories: “Inflight Service” and “Ground Service”. Inflight service personnel include flight crew and cabin crew, while ground service personnel include the staff of airport transportation, passenger and cargo sales/reservation/ticketing, aircraft maintenance and flight dispatch, as well as other administrative personnel. In 2020, there were 276 new recruits, whereas 410 employees resigned. The main reason for employee resignation in 2020 was personal career planning, and 5.1% of employees were severed because of suspended operations in overseas stations due to the COVID-19 pandemic. All those whose employment was severed were handled in accordance with relevant local laws and regulations, and were provided with relevant local government information for follow-up enquiries. Based on the premise of sustainable management, we will continue to examine the policies of remuneration, benefits, and training to improve the work environment.



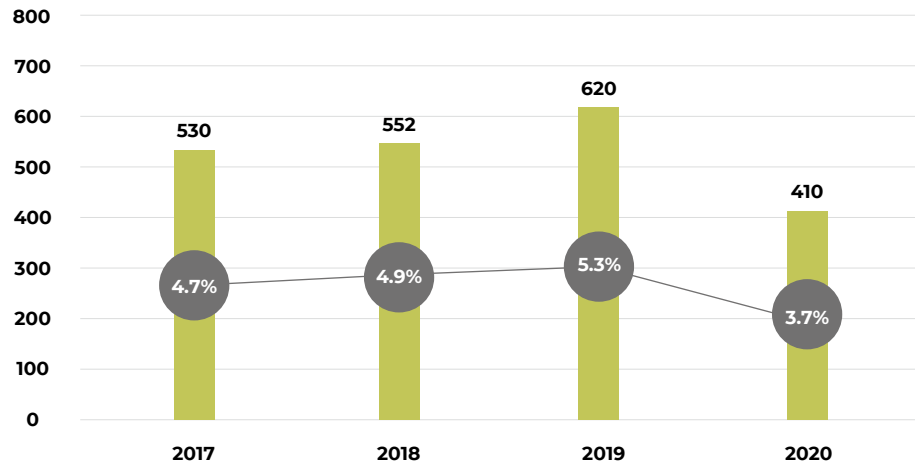
### STATISTICS ON NEW RECRUITS

- Number of new recruits
- Percentage of new recruits

$$\text{The percentage of new recruits} = \frac{\text{The number of new recruits in the particular year}}{\text{Total employees at the end of the particular year}}$$

Note: In response to the adjustment of the calculation basis for new recruits (by age), the data on 2017-2019 should be based on the disclosure in this version.

		2017		2018		2019		2020	
		EMPLOYEES	%	EMPLOYEES	%	EMPLOYEES	%	EMPLOYEES	%
Gender	Male	445	30.7%	378	59.4%	448	44.6%	147	53.3%
	Female	1,005	69.3%	258	40.6%	556	55.4%	129	46.7%
Age	< 30	1,314	90.6%	495	77.8%	879	87.5%	184	66.7%
	30 - 50	112	7.7%	110	17.3%	111	11.1%	69	25.0%
	> 50	24	1.7%	31	4.9%	14	1.4%	23	8.3%
Region	Taiwan	1,122	77.4%	456	71.7%	700	69.7%	179	64.9%
	Asia	253	17.5%	112	17.6%	223	22.2%	77	27.9%
	Americas	60	4.1%	45	7.1%	51	5.1%	6	2.2%
	Europe	13	0.9%	22	3.5%	26	2.6%	13	4.7%
	Oceania	2	0.1%	1	0.1%	4	0.3%	1	0.3%
Position	Top mgmt.	2	0.1%	0	0%	0	0%	0	0%
	Senior mgmt.	1	0.1%	0	0%	1	0.1%	1	0.4%
	Junior mgmt.	0	0%	4	0.6%	0	0%	0	0%
	Non-management	1,447	99.8%	632	99.4%	1,003	99.9%	275	99.6%



## STATISTICS ON RESIGNED EMPLOYEES

- Number of resigned employees
- Percentage of resigned employees

$$\text{The percentage of resigned employees} = \frac{\text{The number of resigned employees in the particular year}}{\text{Total employees at the end of the particular year}}$$

Note: In response to the adjustment of the calculation basis for resigned employees, the data on 2017-2019 should be based on the disclosure in this version.

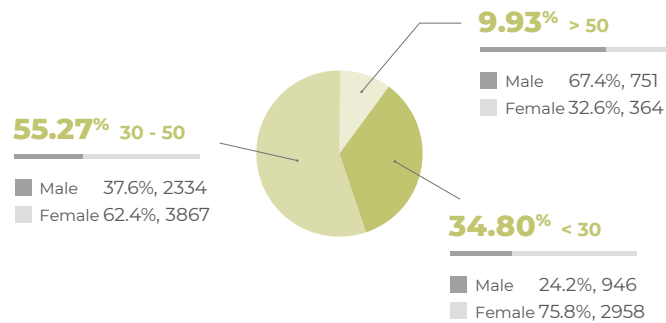
	2017		2018		2019		2020		
	EMPLOYEES	%	EMPLOYEES	%	EMPLOYEES	%	EMPLOYEES	%	
Gender	Male	193	36.4%	242	43.8%	271	43.7%	171	41.7%
	Female	337	63.6%	310	56.2%	349	56.3%	239	58.3%
Age	< 30	331	62.5%	292	52.9%	336	54.2%	165	40.2%
	30 - 50	136	25.7%	210	38%	232	37.4%	180	43.9%
	> 50	63	11.8%	50	9.1%	52	8.4%	65	15.9%
Region	Taiwan	314	59.2%	355	64.3%	393	63.4%	252	61.5%
	Asia	142	26.8%	127	23%	163	26.3%	109	26.6%
	Americas	60	11.3%	51	9.2%	42	6.8%	36	8.8%
	Europe	12	2.3%	18	3.3%	21	3.4%	13	3.1%
	Oceania	2	0.4%	1	0.2%	1	0.1%	0	0%
Position	Top mgmt.	8	1.5%	1	0.2%	1	0.2%	2	0.5%
	Senior mgmt.	9	1.7%	5	0.9%	3	0.5%	10	2.4%
	Junior mgmt.	16	3%	21	3.8%	26	4.2%	20	4.9%
	Non-management	497	93.8%	525	95.1%	590	95.1%	378	92.2%

## Employee Structure and Distribution

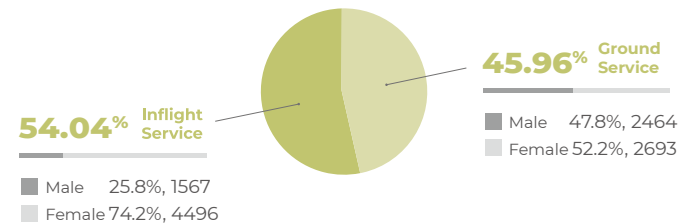
In 2020, there were 11,220 employees worldwide, of which 7,189 were female (64.07%) and 4,031 were male (35.93%). The number of permanent employees was 11,082, including 23 with fixed-term contracts. The number of contingent employees was 138, they all were inflight trainees. Meanwhile, a majority of employees were between 30 to 50 years old (55.27%). The hiring of employees at all operating locations worldwide complies with the local regulation of labor. No child labor was hired and no employees were forced or ordered to work.

### EMPLOYEE COMPOSITION OF 2020

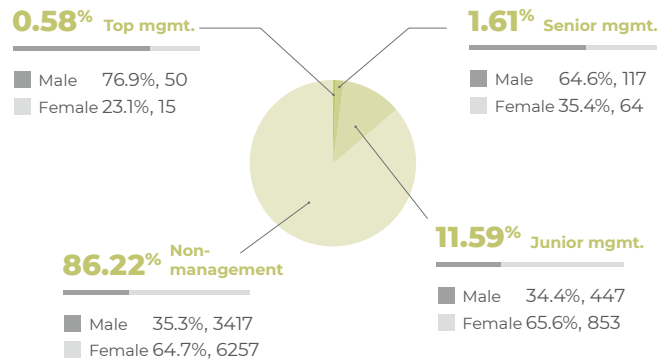
#### AGE



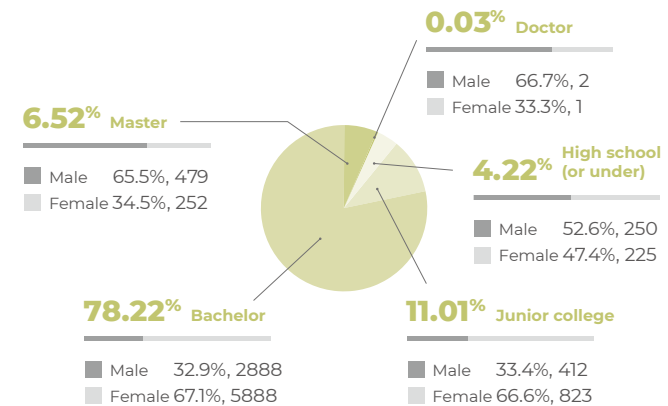
#### CATEGORY



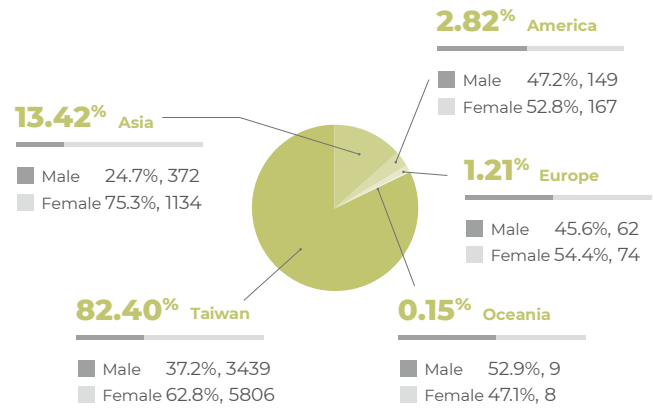
#### POSITION



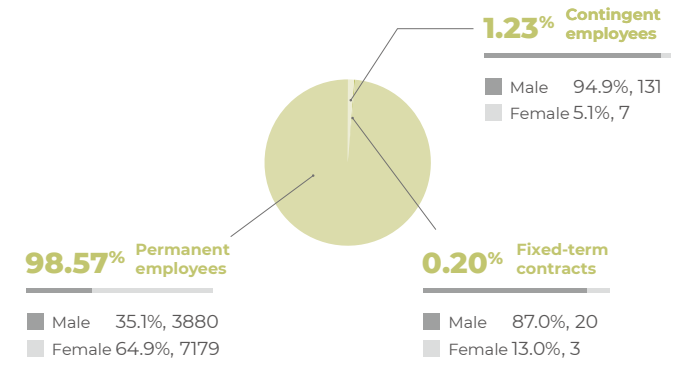
#### EDUCATION



**REGION**



**CONTRACT**



Note 1 : The position refers to ground service supervisory employees, including top mgmt. (rank of deputy senior vice president and above), senior mgmt. (rank of deputy junior vice president and junior vice president) and junior mgmt. (rank of deputy manager and manager); non-management comprises ground service non-supervisory employees.  
 The position refers to flight supervisory employees, including  
 Top mgmt.: Executive Chief Pilot, Deputy Executive Chief Pilot (Deputy Senior Vice President);  
 Senior mgmt.: Chief Pilot, Deputy Executive Chief Pilot (Junior Vice President);  
 Junior mgmt.: Other management pilots (except for the managers mentioned above);  
 The rest are non-management positions.  
 The position refers to Cabin Crew supervisory employees, including senior mgmt. (rank of Executive Chief Purser) and junior mgmt. (rank of Deputy Executive Chief Purser, Cabin Crew Instructor Supervisor, Deputy Cabin Crew Instructor Supervisor, Lead Chief Purser, Cabin Crew Instructor and Chief Purser); non-management comprises cabin crew non-supervisory employee

Note 2 : Fixed-term employees include doctors, flight training consultants, senior specialists and massagist. Contingent employees include trainees.

## Diverse and Equal Work Environment

EVA Air's operating locations are distributed throughout the world. The Company's constant operations rely on the efforts and devotion of employees worldwide. We do not discriminate on the basis of gender, race, nationality, health, religion, political stance or marital status. Either in Taiwan or other countries, we provide a friendly and equal work environment for all employees and many job opportunities for the local residents, benefiting local employment and economic growth.

Although up to 80% of the employees are local residents, a large number of flight crew and cabin crew members are nationals from other countries around the world, mainly Vietnam, Thailand, Japan, the U.S.A. and China. The aforementioned nationalities account for nearly 95% of the total number of employees. In order to create a diverse and inclusive workplace and assist foreign employees with integrating into work and life, we provide pre-employment business consultation, arrange for counselors of the same nationality as the employees, provide accommodation and arrange for counseling interviews. EVA Air values gender equality and the value of women in the workplace. In 2020, female employees accounted for 64.07% of total employees, and females accounted for 60.28% of managerial positions. The diversified culture brought about by gender equality helped enhance the competitiveness of the Company.

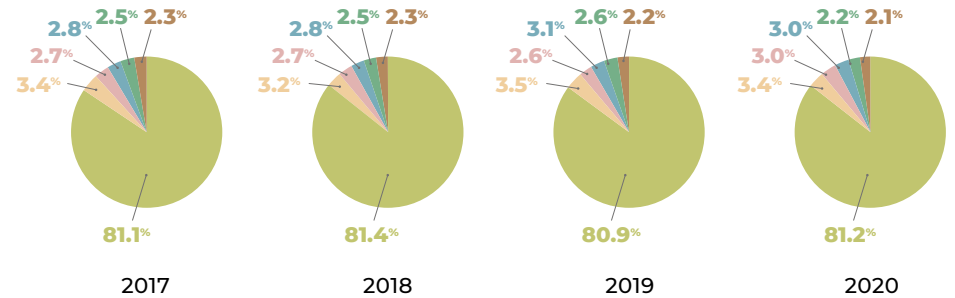
### DISTRIBUTION OF FEMALE EMPLOYEES AND MANAGEMENT



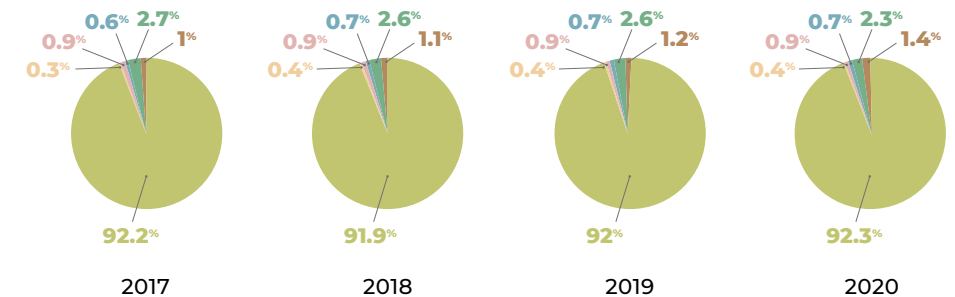
### DISTRIBUTION OF NATIONALITY

■ Taiwan ■ Vietnam ■ Thailand ■ Japan ■ U.S.A. ■ China

Percentage of total employees



Percentage with managerial position



EVA Air advocates the employment rights of people with disabilities by periodically publishing vacancies at the Employment Service Center of Workforce Development Agency, Ministry of Labor. In the meantime, we have evaluated the content of some administrative positions and redesigned the roles. With the assistance of other employees, we create a friendly work environment for our partners with disabilities. In recent years, since there has been more hiring, the weighted number of disabled employees reached 95 at the end of 2020, which was in compliance with the number required by law, creating employment opportunities for the disabled and building a diverse workplace.

## EMPLOYEES WITH DISABILITIES AND INDIGENOUS EMPLOYEES

	2017	2018	2019	2020
<b>Number of indigenous employees</b>	33	43	53	40
<b>Number of employees with disabilities</b>	54	66	68	65
<b>Weighted number of employees</b>	76	96	101	95
<b>% of employees with disabilities</b>	0.89	1.00	1.04	1.00

Note 1 : Total number of employees: The employees who has joined labor insurance scheme on December 1st in the particular year.

Note 2 : Percentage (%) = Weighted number of employees / Total no. of employees; statutory percentage is 1%.

## PERCENTAGE OF HIRING LOCAL EMPLOYEES WORLDWIDE AND AT MAJOR OPERATING LOCATIONS IN 2020

	WORLDWIDE	TAIWAN	U.S.A	CANADA
<b>Percentage of local employees</b>	94.76%	96.70%	81.59%	51.28%
<b>Percentage of local employees in management positions</b>	91.33%	99.92%	52.38%	25%
<b>Percentage of local employees in top mgmt. positions</b>	90.77%	100%	50%	0%

Note 1 : The percentage of local employees = The no. of local employees / Total no. of employees in the region.

Note 2 : The percentage of local employees holding management positions = The no. of local employees holding management positions / Total no. of management employees in the region.

Note 3 : The percentage of local employees holding top mgmt. positions = The no. of local employees holding top mgmt. positions / Total no. of top mgmt. employees in the region.

Note 4 : The major operating locations include the U.S.A and Canada.

Note 5 : The position refers to ground service supervisory employees, including top mgmt. (rank of deputy senior vice president and above), senior mgmt. (rank of deputy junior vice president and junior vice president) and junior mgmt. (rank of deputy manager and manager).

The position refers to flight supervisory employees, including

Top mgmt.: Executive Chief Pilot, Deputy Executive Chief Pilot (Deputy Senior Vice President);

Senior mgrmt: Chief Pilot, Deputy Executive Chief Pilot (Junior Vice President);

Junior mgrmt: OTHER management pilots (except for the managers mentioned above);

The position refers to Cabin Crew supervisory employees, including senior mgmt. (rank of Executive Chief Purser) and junior mgmt. (rank of Deputy Executive Chief Purser, Cabin Crew Instructor Supervisor, Deputy Cabin Crew Instructor Supervisor, Lead Chief Purser, Cabin Crew Instructor and Chief Purser).

## 4-2 Retention of Talent

### Salary and Benefits

In the labor-intensive aviation industry, EVA Air has established a well-rounded performance evaluation system. Pay raises are given according to the evaluation results together with the overall wage system. Year-end bonuses are given based on the operation performance and the extent of contribution of the employees to boost employee morale and motivate them. In this way, hard work is associated with higher salaries, which will motivate the talents of the industry to stay. EVA Air adheres to the local labor laws of each country regardless of gender. We provide competitive salaries in an effort to attract passionate talents from around the world.

#### THE SALARY OF PERMANENT EMPLOYEES IN NON-MANAGEMENT POSITION

	2018	2019	2020	DIFFERENTIALS (%)
<b>The number of permanent employees in non-management position</b>	8,393	8,332	8,436	1.2%
<b>Average salary of permanent employees in non-management position</b>	1,520,511	1,522,229	1,177,651	-22.6%
<b>Median salary of permanent employees in non-management position</b>	1,023,338	1,022,248	680,910	-33.4%

Note 1 : Full-time employee are the average amount of hires in Taiwan exclude managers, part-time employees and employments under 6 months.

Note 2 : The gross salaries include basic salary, overtime pay, employee reward and bonus, but exclude the expense of Share-based payment.

Note 3 : Average Salary = Total salary of permanent employees in non-management position / Total no. of permanent employees

Note 4 : Median salary refers to the middle of the list which in numerical order all the salaries for every permanent employee.

Note 5 : Differentials (%) = (2020 data – 2019 data) / 2019 data

Note 6 : In 2020, due to the impact of the COVID-19 pandemic, the number of flights has plummeted. In order to save on the Company's operating costs, a "special personal leave" was added and air and ground crew members were encouraged to apply. As a result, the salary in 2020 was quite different from previous years.

#### 2020 FEMALE/ MALE SALARY AND COMPENSATION RATIO

	OVERALL	FLIGHT CREW	CABIN CREW	DOMESTIC GROUND STAFF	FOREIGN GROUND STAFF
<b>Salary</b>					
Top mgmt.	1.060	-	-	0.98	1.14
Management position	0.958	0.95	1.12	0.96	0.80
Non-management	0.953	0.89	0.99	0.97	0.96
<b>Compensation</b>					
Top mgmt.	1.135	-	-	0.98	1.29
Management position	0.963	0.95	1.10	0.96	0.84
Non-management	0.953	0.89	0.98	0.97	0.97

Note : In 2020, there was no female senior management in the flight crew, and no senior management in the cabin crew.

#### RATIO OF STANDARD SALARY OF ENTRY-LEVEL EMPLOYEE AT MAJOR OPERATING LOCATIONS TO LOCAL MINIMUM WAGES

	2017	2018	2019	2020
<b>Taiwan</b>	1.761	1.682	1.645	1.597
<b>U.S.A.</b>	1.196	1.051	1.303	1.086
<b>Canada</b>	1.246	1.032	1.118	1.148

Note 1 : The starting salary of entry-level employee / Local statutory minimum wage.

Note 2 : Local statutory minimum wage: Monthly salary in the Taiwan region; hourly wage multiplied by the statutory standard working hours in America.

Note 3 : The number of EVA Air's employees in Los Angeles is more than one-third of total employees in the U.S.A.. Hence, the statutory minimum wage in the U.S.A. takes Los Angeles as calculation basis.

Note 4 : In Canada, as the number of employees does not vary much among locations; the highest statutory hourly wage, Vancouver, is used as the calculation basis.

Note 5 : The standard salary for grassroots staff does not vary by gender.



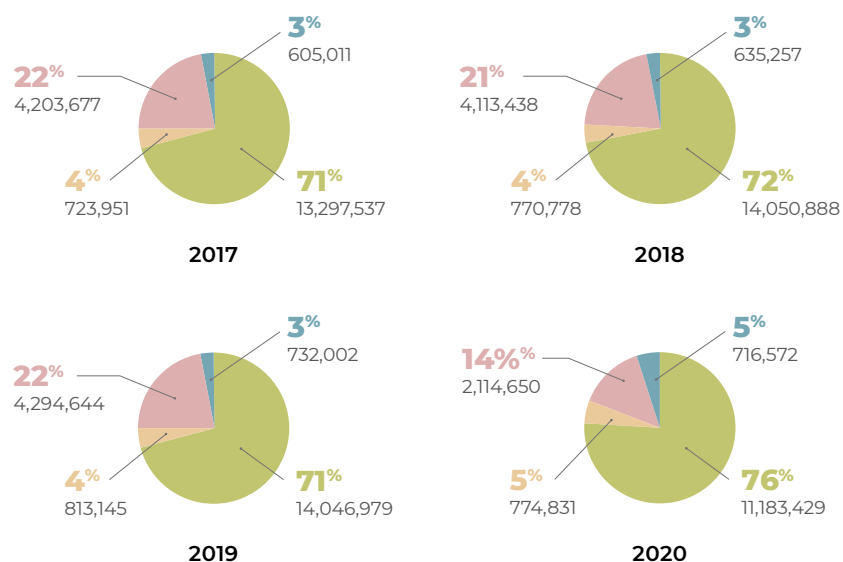
## SUFFICIENT WORKERS' RETIREMENT RESERVE FUNDS

With respect to employee retirement, EVA Air engages external accountants annually to calculate retirement reserve funds. The money contributed to the retirement reserve funds now accounts for 15.0%, higher than the statutory rate 2.0%; the new system requires 6.0%. The employees in both the old and new systems are 100% included in the pension system. As of December 31st, 2020, the balance of EVA Air's Labor Retirement Reserve Fund Account with the Bank of Taiwan was TWD 5,640,060,920. As the balance increases every year, it is sufficient to meet the requirements of the employees eligible for retirement.

## PERSONNEL EXPENSES AND PERCENTAGE

Unit: TWD Thousands

■ Salary ■ Labor and Health Insurances  
■ Benefits ■ Total Amount of Pension



## BALANCE OF LABOR RETIREMENT RESERVE FUND ACCOUNT

Unit: TWD Thousands

ITEM	2017	2018	2019	2020
The Account Balance	3,762,812	4,339,393	4,977,472	5,640,060

## EMPLOYEE BENEFITS

With the same spirit of serving our customers, EVA Air provides employees with a 5-star work environment and wholehearted care. In addition to an employee leave system in accordance with the law, we also provide many benefits, such as a marriage subsidies, funeral subsidies, injury or sickness benefits, employee sport club activity subsidy, and group insurance. We also provide recreational facilities such as staff cafeteria, swimming pool, gym, badminton court and library, so that the employees can have a place to relax after work.

## EMPLOYEE BENEFITS

### Taiwan

#### Permanent Employees with Indefinite-term Contract

Marriage subsidy
Funeral subsidy
Injury and sickness consolation benefit
Annual leave
Parental leave
Retirement system in compliance with the Labor Standards Act
Overseas medical insurance for crew members / expatriate staff
Group accident insurance, hospitalization and injury medical insurance for employees on overseas business trips
Group term life insurance preferential premium rate
Year-end bonus
Health check
Employee discount tickets
Sports club subsidy

#### Permanent Employees with Fixed-term Contracts

Marriage subsidy
Funeral subsidy
Injury and sickness consolation money
Annual leave
Parental leave
Retirement system in compliance with the Labor Standards Act
Group accident insurance, hospitalization and injury medical insurance for employees on overseas business trips
Group term life insurance preferential premium rate
Year-end bonus
Health check
Employee discount tickets
Sports club subsidy

### America (\*)

#### Permanent Employees

Marriage subsidy
Funeral subsidy
Annual leave
Insurance (health/dental/vision/life insurance)
Year-end bonus
Employee discount tickets
Parental leave (*2)
Retirement benefits (401(k), discounted tickets for retired employees)

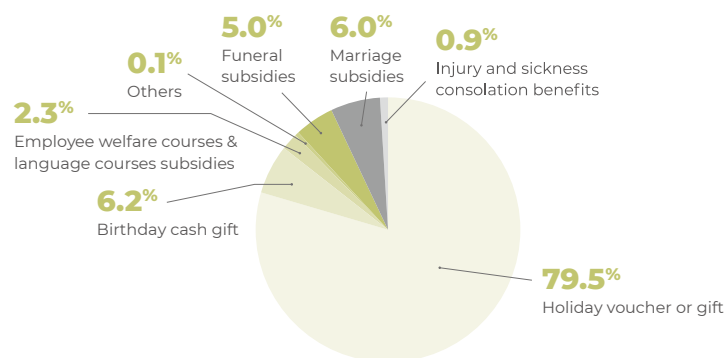
Note 1 : America comprises the U.S.A. and Canada.

Note 2 : Parental leave: The U.S.A. provides Family and Medical Leave (FMLA) in accordance with the law, while Canada provides Parental Leave. Those who require parental care and meet the eligibility requirements may apply.

## EMPLOYEE WELFARE COMMITTEE

To enhance employee welfare, the “Employee Welfare Committee” was established for organizing employee benefits-related matters, including various subsidies and allowances. We also support our employees in attending language courses, and provide them with free language courses and/or subsidies. To help relieve stress from work, we arrange employee welfare courses every year, including cooking, baking, aerobics yoga, pop music, etc. In so doing, employees can maintain an exercise routine and stay healthy.

### EXPENDITURE OF WELFARE COMMITTEE BENEFITS RATIO (%)



Note : Due to COVID-19, in order to avoid clusters and reduce the cash expenditure rate of the welfare benefits (the principle of the law is not to exceed 40% of the total income of the welfare benefits in the current year), the welfare courses, language courses subsidies and birthday cash gift will be suspended from March 2020.

### STATISTICS OF EMPLOYEE UNPAID PARENTAL LEAVE IN TAIWAN

	FEMALE	MALE	TOTAL
2020 Number of people eligible for unpaid parental leave	551	215	766
2020 Number of people applying for unpaid parental Leave	304	8	312
2020 Percentage of people applying for unpaid parental leave	55.17%	3.72%	40.73%
2020 Number of people who should be reinstated after unpaid parental leave	252	7	259
2020 Number of people applying to be reinstated	244	7	251

## EMPLOYEE CARE

EVA Air promotes its “Employee Assistance Programs” by organizing the staff in various units of the Company, playing the role of “care taker”. This program creates a caring network with Human Resource Division to timely discover, prevent and help employees to solve organizational or personal issues, in order to maintain the physical and mental health, and devote more energies to their jobs. The items in this service program include providing information beneficial to all aspects of the Company's internal website, holding health and stress management workshops, tracking and managing the employees' health examinations, advocating prohibition and prevention of sexual harassment, caring for employees' working hours and working overtime, meals, legal and psychological counseling, medical consulting, stress relief massages, breastfeeding rooms, contracted kindergartens, subsidies for sports clubs and so on.

Female crew members may apply for transferring to ground services during pregnancy. Both Male and female employees can apply for unpaid parental leave, and will be given priority to be reinstated to their former department when they return to work. EVA Air is equipped with breastfeeding rooms and also signed agreements with excellent childcare facilities nearby to offer discounted services. In 2020, there are 57 female crew members temporarily transferred to ground staff; moreover, there are 312 employees applying for unpaid paternal leave, which males is accounted for 2.56% and female is 97.44%. There are 40.73% of employees who were eligible applied for unpaid parental leave, and all applications were approved; 99.24% of these applicants returned to their workplace after their leaves. We provide an excellent work environment which motivates our employees to return to work.

	FEMALE	MALE	TOTAL
Reinstatement rate	96.83%	100%	96.91%
2019 Number of people reinstated	259	3	262
2019 Number of people applying to be reinstated and serving for more than 1 year	257	3	260
Retention rate	99.23%	100%	99.24%

Note 1 : Formula of reinstatement rate: No. of people applying to be reinstated / No. of people who should be reinstated .

Note 2 : Formula of retention rate: No. of people applying to be reinstated in the previous year and serving for more than 1 year / No. of people reinstated in the previous year.

## Evaluation

EVA Air carries out performance evaluations for ground staff, flight crew and cabin crew every year, in which the supervisors of respective departments conduct the evaluation and analysis to serve as the basis for promotion, year-end bonus, pay raise, transfer, and personnel training. In 2020, the implementation rate of performance evaluations was 100%. For those who score lower in the evaluation, we provide all kinds of guidance, interviews, and examinations to encourage them to voice the problems they encounter at work. Our sound promotion channels are the key to attract professional talents. Starting from training for new recruits, the direct supervisor of each department will rotate employees according to the performance evaluation, employees' career plan, and the organization's needs in an effort to find the perfect role for each person so that they can give full scope to their expertise. In so doing, we are able to keep our professional talents, creating a win-win situation for the Company and our employees.

### PERFORMANCE EVALUATION AND INTERVIEW

All EVA Air employees are evaluated by their supervisor, and the evaluation results are used as reference for promotion, year-end bonus, salary adjustment, transfer and human resource training. The evaluation method is a vertical supervisory assessment of subordinates, and communication about work performance is incorporated into daily work assignment and performance feedback. In addition, for personnel evaluation in inter-departmental support and inter-departmental business management, a multi-dimension assessment concept is adopted. Those with direct management responsibilities in the evaluation intersection are authorized to conduct independent evaluation and formulate a final assessment of individual performance.

#### Ground staff

We conduct performance evaluations twice a year. For those who score lower in the evaluation, the departmental executive and the employee will have an interview, followed by assessing the progress of the employee's improvement.

#### Flight crew

Each year, there is an annual certification and two evaluations of administrative management. For those who score lower in the evaluation, the fleet management will have an evaluation interview to inform the employee what should be improved and to listen to employee's ideas.

#### Cabin crew

We conduct performance evaluations twice a year. For those who score lower in the evaluation, the departmental executive and the crew will have an interview to encourage and remind crew to improve. And set an "Enhancement project" for crew to follow and reach the goal accordingly.

## 4-3 Employee Development



Cultivating talents is the foundation of the corporate sustainable development and an essential task to enhance service quality. EVA Air has established a training center, in which resources have been invested with latest training to keep up with the needs of diverse job function and the requirements of aviation regulations; three main training systems have been established for ground staff, flight crew and cabin crew respectively. These standardized training effectively increase the employee's professional capacity and work efficiency. In 2020, every employee received an average of 29.2 training hours, 25.4 hours for female and 36 hours for male.

## AVERAGE TRAINING HOURS AND EXPENSE OF ALL JOB CATEGORIES

		AVERAGE TRAINING HOURS (HOURS)				AVERAGE TRAINING COST (TWD)			
		2017	2018	2019	2020	2017	2018	2019	2020
<b>Overall</b>	<b>Each employee</b>	40.0	34.3	36.1	29.2	56,004	61,091	61,953	52,347
<b>Gender</b>	<b>Each female employee</b>	39.2	31.3	33.1	25.4	54,967	55,802	56,774	45,630
	<b>Each male employee</b>	41.4	39.9	41.6	36.0	58,048	71,141	71,483	64,716
<b>Age Group</b>	<b>&lt;30</b>	40.2	32.1	34.1	26.9	56,338	57,200	58,589	48,219
	<b>30-50</b>	39.4	35.3	37.0	30.0	55,163	63,015	63,477	53,812
	<b>&gt; 50</b>	42.4	40.5	39.9	32.4	59,401	72,244	68,572	58,228
<b>Management Level</b>	<b>Top mgmt.</b>	25.2	26.0	26.3	20.7	12,103	11,909	11,706	7,313
	<b>Senior mgmt.</b>	27.8	28.6	28.9	23.2	38,914	42,897	40,585	32,357
	<b>Junior mgmt.</b>	36.5	31.1	32.4	25.5	23,922	25,156	23,381	19,265
	<b>Non-management</b>	40.7	34.8	36.8	29.8	60,675	66,472	67,808	57,544
<b>Type of training</b>	<b>Flight professionals</b>	68.5	66.0	68.4	60.6	457,278	482,519	469,049	405,166
	<b>Cabin service</b>	49.7	35.6	38.9	29.9	4,146	3,493	3,862	2,309
	<b>Ground support professionals</b>	24.5	25.4	25.7	20.1	4,922	4,669	4,880	1,096

Note 1 : The table above shows the average hours of training for permanent employees, and excludes those of contingent employees. The cadet training for flight crew is about 23 months (average training hours for each were 549 hours) and 2.5 months for cabin crew trainees (average training hours for each were 464 hours).

Note 2 : The average training hours of employees = The total training hours that year / The total permanent employees at the end of that year.

Note 3 : In 2020, the average training hours of management-level employees were 3-8, the total training hours were 1,391, and the total number of trainees is 336.

Note 4 : The 2017 and 2018 data of training hours for flight crew, cabin crew, and ground staff in the 2019 CSR report were revised in this report.

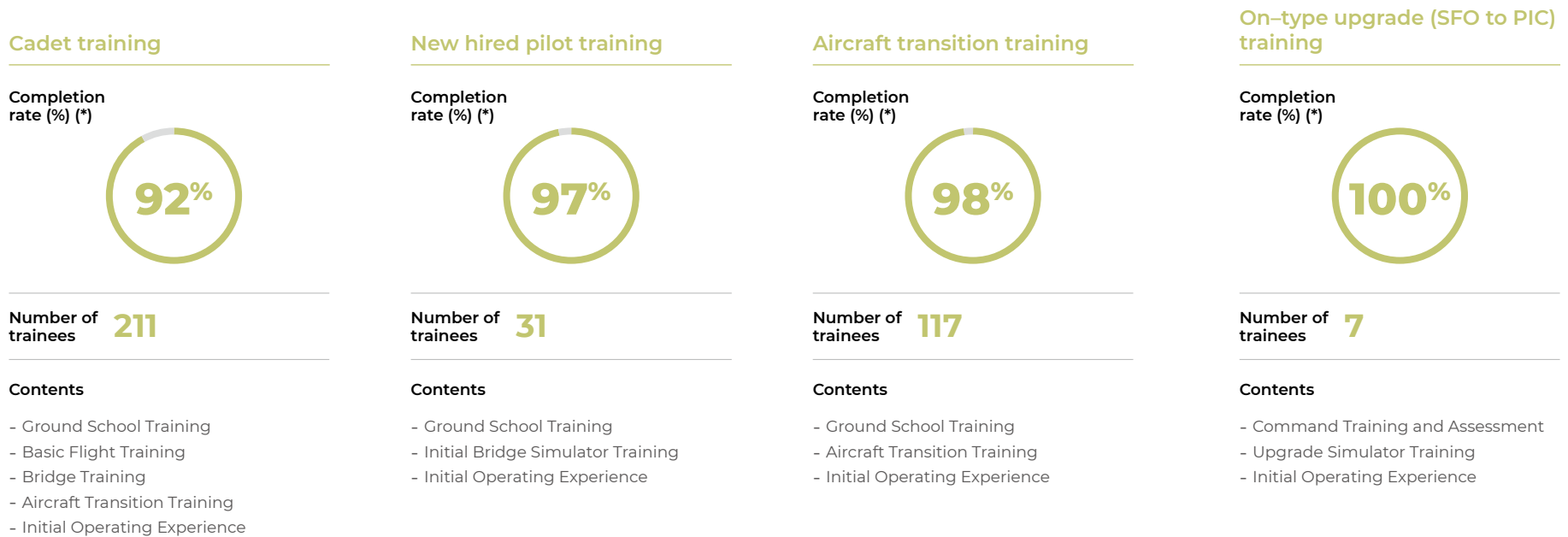
Note 5 : The training resources invested into flight crews were higher than that of cabin crew and ground crews mainly because of the nature of the tuition fees for the training courses.

## Flight Crew

Flight safety and flight crew performance are closely related. Thus, in addition to continual purchase the highest certified level Flight Simulators to conduct aircraft transition training, upgrade training and annual recurrent training for our flight crews, our flight crew members are required to pass two recurrent trainings and checks every year. Additional training may be arranged based on their evaluation to ensure that their performance compiles with the Company's standards. In 2020, the average rate for additional training of our fleets was between 2% to 5%. To fulfill EVA Air's safety mission statement, we have implemented a new training program and have become the first airline in Taiwan approved to host regular recurrent training for flight crews with evidenced-based training.

In year 2013, EVA Airways founded its subsidiary company, EVA Flight Training Academy, in California, the only flight school owned by an Asian Airline in the U.S. The flight school aims at providing high training quality and ensuring flight safety with its brand new 8 single-engine and 1 twin-engine training aircrafts. It has also been certified by FAA to provide training programs of Private Pilot License, Commercial Pilot License and Multi-Crew Pilot License. EVA Flight Training Academy has been continuously putting effort into its training facilities, including the office building and shade hangar completed in 2017, maintenance hangar opened in 2019 and student dormitory and café in the near future. With all these facilities in place, the flight school expects to provide training to 80 students per year, not only to their own airline student pilots but to those who would like to pursue their careers in aviation. As of 2020, EVA Flight Training Academy has trained 276 pilot students for its parent company. Through its own training system, EVA Airways believes that the quality of the basic flight training has been enhanced which ensures that every airline pilot is well-qualified and meets the highest safety standards required by the company.

### COURSE CATEGORY FOR FLIGHT CREW



### Upgrade training (FO to SFO)

Completion rate (%) (\*)



Number of trainees **84**

**Contents**

- Command Training and Assessment
- Upgrade Simulator Training

### Requalification training

Completion rate (%) (\*)



Number of trainees **60**

**Contents**

- Ground School Training
- Requalification Simulator Training
- Initial Operating Experience

### Recurrent simulator training

Completion rate (%) (\*)



Number of trainees **2,353**

**Contents**

- Evidence-based Training

### Annual ground school CRM-joint emergency training

Completion rate (%) (\*)



Number of trainees **924**

**Contents**

- Annual Ground School
- CRM-Joint Emergency Training

Note : The training completion rate represents the final exam pass rate of the trainees.

## Cabin Crew

To maintain cabin safety and service quality, EVA Air's training courses make use of simulated real facilities on board and SOPs to conduct simulation training. The courses mainly focus on the operation of all sorts of emergency equipment on an aircraft, countermeasures during emergency situation, as well as learning the techniques and professional knowledge of all service procedures. At the same time, to improve the response operations and service competency of the cabin crew, we hire external teachers to help the crew understand customer attributes in order to provide the best service; the crew can naturally show their confidence and professional demeanor to satisfy the needs and expectations of our customers, making our customers feel well cared for and safe during their flights.

Note 1 : Due to COVID-19, 53 alien trainees did not complete the on job training, therefore the completion rate did not reach 100%.

Note 2 : No promotion training course was offered in 2020, so this training is not listed in the above table.

### COURSE CATEGORY FOR CABIN CREW

#### Recurrent Training

Completion rate (%)



Number of trainees **3,760**

**Contents**

- Safety and Security Training
- Crew Resource Management
- Emergency Simulation Training
- Operation of Aircraft Doors and Emergency Equipment
- Job Task Skill Performance Review and Case Studies
- E-Learning Course

#### Transition Training

Completion rate (%)



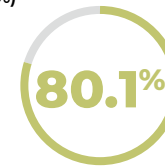
Number of trainees **1,562**

**Contents**

- Aircraft System Course
- Safety Training Course
- Inflight Entertainment Course
- Other Training courses

#### Initial New-Hire Training

Completion rate (%)



Number of trainees **267** (\*)

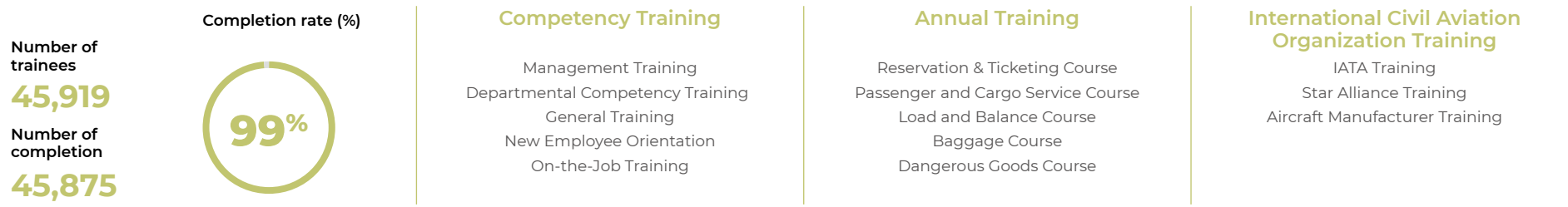
**Contents**

- Safety Training Course
- Service Training Course
- First Aid / CPR & AED Training
- Other Training Courses
- On Job Training

## Ground Staff

There are three parts of ground staff training: competency training, annual training and international civil aviation organization training. The courses are instructed by either internal or external professional lecturers. Evaluation is conducted at the end of the courses to serve as the basis for future course adjustments, which will ensure the quality of the courses and achieve training goals.

### COURSE CATEGORY FOR GROUND STAFF



## Key Training Courses

### Advanced Training for Quality Service

In order to continue to provide services that meet customer needs, we plan service quality improvement training programs for ground services and in-flight services, including business class services, service enhancements and simulations for senior cabin crew. Through innovative services and customer experience, we increase customer satisfaction, reduce customer complaints, maintain customer loyalty, and maintain market profitability.

MANAGEMENT INDICATORS		2017	2018	2019
<b>Performance Assessment (L4 Result)</b>	KPI: Passenger service satisfaction.	4.39	4.42	4.41
	KPI: Customer complaint rate (per 100,000 persons).	0.53	0.56	0.30
<b>Behavior Assessment (L3 Behavior)</b>	KPI: Fail rate during instructor service spot check.	N/A	0.09	0.07
	KPI: Application and implementation rate of service concepts.	100%	100%	100%
<b>Learning Assessment (L2 Learning)</b>	KPI: Course completion rate of ground staff.	100%	100%	100%
	KPI: Course completion rate of cabin crew.	N/A	100%	100%
<b>Reaction Assessment (L1 Reaction)</b>	KPI: Course satisfaction of cabin crew.	N/A	93.64%	96.63%

### Aircraft Transition Training

In addition to the transition training from existing aircrafts, the Company is introducing 24 Boeing 787 aircrafts from 2018 to 2022. Training courses for the new aircraft type have been planned to help employees become familiar with the cabin structure, emergency equipment, cabin door operation, kitchen loading and entertainment system of the new aircrafts. The training can not only meet the human resource demand for flight routes on the new aircrafts and increase new capacity and operational efficiency, but also create a new momentum for revenue growth.

MANAGEMENT INDICATORS		2018	2019	2020
<b>Performance Assessment (L4 Result)</b>	KPI: Added transport capacity of the new 787 aircraft model (number of aircrafts).	2	6	2
	KPI: Job retention rate of flight crew members.	100%	100%	100%
<b>Behavior Assessment (L3 Behavior)</b>	KPI: Failure rate of flight crew members in recurrent training.	2%	1.79%	1.83%
	KPI: Pass rate in cabin crew tests.	100%	100%	100%
<b>Learning Assessment (L2 Learning)</b>	KPI: Course completion rate of flight crew members.	98%	92%	97%
	KPI: Course completion rate of cabin crew.	100%	100%	100%
<b>Reaction Assessment (L1 Reaction)</b>	KPI: Pass rate in cabin crew test on introductory knowledge of plane models.	99%	99.74%	99.74%

## Intelligent Flight Safety Training

The flight safety courses include Aviation Safety - basic course, SMS - basic and management courses to enable employees to understand hazard identification, risk management and aviation security awareness. Through flight safety proposals and implementation of safety identification, the chances of abnormal incidents can be mitigated. At the same time, artificial intelligence/ big data and other technologies have been introduced to improve the efficiency of flight risk interpretation, effectively grasp the overall risk, and improve flight safety performance and customer satisfaction.

MANAGEMENT INDICATORS		2018	2019	2020
<b>Performance Assessment(L4 Result)</b>	KPI: Flight safety satisfaction (5-point Likert Scale).	4.48	4.50	4.55
	KPI: Flight safety performance (times per total flight hours).	1.56	1.49	1.54
<b>Behavior Assessment (L3 Behavior)</b>	KPI: Performed safety identification (cases).	306	239	70
	KPI: Safety proposal (number of proposals).	106	31	16
<b>Learning Assessment (L2 Learning)</b>	KPI: Training completion rate (%).	100%	100%	100%
	KPI: Average score.	96.15	94.8	93.32
<b>Reaction Assessment (L1 Reaction)</b>	KPI: Satisfaction questionnaire survey results.	4.73	4.73	4.76

## Communication

### COMMUNICATION AND FREEDOM OF ASSOCIATION

EVA Air's 7<sup>th</sup> labor management meeting representative expired in October 2019. In accordance with the Article 5 of the Regulations for Implementing Labor-Management Meeting, the Company sent an official letter to notify EVA Air Union to conduct the labor representative election. However, the Union was subject to most of the employees' signed petitions since the election announcement process was flawed and was against the employees' right to vote and to be elected as representatives. In order to take into account the harmony between labor and management, the Company assisted in conducting the re-election of 8 labor representatives (3 males and 5 females).

The authority made a written acknowledgment that the rights and interests of both labor and management can be protected through legal proceedings, and the harmonious relations can also be promoted with projects.

In addition, there are various channels such as interviews, interactive meetings, and employee welfare meetings to communicate and interact with employees on different topics. Employees can use multiple communication channels to reflect various work problems.

### LABOR-MANAGEMENT CHANNELS/ FREQUENCY AND MAIN CONTENT

COMMUNICATION CHANNEL	FREQUENCY	MAIN CONTENT
<b>Labor-management Communication Meeting</b>	3 times/year	Complaints, coordination and communication regarding labor-management issues.
<b>Departmental Meeting</b>	Monthly	Convey the Company's future development, operation strategy, and significant information and measures so that employees can better understand and give their opinions.
<b>Union Regular Communication Meeting</b>	Every 1-2 months	The union puts forward labor-management issues for coordination, communication and agreement.
<b>Cabin Crew Seminar</b>	5 times/year (AUG)	Convey the Company's internal and external information, exchange ideas and conduct mutual communication with related departments. Improve teamwork in the workplace.
<b>Chief Purser Seminar</b>	10 times/year (OCT/NOV)	Convey the Company's internal and external information, exchange ideas and conduct mutual communication with related departments. Improve teamwork in the workplace.
<b>Employee Welfare Committee</b>	Quarterly	Planning, coordination, and application of employee benefits.
<b>Occupational Safety and Health Committee</b>	Quarterly	Review, coordinate, and provide suggestions on issues regarding safety and health.
<b>Performance Evaluation and Interview</b>	2 times/year	Through performance interviews, employees can voice their problems at work. The Company can convey our requirements and expectations clearly and provide timely guidance and assistance.

Note 1 : Due to the epidemic, no Flight Crew Seminars have been held this year. Pilots can still communicate smoothly with the fleet or Pilot Administration Department at any time via voyage reports, e-mails or telephones.

Note 2 : Labor-management communication forums, departmental meetings, employee welfare committees, occupational safety and health committees, performance evaluations, and face-to-face interviews provide multiple channels for employees to express their opinions and communicate. The opinions are integrated and discussed to formulate decisions that are relevant to all employees.

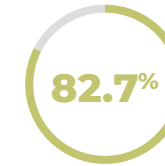


## EMPLOYEE OPINION SURVEY

EVA Air commissioned the Tunghai University Center for Corporate Sustainability to conduct an external survey of our workplace climate. We sought to understand our employees' feelings of commitment and identification with the workplace on seven dimensions, namely their job expectation, contribution, sense of belonging, growth, cognition, emotion and action. A total of 4,140 employees around the world participated in the questionnaire survey, and the recovery rate was 37%. The results of this survey will serve as an important reference for the internal improvement of the organization. In the future, EVA Air will conduct a questionnaire survey once every two years to keep updated on the opinions and needs of our employees, and to create an attractive workplace and become the best employer.



Employees will be proud to tell others that they work for EVA Air.



Employees will recommend EVA Air to their friends as an excellent company.

	OVERALL	GENDER		AGE					POSITION			
		FEMALE	MALE	21-30	31-40	41-50	51-60	> 61	NON-MANAGEMENT	JUNIOR MGMT.	SENIOR MGMT.	TOP MGMT.
<b>Job Expectation</b>	<b>87.5%</b>	88.6%	86.1%	87.5%	85.2%	89.1%	90.4%	100.0%	86.8%	90.7%	94.6%	100.0%
<b>Contribution</b>	<b>49.4%</b>	55.9%	59.7%	56.5%	51.8%	63.3%	65.6%	70.3%	54.8%	68.2%	83.9%	96.4%
<b>Sense of Belonging</b>	<b>60.0%</b>	70.7%	72.4%	70.9%	66.3%	74.0%	81.3%	94.6%	69.5%	79.6%	89.3%	96.4%
<b>Growth</b>	<b>67.2%</b>	61.3%	75.7%	64.0%	64.4%	72.6%	75.9%	83.8%	64.5%	79.1%	92.0%	96.4%
<b>Cognition</b>	<b>73.5%</b>	71.6%	76.3%	71.5%	68.5%	78.0%	86.3%	83.8%	71.3%	83.0%	93.8%	100.0%
<b>Emotion</b>	<b>79.4%</b>	78.6%	80.6%	76.4%	73.8%	87.0%	91.8%	97.3%	77.1%	90.9%	98.2%	100.0%
<b>Action</b>	<b>73.2%</b>	71.4%	75.8%	64.3%	68.0%	87.8%	92.9%	97.3%	70.1%	88.3%	97.3%	100.0%
<b>Total</b>	<b>60.7%</b>	57.5%	65.3%	57.5%	53.4%	68.1%	77.2%	94.6%	57.5%	74.9%	89.3%	100.0%

Note 1 : Survey scale - 1 is strongly disagree, 2 is disagree, 3 is neither agree or disagree, 4 is agree, and 5 is strongly agree.

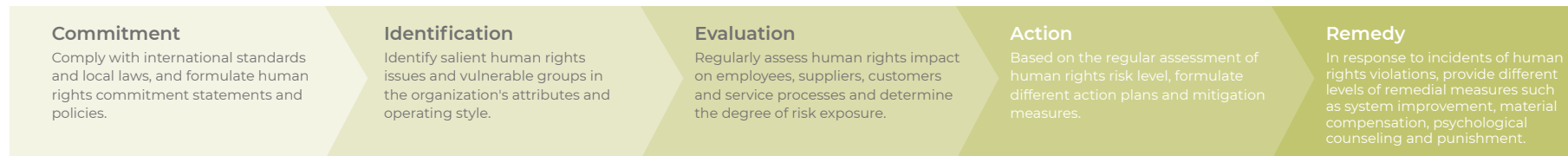
Note 2 : The percentage is the ratio of 4 points and 5 points checked by the surveyed employees.

## 4-4 Human Rights and Labor Rights

### Human Rights Management

EVA Air refers to the UN Guiding Principles on Business and Human Rights to establish an environment based on to protect, respect and remedy human rights. We support and abide by the UN Universal Declaration of Human Rights, the UN Global Compact, the International Labour Organization Convention and local laws to prohibit any infringement and violation of human rights so that everyone can be treated with fairness and dignity.

#### EVA AIR HUMAN RIGHTS DUE DILIGENCE PROCESS



#### EVA AIR HUMAN RIGHTS MANAGEMENT

Role of Eva Air	Salient Issue	Affected Target	Risk Investigation Method	Risk Level in 2020
Employees and service process	Overtime work	All employees	Number of persons approved for overtime	●
	Sexual harassment	All employees	Number of cases of sexual harassment	●
	Discrimination	All employees	Investigation of workplace violations reported through various channels	●
	Workplace safety	All employees and contractors	Occupational accident statistics	●
	Workplace health	Employees on shifts/ night shift and long working hours	Exceptional workload risks identification and investigation	○
	Female protection	Female employees who are pregnant, within one year after delivery, or breastfeeding	Pregnancy and post-partum health hazard assessment	○
	Child labor	New employee	Employees selection process	○
	Forced labor	All employees	Employee complaints, forced overtime	○
Supplier	Freedom of assembly and negotiation	All employees	Labor-management negotiation	○
	Labor human rights	Employees of all suppliers	Sustainability Assessment Questionnaire	○
	Safety and health	Employees of all suppliers	Sustainability Assessment Questionnaire	○
	Environmental protection	Communities of all suppliers	Sustainability Assessment Questionnaire	○
Customer	Information security	Customers of all suppliers	Sustainability Assessment Questionnaire	○
Customer	Privacy rights and personal data protection	All customers	Complaint channels	○
Community	Noise	Community residents	Complaint channels	○

● Medium ○ Low

## MITIGATION AND REMEDIAL MEASURES FOR RISKY SALIENT HUMAN RIGHTS ISSUES

Salient Issue	Mitigation Measures	Remedial Measures
Overtime working	<ul style="list-style-type: none"> <li>- To strengthen advocacy, overtime work must be applied in advance.</li> <li>- Disseminate to all supervisor should concern about employees initiatively and understand their daily work situation.</li> </ul>	<ul style="list-style-type: none"> <li>- Investigate employees with long-term exceptional workload.</li> <li>- Provide overtime pay.</li> </ul>
Sexual harassment	<ul style="list-style-type: none"> <li>- Conduct sexual harassment education and training to strengthen case prevention.</li> <li>- Invite external lecturers to speak on sexual harassment prevention.</li> </ul>	<ul style="list-style-type: none"> <li>- Adjust the working areas of both parties.</li> <li>- Punish the perpetrators of sexual harassment.</li> <li>- Adjust the Company's system and measures (such as strengthening or adjusting the equipment in public areas) according to case attributes.</li> <li>- Provide psychological counseling &amp; referral service. And the job transferring according to the will of the victim.</li> </ul>
Discrimination (Workplace violations)	<ul style="list-style-type: none"> <li>- Implement "Hazard Identification and Risk Assessment for the Prevention of workplace violations", the "Workplace Environment Inspection for the Prevention of workplace violations", and the "Workplace Task Allocation and Design Inspection for the Prevention of workplace violations".</li> <li>- Conduct education and training for all employees.</li> </ul>	<ul style="list-style-type: none"> <li>- Promote education on workplace violations from time to time.</li> <li>- Provide psychological counseling and referral services.</li> <li>- In case of an external incident, provide injured employee with relief cash and assist with follow-up legal matters.</li> </ul>
Workplace safety	<ul style="list-style-type: none"> <li>- Identify workplace hazard and conduct risk assessment.</li> <li>- Formulate management plans for moderate-risk operations.</li> <li>- Conduct safety and health training for employees and contractors.</li> </ul>	<ul style="list-style-type: none"> <li>- Analyze and develop improvement measures for occupational accidents.</li> <li>- When signing contracts, contractors must also sign the "Contractor Safety and Health Contract".</li> <li>- Include case examples of occupational disaster into the "Labor Occupational Safety and Health Guidelines".</li> <li>- Provide medical and insurance applications.</li> </ul>

## Labor Rights

### EMPLOYEE COMPLAINTS

To protect the rights and interests of employees, EVA Air has established guidelines for handling employees' complaints. Employees can file their complaints via official channels. We will then communicate and negotiate with the employees properly to achieve a mutual agreement between the labor and management sides. From 2017 to 2020, there were 64 cases of complaints about practical labor issues submitted officially. The new cases of complaints were about the controversies over Annual Leave arranging rights and salary distribution. In the future, we will strengthen communication regarding the terms of employment to prevent such controversies from happening again. As for the current complaints, we will try to resolve peacefully.

- Note 1: The statistics above refer to the cases which employees filed with an external mediation unit or the court. Those cases were handled through an impartial third party unit, which effectively protects the rights of both labor and management. EVA Air took appropriate actions according to the handling results.
- Note 2: The calculation of the case of complaints handled and resolved is "the case of complaints handled and resolved during the reporting period, including complaints filed during the current year and previous year".
- Note 3: The case of complaints in progress (unresolved) refers to the case filed formally during the current year which have not been resolved.
- Note 4: The settlement rate for all of the list complaints filed by employees within a year was 100%.

	2017	2018	2019	2020
<b>Total case of complaints regarding labor practice issues submitted through the official complaint mechanism (for the current year)</b>	8	17	19	20
<b>Cases of complaints handled (incl. the previous year)</b>	10	19	19	21
<b>Cases of complaints resolved (incl. the previous year)</b>	6	17	18	19
<b>Cases of complaints in process (unresolved)</b>	2	0	1	2

Because of inevitable weather and air traffic factors, the employees' working hours are often not in keeping with the schedule. EVA Air has been monitoring and managing the occasional overwork situations. However, working extra hours due to abnormal conditions such as natural disasters is unavoidable. In the event of working extra hours, regulations of the Civil Aviation Act and Article 32 of the Labor Standards Act were complied with.

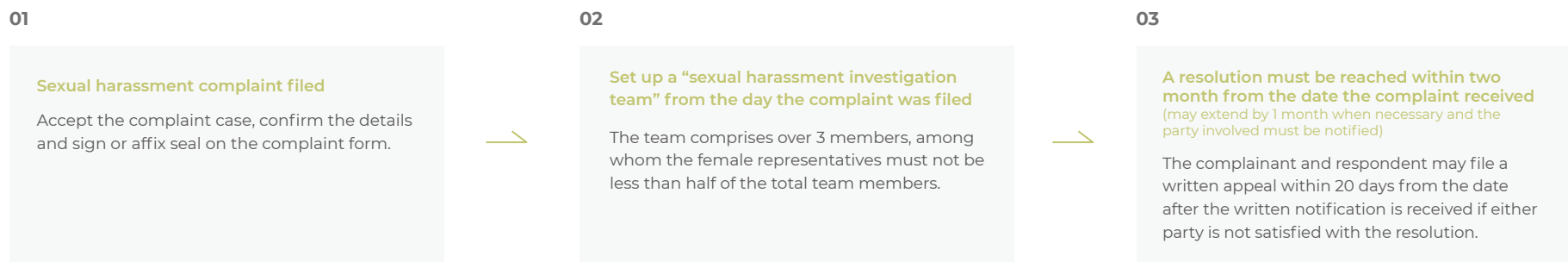
## SEXUAL HARASSMENT PREVENTION AND GENDER EQUALITY

To ensure gender equality in employment, eliminate sexual discrimination, and prevent sexual harassment, EVA Air published the “Advocacy of Sexual Harassment Prevention in the Workplace” on the Company’s internal website. In 2017, we continued to provide courses on Act of Gender Equality in Employment and sexual harassment prevention, and added lessons on the Maternity Health Protection for our female employees. If employees encounter sexual discrimination or sexual harassment, they may file a complaint by filling out the “Complaint Form for EVA Air Employees” in accordance with the “Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment in the Workplace” and inform the head of the Human Resource Division. Cases shall reach resolution within two month from the day a complaint received, and one month extension if necessary. In 2020 there were a total of 5 complaint cases of complaint filed via the formal complaint channel. After investigations, the Company has disseminated information to all staff, as well as planning to invite external lecturers to give a speech on the courses of sexual harassment preventions, and to promote awareness of gender equality.

### MANAGEMENT OF SEXUAL HARASSMENT AND GENDER DISCRIMINATION CASES

NO. OF CASES	CONTENT OF VIOLATION	RESULT
4	Improper physical contact	Punishment: Verbal admonishment, administrative punishment and arrange for the perpetrator to attend gender equality courses. System: Strengthen or adjust public facilities, and arrange for workplace transfer. Counseling: Provide victim free psychological counseling referral service, and arrange for interdepartmental transfer.
1	Misbehavior	Punishment: The training relationship of the trainee has been withdrawn and terminated. System: Republished the equality rights announcement, reiterate the Company’s zero-tolerance policy, and handle in accordance with the law.

### SEXUAL HARASSMENT COMPLAINT PROCEDURE



## GENDER DISCRIMINATION/ SEXUAL HARASSMENT COMPLAINT CHANNEL

Department	Phone Number	E-mail
Ground Staff	+886-3-351-5113	
Pilot	+886-3-351-5916 +886-3-351-5886	134@evaair.com
Flight Attendant	+886-3-351-8805 +886-3-351-8806	

## COURSE IMPLEMENTATION ON GENDER EQUALITY AND HUMAN RIGHTS EDUCATION

	2017	2018	2019	2020
Expected Number of Trainees	4,872	5,648	4,715	5,390
Actual Number of Trainees	4,872	5,648	4,715	5,390
Implementation Rate	100%	100%	100%	100%

Note 1: Depending on the participants, the gender equality training hours range from half an hour to 3 hours. In 2020, the total training time was 3663 hours.

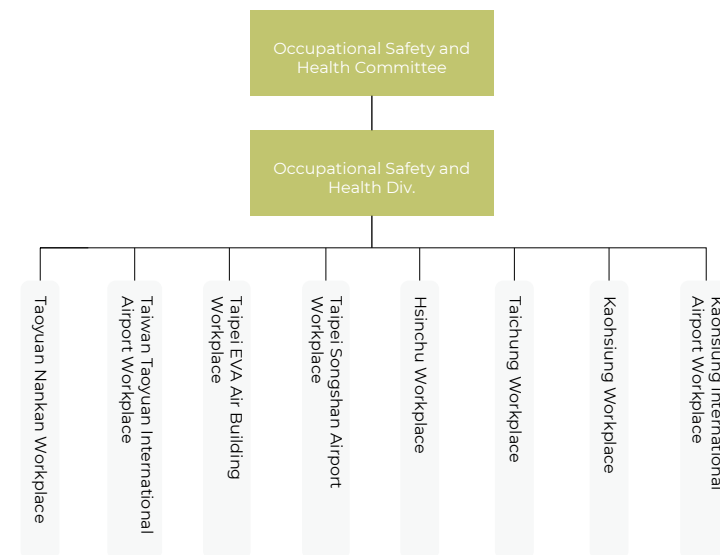
Note 2: The implementation rate = The actual number of trainees in the particular year / The expected number of trainees in the particular year. The equation has been adjusted since 2018 as stated.

## 4-5 Friendly Work Environment

### Management System and Goal

EVA Air has established the “Occupational Safety & Health Committee”, which is responsible for reviewing and coordinating for health and safety. The committee members include 1 chairperson, 1 executive secretary, 1 occupational safety and health management staff members, 1 supervisory staff member related to occupational safety and health operations, 1 medical staff members, 11 departmental supervisors and 8 union representatives. The Committee convenes a meeting every 3 months, in which occupational safety and health policies and related recommendations are discussed and then submitted to EVA Air’s relevant departments for review and implementation. The Occupational Safety & Health Division will supervise and track the implementation progress and report the results to the Committee regularly.

### ORGANIZATIONAL CHART OF EVA AIR OCCUPATIONAL SAFETY AND HEALTH MANAGEMENT





### OCCUPATIONAL SAFETY AND HEALTH MANAGEMENT

EVA Air's goal of occupational safety and health is zero violation, zero occurrence, and zero hazard. The hazards and risks of the work environment are reduced through the establishment of the Taiwan Occupational Safety and Health Management System (TOSHMS) and ISO 45001 Occupational Safety and Health Management System. Moreover, by strengthening staff involvement, occupational accident prevention, change management, procurement management, contractor management, and emergency response management, we are able to boost the performance of occupational health and safety management. All workplaces of EVA Air in Taiwan have passed the ISO 45001 Occupational Safety and Health Management System certification.

#### GOAL AND MAJOR MEASURES OF OCCUPATIONAL SAFETY AND HEALTH

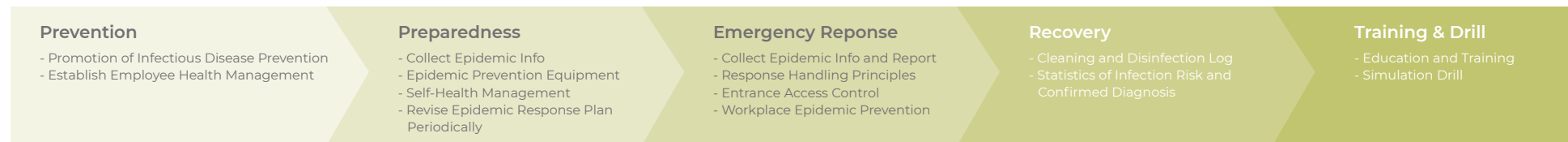
GOAL	Regulatory Compliance: Zero Violation Employee Safety: Zero Occurrence Environmental Health: Zero Hazard
Safety Management Tasks	<ul style="list-style-type: none"> <li>- Implement safety and health inspections of workplace.</li> <li>- Statistical analysis of occupational accidents and case study.</li> <li>- Inspection and examination of mechanical equipment and vehicles.</li> <li>- Hazard identification, risk evaluation and control in the workplace.</li> <li>- Prevention of unlawful workplace violations and environmental health risk assessment on maternal health protection.</li> </ul>
Response Measures	<ul style="list-style-type: none"> <li>- Free influenza vaccines for crew members and frontline employees; and influenza vaccines for employee families' dependents at their own expense.</li> <li>- Free hepatitis A and influenza vaccines for kitchen workers.</li> <li>- Periodically publish information and preventive measures of occupational diseases and high risk diseases such as COVID-19, measles, influenza and other infectious diseases.</li> <li>- Set up AED in main office premises and buildings, and conduct first aid and AED trainings.</li> <li>- Prevention of long working hours, repetitive tasks and illegal violations, and maternal health protection program.</li> <li>- Hearing care program for apron operating workers and Reservation and Ticketing Dept. (Telephone Sales).</li> </ul>
Emergency Response Drills	<ul style="list-style-type: none"> <li>- Self-defense and firefighting team trainings and drills are conducted twice a year.</li> <li>- Hold infectious disease prevention and response drills. In response to the communicable pandemic, an Epidemic Prevention and Response Committee was convened to discuss implementation plans and measures to protect the safety and health of employees.</li> <li>- Emergency response drill review meetings to review and recommend future improvements.</li> </ul>

## Prevention of Occupational Accidents and Health Protection

EVA Air conduct the occupational safety and health risk assessment every year to identify possible operational hazards regarding working environment, personnel qualifications, mechanical equipment, and chemical substances that may be contacted, and to assess the risk level. Appropriate preventive measures were further formulated to reduce the risk of occupational accidents and occupational diseases. Although there is no high-risk operation in 2020, each department set management plans and targets for moderate-risk operations, and implement them accordingly. Each department monitor the progress of their target and check whether the targets have been reached. In addition, if an occupational accident occurs in the department, the risk level should be re-evaluated according to the possibility and severity of the occupational accident, and adjusted and improved at any time. In addition, we has set up an occupational safety and health mailbox (osh@evaair.com) for colleagues to report potential hazards and risks, and to provide relevant suggestions at any time to improve the Company's occupational safety and health. We also carry out safety control and set up warning signs at operational area, and provide employees with the use of protective devices and arrange regular physical examinations for the entire staff at a frequency higher than that required by the law. Except for those that have left the company, those on unpaid leave, and expectant employees, the employees that are obliged to go through health checkups must complete their checkups in that specific year. In addition, we also offer health promotion activities and psychological consultation resources. Besides setting up an infirmary and hiring medical personnel to provide employees with on-site health care services, AEDs have been set up in all the office buildings, and trainings of usage are conducted for employees to lower the occurrence of accidents.

The Epidemic Prevention and Response Committee is the company's decision-making and supervision unit for infectious disease epidemic prevention and response. In addition to the establishment of a complete employee epidemic prevention website and the COVID-19 information website, the company and the affiliated company also have an epidemic response plan, through prevention, preparation, emergency response, recovery, education and training, and simulation drills to prevent the impact of infectious diseases on the company's operations. In 2020, the Company's aircrews who were infected with the notifiable communicable disease, but under the treatment of professional medical institutions, they have recovered and have returned to work. To prevent the risk of infection for aircrews, they are provided with a complete set of protective equipment. Furthermore, the "EVA Air Enhanced Epidemic Prevention and Health Control Implementation Measures for Aircrew" are formulated to ensure that strict preventive measures are implemented for aircrews during their stopovers or home quarantine in order to effectively avoid the chance of their contracting the notifiable communicable diseases.

## EPIDEMIC RESPONSE PLAN-EPIDEMIC PREPAREDNESS: COMPREHENSIVE AND SPECIFIC, EPIDEMIC RESPONSE: IMMEDIATELY AND PRECISELY.



### OCCUPATIONAL SAFETY AND HEALTH MANAGEMENT

In the implementation of occupational safety and health management, we have invested resources in safety and health training for employees and contractors. We also implement regular automatic inspections and on-site inspections, and regularly review the status of occupational disasters with relevant departments, examine the causes of occupational disasters and formulate safety and health improvement strategies to reduce the incidence rate. With the impact of the pandemic in 2020, flights and working hours were significantly reduced. The total working hours of employees was reduced by 22% compared with the previous year. Incidents of disabling injuries in the course of duties have also reduced by 75.2%, and no occupational accident deaths have occurred. Cabin crew still accounted for most of the disabling injuries, accounting for 71% of the total cases. The relevant information was published on the Company's internal "Occupational Safety and Health Blog" to enhance cabin crew members' safety awareness and instill the correct work principles.

### EMPLOYEE OCCUPATIONAL ACCIDENT CASES AND IMPROVEMENT MEASURES

In September 2020, a kitchen employee was using an automatic vegetable slicer for meal preparation. The speed of the machine slowed down, and during the troubleshooting, the power was not shut down as required by the SOP regulations for troubleshooting. As a result, the first section of the right ring finger of the employee was sliced off and the ligament of the middle finger was ruptured, resulting in a major occupational accident that required hospitalization. Following the incident, in addition to requesting the manufacturer to install an emergency brake device to simultaneously stop the conveyor belt and blades, the Company also purchased auxiliary ingredient feeder and re-educated employees on implementing standard operating procedure to avoid accidents.

### CONTRACTOR MANAGEMENT

The Company manages the safety and health of contractor operations in accordance with the "Contractor Safety and Health Management Regulations". We also strictly stipulate that when signing a contract, contractors must also sign the "Contractor's Safety and Health Contract" to ensure that prior to construction, contractors provide the necessary occupational and disaster prevention and safety and health education and training for their employees and subcontractors.

### CONTRACTOR OCCUPATIONAL ACCIDENT CASES AND IMPROVEMENT MEASURES

An incident occurred in May 2020 when a factory-based manufacturer used a rag to clean and maintain the conveyor belt chain. The manufacturer did not stop the operation according to the SOP but instead used a semi-automatic operation setting. The rag accidentally caught in the sprocket, dragging the manufacturer's fingers into the sprocket, resulting in the right hand being crushed and the traumatic amputation of the middle finger and index finger. After the incident, the manufacturer added the incident to the "Labor Occupational Safety and Health Guidelines" and distributed it to all his colleagues to explain again accident and disaster prevention. The manufacturer also promoted regulatory compliance at the Consultative Organization Meeting held at the EVA Air Duty Free Building.

### OCCUPATIONAL SAFETY & HEALTH TRAINING

Position	Training Course	Session	Attendance
New Recruits	Safety and health educational training	3	43
	Fire safety training & Emergency response drill	2	149
	CPR & AED training	2	149
	Management personnel of occupational safety and health – Initial training	1	22
	Management personnel of occupational safety and health – Retraining	2	52
	Internal auditor training for ISO 45001 Occupational health and safety management system	3	3
	Retraining for management personnel of fire safety	2	77
On-the-job	Education and training for communication of hazard	1	96
	General hazard education and training	1	5
Contractor			

Note : The statistical scope of the number of participants in "employee" training courses encompasses employees of EVA Air.

### NUMBER OF MAJOR OCCUPATIONAL ACCIDENT

	2017	2018	2019	2020
Falls	35	41	69	20
Commuting Accident	24	15	16	18
Contact with high or low temperature	19	24	22	2
Collision	15	22	20	0
Others	57	44	82	17
<b>Total</b>	<b>150</b>	<b>146</b>	<b>209</b>	<b>57</b>

Note 1 : Occupational accidents include occupational injuries and occupational diseases.

Note 2 : Others include notifiable communicable diseases and other types of accidents that cannot be classified.

	2017			2018			2019			2020		
	MALE	FEMALE	ALL	MALE	FEMALE	ALL	MALE	FEMALE	ALL	MALE	FEMALE	ALL
<b>Employee</b>												
Number of occupational accidents	10	140	150	8	138	146	10	199	209	6	51	57
Injury frequency rate (FR)	1.65	14.30	9.47	1.23	14.15	9.00	1.49	20.57	12.75	0.86	8.80	4.48
Injury severity rate (SR)	17	236	152	17	200	127	80	322	223	18	220	110
Number of severe occupational injury	0	1	1	0	0	0	1	3	4	0	1	1
Severe occupational injury rate	0	0.10	0.06	0	0	0	0.14	0.31	0.24	0	0.17	0.07
Lost workdays	104	2,312	2,416	111	1,960	2,071	542	3,123	3,665	129	1,276	1,405
Total hours worked by all employees	6,049,112	9,785,008	15,834,120	6,462,024	9,751,513	16,213,537	6,705,864	9,674,032	16,379,896	6,907,616	5,794,572	12,702,188
No. of deaths due to occupational accidents	0	0	0	0	0	0	0	0	0	0	0	0
Number of occupational diseases	0	0	0	0	0	0	0	0	0	0	0	0
<b>Contractor</b>												
Number of occupational accidents	0	0	0	0	0	0	0	0	0	1	0	1
Injury frequency rate (FR)	0	0	0	0	0	0	0	0	0	4.15	0	3.01
Injury severity rate (SR)	0	0	0	0	0	0	0	0	0	374	0	270
Number of severe occupational injury	0	0	0	0	0	0	0	0	0	0	0	0
Severe occupational injury rate	0	0	0	0	0	0	0	0	0	0	0	0
Lost workdays	0	0	0	0	0	0	0	0	0	90	0	90
Total hours worked by all employees	256,660	131,087	387,747	260,158	117,415	377,573	299,125	118,553	417,678	240,468	91,724	332,192
No. of deaths due to occupational accidents	0	0	0	0	0	0	0	0	0	0	0	0
Number of occupational diseases	0	0	0	0	0	0	0	0	0	0	0	0

Note 1 : The number of occupational accidents refers to cases in which during the course of performing a duty, a worker died, is fully and permanently disabled, partially and permanently disabled, fully and temporarily disabled, or suffered injuries or illnesses that resulted in more than one day of loss (including commuting accidents).

Note 2 : FR = Number of Occupational Accidents\*10<sup>6</sup> / Total hours worked by all employees.

Note 3 : SR = Total lost workdays of Occupational Accidents\*10<sup>6</sup> / Total hours worked by all employees (the workdays lost should be calculated in Calendar days, excluding the day that the injury happened and returning to work)

Note 4 : Severe occupational injury refers to employees unable to recover their health condition within 6 months, excluding death.

Note 5 : Severe Occupational Injury Rate = Number of severe occupational injury \*10<sup>6</sup> / Total hours worked by all employees.

Note 6 : Occupational diseases refer to diseases to the body caused by long-term exposure to chemical, physical, biological, human, social or psychological hazards when performing duties, and are diagnosed by an occupational medicine doctor or identified by the competent authority.

Note 7 : Corrections were made to the 2019 number of occupational accidents, disabling FR, Disabling SR, number of serious occupational injuries, rate of serious occupational injuries, and number of lost days.



## HEALTH PROTECTION MEASURES

Subject	Protection Measures
Flight crew and cabin crew	In accordance with the epidemic prevention regulations for flight crew and cabin crew, any crew member who entered other countries while on duty must undergo self-quarantine and self-health management after returning home. In consideration of the physical and mental health of employees, the management unit has arranged for a care team to regularly reach out to the crew members via telephone. In case of any abnormality, the Company will arrange for medical treatment and subsequent follow-up by the management unit.
Apron personnel	Though the apron personnel do not work all the time on the apron, we still schedule hearing tests for these employees to enhance their health and protect their hearing. If any irregularity is found, the Clinic Division will provide them health education.
All employees	<ul style="list-style-type: none"> <li>- Since cancers and cardiovascular diseases have become the leading killers threatening the health of people in Taiwan, we have already equipped with nine blood pressure monitors, with which the employees can measure at any time. We also provide free screening tests on four types of cancers for our employees and their families in order to prevent these diseases.</li> <li>- For employees whose health examinations indicate abnormalities, we actively provide health management and consultations.</li> <li>- Provide Employee Assistance Program (EAP):               <ul style="list-style-type: none"> <li>Psychological Counseling</li> <li>Health Consultation</li> <li>Legal Counseling</li> </ul> </li> </ul>



### STATISTICS ON THE USE OF PSYCHOLOGICAL COUNSELING

YEAR	2017	2018	2019	2020
Number of Users	43	70	85	69
Hours of Use	111.5	203.5	225.5	227

396 year/  
times

### ONSITE MEDICAL PERSONNEL SERVICE

Doctors and nurses come to our workplaces periodically and provide health consultations and health education to look after our employees' physical health.

# 05

PART

## Environmental Leadership



EVA Air regards reducing environmental impact as a part of our corporate social responsibility. We have long been concerned about international environmental issues and trends, and adopt international standard management systems. The P-D-C-A (Plan-Do-Check-Act) quality management procedures help us execute various environment protection measures, and reduce the negative impacts brought by our operations. We ensure our operation complying with the requirements of environmental and energy regulations, and improve our management system continuously. Furthermore, we have proactively established the reduction targets for resource consumption and waste production in order to promote efficiency in resource use and waste recycling. On that issue about which the international community has been concerned – climate change – we have introduced the TCFD guidelines to strengthen our resilience. EVA Air stands shoulder to shoulder with the rest of the world in facing the impacts and taking on our responsibilities.

# 5-1 Environmental Sustainability

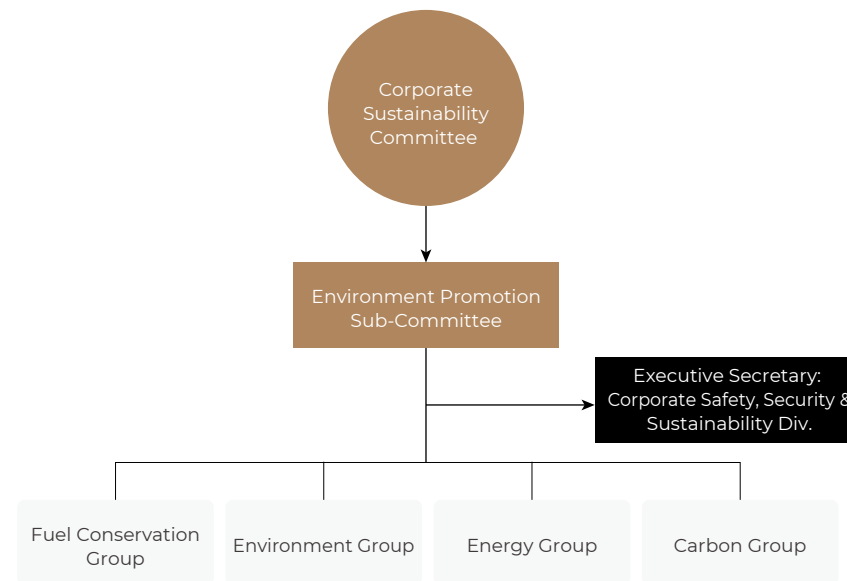
## Environmental Policies and Management System

Through the establishment of various management systems, EVA Air implemented our vision for the environment and energy in every aspect of our operations by adopting a motto: "EVA reaches for the sky with energy-saving: a pursuer of efficiency and a leader of environmental protection". EVA Air's "Environment and Energy Policy" applies to all global operation sites, products, services, energy and resources management, waste management, and upstream and downstream of the value chain, including suppliers, joint ventures, transportation, warehousing and other business partners. Our corporate website allows every employee to access the Company management methods and educational information on climate change or other major environmental issues.

Our commitment	Measures
Obey environmental & energy regulations	Stayed constantly alert to regulatory changes; evaluate potential affects, and complied 100% with legally-required processes.
Promote environmental & energy-saving concepts	Established an environmental and energy blog to promote environmental policies; made occasional announcements on the latest environmental information to internal employees.
Continue improving our environment & energy performance indicators	Implemented environmental and energy management system; periodically evaluated and reviewed our environmental and energy implementation effectiveness, and made continuous improvement.
Reduce negative impacts on the environment	Identified environmental aspects; controlled and monitored our performance indicator and reduced environmental negative impacts.
Respond to green procurement	Published environmental and energy procurement procedures, with all Company procurement to follow said procedures.
Build the low-carbon circular economy	Used green, environmentally-friendly products, and worked to build a culture of environmental friendliness.
Raise service resource effectiveness	Continued to replace old equipment as required to reduce energy waste.
Work together to build value as a green brand	Implemented greenhouse gas emission management to mitigate climate change.

The Company's Environment Promotion Sub-Committee is a working group under the Sustainability Committee that formulates and implements the Company's environmental management policies. The Sub-Committee is divided into four task groups: fuel conservation, environment, energy, and carbon rights; its members consist of the heads, or their authorized agents and relevant divisions. It convenes at quarterly meetings to discuss the status and achievement performance of all responsible duties, ensures the effectiveness of the Company's environment and energy management guidelines and policies, effectively reduces the adverse global impact of GHG emissions, and establishes EVA Air's positive image in the international community as a sustainable and green corporation. In compliance with the requirements of ISO 14001:2015, we have identified potential major environmental risks from the operation, while reducing threats and taking advantage of our opportunities through the establishment and improvement of our policies. At the same time, an email account was set up to receive feedback on environmental issues (environment@evaair.com), which serves as the complaint channel of environmental issues for external stakeholders, and will help the company to improve its environmental protection measures based on suggestions. The email complaint channel has received no complaints of environmental issues from stakeholders in the past 5 years.

### ORGANIZATIONAL CHART



## Environmental Investment and Benefit

EVA Air has obtained ISO 14001: 2015 Environment Management System and ISO 50001: 2011 Energy Management System certifications in full demonstration of the Company's commitment towards environment protection and energy management. We will continue to devote our efforts to mitigate the increasing GHG emissions and extreme climate changes. With the implementation of ISO 14001 Environmental Management System and ISO 50001 Energy Management System, we have established specific goals, objectives and action plans, including waste, noise and wastewater pollution control, and GHG and energy management.

Unit: TWD Thousands

	2017	2018	2019	2020
<b>Major action</b>	Started the "Green Travel" - EVA Carbon Offset Program.	Recertification every three years of the ISO 14001 and ISO 50001.	<ul style="list-style-type: none"> <li>- Improved our Environmental Management Policy.</li> <li>- Required suppliers to comply with our Supply Chain Code of Conduct regarding environmental protection regulations.</li> <li>- Continued to run the ISO 14001 and ISO 50001 to improve management performance.</li> </ul>	<ul style="list-style-type: none"> <li>- Complied with ISO 14064:2018 in implementing GHG inventory.</li> <li>- Updated our energy management system to version ISO 50001:2018.</li> </ul>
<b>Green product procurement</b>	32,323	47,623	79,777	18,265
<b>Operating expenses</b>	152,181	152,241	153,007	100,303
<b>Equipment expenses</b>	1,725	301	4,305	1,948
<b>Benefits</b>	EVA Air enables passengers to make voluntary contributions based on their journey or one-time instance to offset the carbon dioxide emissions produced during the flight.	The recertification process is an efficiency evaluation of the operation of the systems that sets performance indicators, improvement methods, and action plans, which will efficiently utilize energy and resources, reduce unnecessary waste.	Implemented power conservation measures effectively reducing power consumption.	Smart energy management system made for annual savings of 746.249 MWh, the equivalent of 4.5% of EVA Nankan Park's total usage.
<b>Monetary benefit</b>	3,968	3,675	30,823	4,825

Note 1 : Green product procurement is the procurement value reported for environmental protection products, in accordance with the regulations of the Taoyuan City Government Self-Governance Act to Develop a Low-Carbon, Green City.

Note 2 : Environmental operating expenses include waste removal fees, aircraft noise prevention expenses, EU carbon emission procedure fees, and costs to establish an ISO environmental and energy management system, as well as other project exploration fees.

Note 3 : Equipment expenses include the cost of establishing a carbon offset program, expenses for upgrading to energy-saving elevators, and costs related to outdoor air quality monitoring equipment and smart energy management systems.

Note 4 : Monetary Benefits include estimated costs saved by power conservation measures, penalty avoided by EU ETS and aircraft noise control and income obtained by carbon emission trading.

## Energy Consumption

In 2020, the overall Energy Use Intensity (EUI) was 123.67 kWh/m<sup>2</sup>. The main power-saving measure has been the replacement of power equipment and the operation of Energy Management System; from 2017 to 2020, 1,432,378 kWh of electricity had been saved, which is an equivalent of 742,899 kg of CO<sub>2</sub>e. EVA Air monitors power consumption at its operating locations in Taiwan (Nankan Park, Taipei Building, Bonded Warehouse Building and New Bonded Warehouse Building) to implement energy-saving and carbon reduction measures more effectively, and to confirm the results of various energy conservation projects. The total energy use in 2020 is 57,081,544,215 megajoule (MJ) while our estimated fuel and power consumption target for 2020 was 88,779,998,161 MJ.

### MAIN POWER CONSERVATION MEASURES AND PERFORMANCE

RESOLUTION	ANNUAL POWER SAVING (kWh)				
	2017	2018	2019	2020	
<b>Lighting equipment</b>	LED lighting replaced traditional fluorescent lighting.	114,975	-	-	-
<b>Air conditioning system</b>	Reinforce air conditioning system operation management, control ice water machine output temperature.	87,600	87,601	21,637	-
	Implementing Smart Energy Management System.	-	-	250,712	746,249
<b>Audio-visual equipment</b>	Replacements.	759	-	-	-
<b>Elevator controlling</b>	Adjusting elevators operation in proportion to the number of people in building.	-	106,920	-	-
	Replacing cargo elevator with new one and equipping power regeneration device.	-	-	14,040	-
	Power regeneration device.	-	-	462	1,423
<b>Total power saving (kWh)</b>		203,334	194,521	286,851	747,672
<b>Total reduction of GHG emission (kg CO<sub>2</sub>e)</b>		112,647	103,680	146,007	380,565

Note 1 : The emission factors of purchased electricity are 0.554(2017),0.533(2018)and 0.509(2019-2020)kg CO<sub>2</sub>e/kWh.

Note 2 : Update historical data approved in Conservation Audit Technology Information Service system by Bureau of Energy. The information publish is in for mainly energy-saving program.

### POWER CONSUMPTION AND INTENSITY

	UNIT	2017	2018	2019	2020
<b>Consumption</b>	kWh	23,175,751	25,233,298 *22,526,005 (*1)	26,787,377 *21,857,775 (*1)	25,216,823 *21,206,882 (*1)
<b>Energy use intensity</b>	kWh/m <sup>2</sup>	145.18	123.75 *141.11 (*1)	131.37 *136.92(*1)	123.67 *132.84(*1)

Note 1 : Starting 2018, the new bonding warehouse was put into operation. The values here discount the new bonding warehouse's electricity values in order to maintain consistency with the 2017 figures.

Note 2 : As there is no way to distinguish electricity usage in areas used by external vendors, energy usage here includes usage by external vendors.

### TOTAL ENERGY AND RESOURCES CONSUMPTION

	HEATING VALUE	UNIT	2017	2018	2019	2020
<b>Aircraft fuel</b>	8000 kcal/L	gal	657,692,464	653,140,524	638,181,322	449,739,356
		MJ	83,333,770,504	82,757,011,085	80,861,586,134	56,984,804,192
<b>Gasoline</b>	7800 kcal/L	L	83,433	80,844	79,892	59,833
		MJ	2,722,862	2,638,345	2,607,295	1,952,646
<b>Diesel</b>	8400 kcal/L	L	43,486	50,032	55,996	32,818
		MJ	1,528,332	1,758,391	1,968,021	1,153,412
<b>Natural Gas</b>	8000 kcal /m <sup>3</sup>	m <sup>3</sup>	105,091	106,956	110,076	103,565
		MJ	3,517,606	3,580,031	3,684,464	3,466,528
<b>Electricity (*1)</b>	860 kcal/kWh	kWh	22,964,630	25,012,251	26,601,140	25,058,762
		MJ	82,632,251	90,000,082	95,717,287	90,167,438
<b>Total</b>		MJ	83,424,171,554	82,854,987,933	80,965,563,200	57,081,544,215

Note 1 : The outsourced supplier's power consumption at the Nankan Park has been deducted from the power value.

Note 2 : Starting 2018, the new bonding warehouse was put into operation. The values here discount the new bonding warehouse's electricity values in order to maintain consistency with the 2017 figures.

Note 3 : The energy conversions are calculated according to Heat Content of Energy Products published by the Ministry of Economic Affairs' Bureau of Energy on October 15th, 2019, with 1kilocalories = 4.184 kilojoules, and 1 kilowatt-hour = 3.6 megajoules.

## Resources Consumption and Emissions

The water consumption at the operation sites in Taiwan is mainly supplied by Taiwan Water Corporation, while Nankan Park uses a small amount of recycled water (rain water and recycled condensed water); neither of the water resources is affected by the water used for operations. The procurement of kitchen and restroom equipment for each office building primarily favors products with water efficiency labels; most restrooms have IR automatic sensor water faucets installed, and the faucets' outgoing water settings are adjusted; the company carries out periodical promotional activities to raise the awareness of water conservation among employees, so as to achieve optimal utilization of water resources.

### TOTAL WATER CONSUMPTION

UNIT: m<sup>3</sup>

	2017	2018	2019	2020
<b>Water usage</b>	150,132	147,331 *134,930(*1)	159,498 *144,091(*1)	157,270 *143,756 (*1)
<b>Recycled water</b>	1,825	2,253	3,532	4,010

Note 1 : Starting 2018, the new bonding warehouse was put into operation. The values here discount the new bonding warehouse's electricity values in order to maintain consistency with the 2017 figures.

Note 2 : The Company's total water displacement equals water used plus water recycled.



Since the implementation of ISO 14001, the long-term collection and tracking of the quantity of the waste, hazardous industrial waste, and recycled resources has helped our self-management and eliminated the abnormal production of waste. In regards to waste management and reduction, the waste produced at operating locations in Taiwan and other work areas are sorted and stored at the storage sites installed according to legal requirements. Categories such as recycle, reuse, and industrial waste, etc., are recycled and disposed by commissioned treatment and disposal companies through legal and professional means, and have never been involved in international waste transport and treatment incidents. The General Affairs Department is in charge of all waste disposal and treatment, and the Corporate Safety, Security & Sustainability Division conducts audits and follow-ups to ensure the legality and safety of the final treatment. Throughout the Company's history, EVA Air has never had a record of a major waste or fuel leakage incident.

### WASTE PRODUCTION AND RECYCLED QUANTITY AT NANKAN PARK

Unit: kg

	2017	2018	2019	2020
<b>General waste</b>	215,090	226,090	207,020	195,350
<b>Hazardous industrial waste</b>	58	72	77	85
<b>Recycled</b>	71,184	49,990	57,303	46,452
<b>Average waste output per person per day</b>	0.506	0.715	0.606	0.685

Note 1: The general and hazardous industrial waste was all disposed by incineration according to the waste site external records form and the information supplied by the waste disposal contractor.

Note 2: All the hazardous commercial waste is medical waste.

Note 3: Average waste output per person per day is calculated on a 24-hour basis.

### REDUCING WASTE

EVA Air upholds the Three R's: Reduce, Reuse, and Recycle. We continue to implement waste management policies. Within our ground operations waste reduction measures, we have strengthened office area recycling facilities, shipping cardboard box reuse & recycling, employee dining ordering controls, old furniture reuse, paperless ticketing and shipping, office paperless communications, paperless aircraft maintenance forms, paperless office handbooks & documentation, and more.

In terms of in-flight waste, we have implemented flight waste sorting, cardboard box reuse & recycling, and continuing to promote paperless publications.

In addition, in response to international targets and policies to reduce plastics, we are working hard to implement reductions, right from the source. We are gradually planning to use lighter, more environmentally friendly materials for cabin supplies such as paper cups, swizzle sticks, and tableware. Also, starting 2020, we no longer provide plastic straws.

At the same time, we have joined hands with suppliers in investing in development plans for cabin supplies and products; we are using recyclable, reusable materials for cabin supplies and product designs, in order to reduce use of packaging. Further, in 2020, we made adjustments to our withdraw bags to use a recyclable material that is biodegradable. Once the bags have remained in the environment under degradation conditions long enough, the material leaves no trace in the environment, which reduces and avoids production of single-use plastics. Currently, each blanket provided in economy class is also made from 26 recycled plastic bottles; in 2020, 30,500 blankets were used, the equivalent of 793,000 recycled plastic bottles.

EVA Air aims to use product upgrades to not only provide passengers with even better service, but also to use our corporate influence to respond to environmental protection. We also keep tabs on the status of packaging materials to stay on top of our resource usage status and trends.

### RESPONDING TO STAR ALLIANCE IN-FLIGHT WASTE REDUCTION TARGETS

<b>In-flight waste</b>	<b>50%</b>	reduction by December, 2025
<b>In-flight single-use plastics</b>	<b>90%</b>	reduction by December, 2025
<b>In-flight aluminum recycling</b>	<b>90%</b>	recycling by December, 2025

### USE OF NON-PLASTIC PACKAGING IN 2020

	TOTAL WEIGHT (TON)	COVERAGE (%)	RECYCLED AND/OR CERTIFIED MATERIAL (%)	2020 TARGET
<b>Wood/Paper fiber</b>	9.9	0.00047%	100%	100%
<b>Metal</b>	0	0	0	0
<b>Glass</b>	0	0	0	0

Note 1: Coverage rate = total procurement cost of the packaging material/cost of goods \*100%.

Note 2: Recycled and/or certified materials rate = total weights of recycled and/or certified materials within packaging/total weight of that packaging material \*100%.

## PLASTIC PACKAGING

	UNIT	2017	2018	2019	2020	2020 TARGET
<b>Total weight of all plastic packaging</b>	Ton	31.7	29.2	25.7	10.8	22.7
<b>Coverage</b>	%	0.00907%	0.00792%	0.00638%	0.00433%	0.00503%
<b>Percentage of recyclable plastic packaging</b>	%	100%	100%	100%	100%	100%
<b>Percentage of compostable content within plastic packaging</b>	%	0%	0%	0%	0%	0%

Note 1 : Coverage = total procurement cost of the packaging material /cost of goods \* 100%.

Note 2 : Percentage of recyclable plastic packaging = total weight of recyclable plastics/ total weight of plastic packaging\*100%.

Note 3 : Percentage of compostable content within plastic packaging = total weight of degradable plastics/ total weight of plastic packaging\*100%.

EVA Air's main sources of air pollutants are aircraft and ground vehicles. Ground vehicle pollutant control measures include regular inspections according to the environment protection regulations to ensure emissions comply with national standards. Aircraft emissions also entail regular repairs and maintenance according to the suggestions of the original manufacturer to ensure there is no harm to the environment. Furthermore, EVA Air conducts estimations of the total emissions of nitrogen oxides (NOx), hydrocarbons (CH) and carbon monoxide (CO) in the takeoff and landing cycle (LTO) in order to gain insights into the trends, and prepare for changes in future regulations. We expect to achieve the goal of 1.5% improvement in NOx emission intensity every year.

Aircraft constitute an operational noise source. In order to comply with noise control regulations for airports in all locales, and to provide communities with quiet living environments, the International Civil Aviation Organization (ICAO) and US Federal Aviation Regulations (FAR) both set strict inspection standards for aircraft. The Company's standards for the entire fleet comply with the ICAO and FAR Stage 3 regulations. Our aircraft have recently undergone engine system and airframe optimizations, to make our aircraft quieter when landing and taking off. The vast majority of the fleet, such as the 787-9/10, 777-300ER/F, A330-200/300, and A321-200, already meet the even stricter Stage 4 standards. We strictly obey all the noise control procedures specified by airports; when implementing takeoff and landing procedures, we lower the noise's impact on the environment surrounding the airport to a minimum.

## AIRCRAFT AIR POLLUTION DATA IN LTO CYCLE

	UNIT	2017	2018	2019	2020	
<b>Nitrogen oxide(NOx)</b>	Total emissions	Ton	2,453	2,549	2,622	1,825
	Passenger aircraft emission strength	Gram/RPK	0.0483	0.0471	0.0471	0.1341
	Cargo aircraft emission strength	Grams/FTK	0.0643	0.0733	0.0963	0.1000
<b>Hydrocarbon(CH)</b>	Total emissions	Ton	186	200	194	129
<b>Carbon monoxide (CO)</b>	Total emissions	Ton	1,498	1,554	1,547	1,032

Note 1 : The air pollutants' simple emissions inventory calculations are calculated based upon the ICAO simple approach, in accordance with airports' landing-take off (LTO) cycles.

Note 2 : The source for different aircraft models' certified engine emissions data is the ICAO Aircraft Engine Emissions Databank (<http://www.easa.europa.eu/document-library/icao-aircraft-engine-emissions-databank>).



# 5-2 Climate Change

## Using the TCFD to Strengthen Climate Resilience

Task Force on Climate-Related Financial Disclosures (TCFD) develops suggestions for more beneficial and efficient climate-related disclosures. We implement the four main core elements of TCFD disclosures, which identify and control high risk factors caused by climate change and extreme climates, and expand risk monitoring to all environmental aspects. EVA Air assesses the negative impact, the impact target, and the impact strength of every major environmental risk, and discloses response measures for all currently identified environmental risks from the aspects of "the highest level of management and duties, the strategic plan, the risk management action, and the goal". We adopt active and advance projection safety management methods to prevent potential hazards, regularly review operation procedures, and list adverse weather operations in the flight crew manual. Moreover, we provide educational trainings and comprehensive information, adopt risk manage procedures and fully grasp various hazard information. In addition, we identify opportunities for the company's operations resulting from climate change. We actively establish strategies and management measures to properly and timely pursue any development opportunities with potential short, mid-, or long-term benefits to the Company's business.

INDEX	OUR ACTIONS
<p><b>Governance</b></p> <p>The Board of Directors supervises climate-related risks and opportunities.</p> <hr/> <p>The function of the management level on the assessment and management of climate-related risks and opportunities.</p>	<p>The Corporate Sustainability Committee (CSC) is responsible for implementing the Corporate Sustainability Policies and specific plans for sustainability governance. It is held quarterly to have general discussions on the aspects of economics, environment and society. A variety of issues are then passed on to each relevant team, which communicates with the stakeholders via various channels, and sets annual targets for the improvement projects. The specific implementation results of each improvement project are tracked by the CSC and reported to the Board twice every year.</p> <hr/> <p>The CSC is responsible for the proposal and implementation of Sustainability Policies, related management guidelines, and specific plans. The President serves as the chair of CSC.</p>
<p><b>Strategy</b></p> <p>The short-, mid-, and long-term climate-related risks and opportunities identified by the organization.</p> <hr/> <p>Climate-related risks and opportunities which would have major impact on the organization's business, strategy, and financial plans.</p> <hr/> <p>Describe the resilience of the organization's strategy, while taking various climate change scenarios into consideration.</p>	<p>Regulation and legal, transition, physical and other risks (as shown in the Appendix ' Climate risks and opportunities' page 135).</p> <hr/> <p>The financial impact simulation of risks and opportunities was carried out in three scenarios of 2°C, NDC and BAU, which respectively represent the transitional and physical scenarios under the heating environment of 2°C, 4°C and 6°C.</p>
<p><b>Risk management</b></p> <p>The processes of the organization's climate-related risks identification and evaluation.</p> <hr/> <p>The organization's climate-related risk management process.</p> <hr/> <p>Describe how the organization's climate-related risk identification, evaluation, and management processes are integrated into the overall risk management.</p>	<p>The CSC is responsible for identifying risks and opportunities from climate change that have potential for positive or negative impacts on operations. Strength of impact includes both financial and non-financial dimensions, with strength evaluated at one of 5 numerical levels to show the degree of impact. Possibility of impact is evaluated as the risk/opportunity for something to occur within a specific period of time, and is divided into 8 levels. When strength and possibility are converted into quantified values, and then multiplied together, they give a basis for evaluating risk and opportunity.</p> <hr/> <p>Evaluate risk control level, control costs, and plan feasibility based on the risk evaluation results, and control risks by adopting one of the four different approaches: eliminating risks, reducing risks, diversifying risks, or bearing risks.</p> <hr/> <p>Risk identification, evaluation, and management are based on the standard processes of ISO 14001 and ISO 50001, and the results are regularly reported to the CSC to be summarized, planned, and integrated into the Company's overall risk management strategies.</p>
<p><b>Metrics and targets</b></p> <p>The climate-related risk and opportunity evaluation index used by the organization in compliance with its strategies and risk management processes.</p> <hr/> <p>Disclose the emissions of Scope 1, 2, and 3 and their related risks.</p> <hr/> <p>The goals of the climate-related risk and opportunity management, and the performance of related goal.</p>	<p>Through requirements of international organization, assessment, regulations, and comparing with other airlines, we've developed different indicators to measure climate-related risks and opportunities, and management performance.</p> <hr/> <p>The GHG emissions are disclosed in the annual CSR reports in accordance with the ISO 14064-1 standard. According to the 2020 GHG inventory results, aircraft GHG emissions account for 99.75% of the overall organizational emissions; therefore, fossil fuel consumption and price fluctuations are major operational risks.</p> <hr/> <p>Comply with IATA's common targets for airlines.</p>

## Greenhouse Gas Emissions

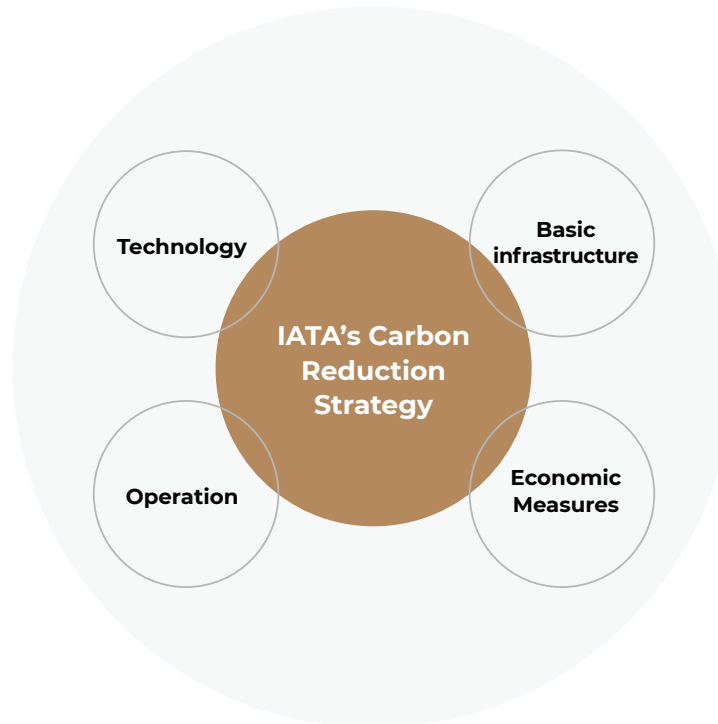
EVA Air's Sustainable Environment Promotion Sub-Committee continues to monitor domestic regulation standards and the development of Taiwan's reduction target. In terms of international participation, the Sub-Committee actively takes part in various GHG emission reduction plans, and fully supports the aviation industry's common goal of carbon reduction. Moreover, EVA Air has established carbon reduction management measures based on the IATA's four-pillar strategy: technology, operation, basic infrastructure and economic measures.

### AIRLINE INDUSTRY'S COMMON GOAL OF CARBON REDUCTION



### EVA AIR'S COMPLIANCE WITH IATA'S CARBON REDUCTION STRATEGY

- **Aircraft and jet engine technologies** →  
Maintain fleet modernization.
- **Sustainable aviation fuels** →  
There is currently no domestic supply of sustainable aviation fuel. Continue to pay attention to the progress of development, and evaluate procurement plans from foreign markets.
- **Improvement of aircraft operating procedures** →  
Implement fuel conservation measures including aircraft weight reduction, operational efficiency improvement, and aircraft maintenance.



- **Airspace management improvements** →  
EVA Air shall operate in accordance with the competent authorities' regulations.
- **Airport infrastructure improvements** →  
EVA Air shall operate in accordance with the competent authorities' regulations.
- **A global market-based measure for aviation** →  
EVA Air actively participate in related international and domestic greenhouse gas reduction mechanism. In 2017, we started the "Green Travel" program, also known as the EVA Carbon Offset Program, allowing our passengers to achieve "zero-carbon travel".

The Company has been conducting voluntary inventory of GHG emissions since 2011, and has completed a third party verification of GHG emission data with ISO 14064-1 principles in 2016 to 2019. In accordance with the emission data provided by government related projects, the quantified data mainly include aviation fuel, automobile gasoline and diesel fuels, and each office's total power consumption, to further understand and respond early to the GHG emission status and trend. Due to the characteristics of the aviation industry, GHG emissions from aircraft occupies over 99% of the overall emission. In recent years, the expansion of flight routes and the upscale of operations have caused a gradual increase in total GHG emissions annually. Despite the additional destinations, number of aircraft, and the new building in operation in 2018 and 2019, there was a slight reduction in the total emissions, which was indicative of the improved fuel and energy use efficiency of the new fleet. With the goal of improving fuel efficiency by 1.5% year by year, we estimated aircraft emissions (Scope 1) target through the predicted RPK and FTK, the 2020 target is 6,707,725 ton CO<sub>2</sub>e. The indirect emissions (Scope 2) target is 13,065 ton CO<sub>2</sub>e which is 2% decrease from emissions in 2018.

Beginning in 2020, in accordance with the requirements of the new ISO 14064-1:2018 standard, in addition to continuing to inventory direct GHG emission sources from within operations (Scope 1) and indirect energy GHG emission sources (Scope 2), we also expanded inventories of other indirect GHG emission sources (Scope 3). As passed by our external third-party inspection, total emissions for 2020 were 4,329,918 tons of CO<sub>2</sub>e. Due to the impact of the COVID-19 epidemic, the number of flights were significantly reduced in 2020, resulting in a decline in CO<sub>2</sub>e emissions.

### GREENHOUSE GAS EMISSIONS

	Unit: ton CO <sub>2</sub> e			
	2017	2018	2019	2020
<b>Direct aircraft emissions (Scope 1)</b>	6,302,431	6,258,811	6,115,529	4,309,738
<b>Direct non-aircraft emissions (Scope 1)</b>	802	1,236	873	1,245
<b>Indirect emissions (Scope 2)</b>	12,722	13,332	13,540	12,755
<b>Other indirect emissions (Scope 3)</b>	-	-	-	6,180
<b>Total</b>	<b>6,315,955</b>	<b>6,273,379</b>	<b>6,129,942</b>	<b>4,329,918</b>

- Note 1 : The GHG inventory boundary 2017 includes Nankan Park, Bonded Warehouse Building and EVA Air Taipei Building. Since 2018, the New Bonded Warehouse Building was added to GHG inventory scope.
- Note 2 : Scope 1 for aircraft operations are total aviation fuel consumption, including training flights, testing flights and maintenance.
- Note 3 : The Global Warming Potential (GWP) defined in IPCC AR4 has been chosen and correctly referred by the Organization.
- Note 4 : Indirect emissions (Scope 2) include externally-purchased electrical power, with emissions parameters of 0.554 (2017), 0.533 (2018), and 0.509 (2019-2020) kg of CO<sub>2</sub>e/kWh.
- Note 5 : Indirect emissions (Scope 3) include indirect GHG emissions produced via employee commuting, business trips, and downstream rental properties.

### FUEL EFFICIENCY AND EMISSION INTENSITY

	UNIT	2017	2018	2019	2020
<b>Passenger aircraft fuel efficiency</b>	L/100RPK	4.6816	4.5135	4.4492	13.2267
<b>Cargo aircraft fuel efficiency</b>	L/FTK	0.0925	0.0785	0.0721	0.0731
<b>Aircraft Scope 1 GHG emission intensity</b>	Ton CO <sub>2</sub> e/ 1000 RTK	0.806	0.780	0.782	0.888











- Note 1 : The fuel consumption calculation discounts a small amount of consumption for non-commercial flights.
- Note 2 : Scope 1 for aircraft is fuel consumption, including both commercial and a portion of non-commercial flight fuel consumption.

## Fuel Conservation Measures and Performance

The various fuel conservation measures at EVA Air are planned and executed by the "Environment Promotion Sub-Committee". The measures include fuel efficiency analysis of various aircraft models and selecting the most suitable aircraft models based on long-, mid-, short-range flight routes and the number of passengers. Furthermore, the fuel conservation plans involve topics such as the modernization of fleets, weight reduction of aircraft, flight operations and aircraft maintenance. In 2020, EVA Air saved a total of 13,218 tons of fuel, or an equivalent of emissions reduction of 41,636 tons of CO<sub>2</sub>e.

The occurrence of the COVID-19 pandemic in 2020 caused airlines' worldwide operational environment to become that much more difficult. Passenger transport demand dropped drastically, causing a transformation in airline operating modes. Yet in these fast-changing conditions, we have never forgotten to continuously review our fuel-savings, carbon-reduction policies, and adjust them on a real-time basis. With the premise that service quality cannot suffer, through the optimization of cabin service processes, we adjust our cabin supplies and meal service for epidemic prevention. With the increased demand for cargo transport, we have further removed passenger cabin seating from passenger aircraft and utilized those aircraft rotation. Not only is this reflected in reduction of aircraft weight, it has increase fuel efficiency to further reduce carbon emissions.

### RESULTS OF MAJOR FUEL CONSERVATION MEASURES

	UNIT	2017	2018	2019	2020
 <b>Electronic flight bag</b>	Ton	143.9	142.6	142.3	97.7
 <b>New baggage and cargo container</b>	Ton	3,044.0	3,026.9	3009.4	569.0
 <b>Remove unnecessary cabin equipment/or device</b>	Ton	11.4	27.7	25.2	4.7
 <b>Flexible adjustment of water load</b>	Ton	909.4	903.6	1003.3	790.9
 <b>Remove MICA paint coating</b>	Ton	2.3	19.1	42.1	53.1
 <b>Flight plan optimization</b>	Ton	7,091.3	7,160.5	7661.0	5,773.8
 <b>Alternate airport selection</b>	Ton	2,512.7	3,391.2	2532.5	1,806.2
 <b>Fuel policy improvement</b>	Ton	850.0	908.3	799.3	610.8
 <b>APU usage reduction</b>	Ton	4,305.5	4,999.4	2504.0	945.4
 <b>Other aircraft weight reduction measures</b> (new measures implemented during COVID-19 epidemic)	Ton	-	-	-	2566.2
<b>Total fuel savings</b>	Ton	18,871	20,579	17,719	13,218
	MJ	791,424,641	863,091,339	743,135,177	554,351,640
<b>CO<sub>2</sub>e emission reduction</b>	Ton	59,442	64,825	55,815	41,636

Note 1 : 1 ton of fuel consumption equals to 3.15 tons of CO<sub>2</sub>e emissions (source: IPCC Find EF [https://www.ipcc-nggip.iges.or.jp/EFDB/find\\_ef.php](https://www.ipcc-nggip.iges.or.jp/EFDB/find_ef.php)).

Note 2 : Aircraft Weight reduction items use actual flight fuel consumption divided by takeoff weight to calculate fuel consumption per unit weight.

## FUEL CONSERVATION MEASURES AND ACTION PLANS

### Fleet Modernization

In response to changing market demand, continue to evaluate new aircraft as replacements for aging aircraft. In recent years, we have introduced the 777 freighter and 787 passenger aircraft. Compared to previously-used models, these increase fuel efficiency by 20% (\*).

### Aircraft weight reduction

- Electronic flight bag (EFB) is used by the entire fleet to greatly reduce the amount of paper manuals and documents on board.
- Use light-weight unit load device (ULD).
- Without affecting the quality of service, unnecessary cabin equipment or service supplies will be removed. The amount of water and service supplies on board will be adjusted flexibly according to the estimated number of passengers.
- When purchasing a new aircraft or repainting an existing aircraft, a layer of mica paint is eliminated to reduce the weight of the aircraft.

### Improvement of operation efficiency

- Next generation of flight planning system is introduced, which can calculate the optimal flight route, cruise altitude, and fuel required based on the flight rules and restrictions of each flight information region (FIR) to improve flight efficiency. In addition, the most current wind data is provided to flight crew, the flight management computer can predict the optimal flight profile. At descent profile, the parameter at flight management computer is setup to give optimal descent point and let flight to stay at the optimal descent profile.
- Optimize the alternate selection at planning.
- The cargo loading is carefully planned to optimize the aircraft's center of gravity and improve fuel efficiency.
- Continue to refine the fuel policy and the flight plan fuel calculation based on the flight big data analysis results.
- Promote the use of tow truck (or tug) power and ground supporting equipment power as well as pre-conditioned air equipment to replace the use of APU (auxiliary power unit) when performing ground operations at each stations.
- Under safe conditions and the permission of air traffic control (ATC), encourage flight crews to perform continuous descent operation (CDO) in which is a practice to let aircraft continuously descent without intermediate level off and then descent. Flight crew can delay extending landing configuration in a good time or use low drag approach configuration. After the aircraft has landed, use only single engine to taxi the aircraft to the aircraft stand.

### Aircraft maintenance

- The aircraft fuselage and engine are washed periodically. The washing operation not only removes contamination on the surface of the aircraft to reduce the drag, but also lowers the engine exhaust gas temperature to improve the engine performance.
- Contract with engine manufacturer for engine overhaul service and periodically check the smoothness of the flight control surface to improve the overall fuel efficiency of the aircraft.

Note : Data source <http://www.boeing.com/commercial/>.

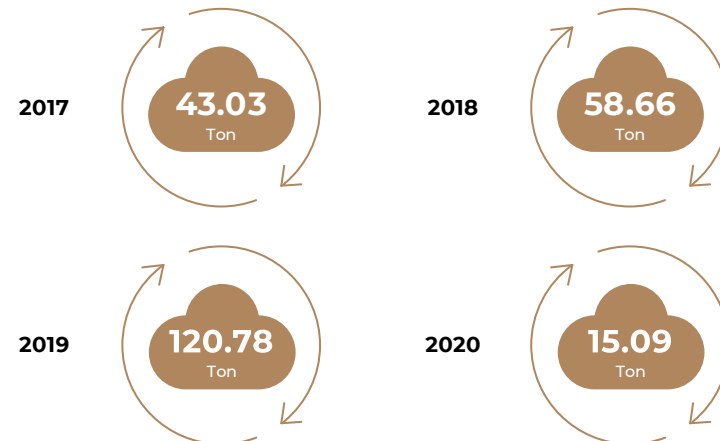
## 5-3 Carbon Offset Program

The "Green Travel" EVA Carbon Offset Program is a formal collaboration between EVA Air and ClimateCare, the renowned British climate management and sustainable development company. The carbon discharge coefficient per kilometer (or mile) for each passenger is calculated according to the carbon emissions calculation guidelines published by the International Civil Aviation Organization (ICAO), using fuel consumption and passenger capacity data of various EVA Air aircraft models. After a ticket purchased at the EVA Air global website, passengers can go to the dedicated website ([evaair.climatecare.org](http://evaair.climatecare.org)) to calculate their carbon emissions based on the seating class, flight distance, and number of passengers. The passenger may select to donate an equal or optional amount in support of ClimateCare's international carbon reduction project and complete the "zero-carbon travel".

All the carbon reduction projects through ClimateCare have been certified by independent institutions using international standards including the Gold Standard (GS) or the Voluntary Carbon Standard (VCS) in order to reduce the global carbon dioxide emissions or improve the living environment of impoverished regions. EVA Air has never received any economic benefits from these projects. Since the system went live in May 2017 until the end of 2020, a total of 237.56 tons of CO<sub>2</sub>e had been offset.

### OFFSETS, BY YEAR


Unit: Ton CO<sub>2</sub>e



# 06

PART

## Social Inclusion and Community Engagement

A photograph showing a male pilot in a white short-sleeved uniform shirt with a black tie and dark trousers running on a grassy hill. He is smiling and has his arms slightly out. Running alongside him are three children: a young boy in a pink long-sleeved shirt, a girl in a blue and white checkered dress, and another girl in a yellow and white checkered dress. They are all running towards the camera. In the background, there is a large, multi-story building with a prominent dome, likely a government or institutional building, under a clear sky.

EVA Air upholds to the spirit of “what we gain from society, we must return to society”, and actively participates in social welfare through diverse channels with the characteristics of the airline industry and own resources. We have devoted to education of flight safety and promote Taiwan to global community. In terms of charity, through working with the Chang Yung-Fa Foundation, we make the most effective use of the resources. In addition, we have sponsored arts and sports events, so that Taiwanese activities can be geared to international standards. EVA Air will continue to advance towards the goal of a better social prosperity with practical actions.

## 01 Safety Foundation

- Contents** Flight safety is the core of the airline industry; we devote to education and talent development, and share our management and practical experience to improve the flight safety culture.
- Subject** Airline industry / Employees / Students / Passengers
- Input Method** Establish the Safety Gallery / Acted as college instructors / Technology and experience sharing / Compassionate doctors on board

**Social Impact** Enhance flight safety awareness / Develop aviation talent/ Promote flight safety knowledge and technology / Provide passenger medical assistance

EVA's Public Welfare Performance	Operational Benefits			
	2018	2019	2020	
- Acted as college Flight Safety Course instructors (person-times)	153	243	254	
- Campus recruitment (persons)	88	83	0	
- Flight safety-related awards (number)	2	2	2	
Social Benefits				
2018	2019	2020		
- Visiting EVA Safety Gallery (person-times)	1,365	1,115	1,209	
- Civil Aviation Engineering Program students (persons)	179	173	168	
- Became members of Compassionate Doctors on Board (persons)	-	402	101	

## 04 Social Welfare

- Contents** Via the Chang Yung-Fa Foundation, we donate supplies and assistance to remote villages and disadvantaged groups. We also actively show concern for community development, and integrate local resources to develop tourism.
- Subject** Chang Yung-Fa Foundation / Community and media / Disadvantaged groups
- Input Method** Donate computers, cabin supply / Sponsor educational lectures and events / the disadvantaged caring and emergency relief

**Social Impact** Improve social welfare / Knowledge Diffusion / Assist community development

EVA's Public Welfare Performance	Operational Benefits			
	2018	2019	2020	
- Employee participation in joint fundraising (persons)	670	627	530	
- Joint fundraising funds (TWD)	1,155,770	1,103,300	794,000	
Social Benefits				
2018	2019	2020		
- Benefitted social welfare groups and schools (number)	34	150	115	
- Donations of replaced seating and training equipment (pieces)	-	-	2	

## 02 Tourism Innovation

- Contents** The relationship between tourism and aviation is symbiotic. Through the tourism activities and overseas promotion, we discover Taiwan's culture and local characteristics to promote international tourism and community development, flipping the economy.
- Subject** Organizers / the community / the government
- Input Method** Sponsorship for sightseeing activities / Overseas tourism promotion

**Social Impact** Boost local economic development / Invigorate Taiwan's tourism / Youth entrepreneurs returning hometown

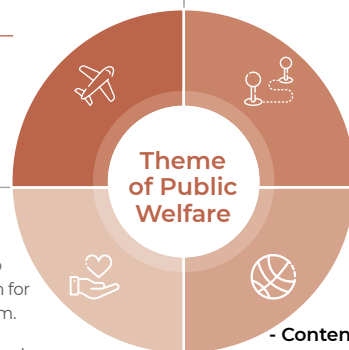
EVA's Public Welfare Performance	Operational Benefits			
	2018	2019	2020	
- Overseas tourism promotion events (instances)	3	2	0	
- Airline and tourism-related awards (number)	29	32	14	
Social Benefits				
2018	2019	2020		
- Assistance given to local / domestic tourism activities (instances)	9	10	7	
- Procurement of local agricultural produce (kilograms)	11,725	14,550	3,125	

## 03 Sports and Arts

- Contents** Sports and arts are the important foundation for the country soft power development. We sponsor international events and sports players, and assist foreign performance groups to Taiwan to promote our interaction with the world and let arts and culture enrich the soul and spirit of people.
- Subject** Organizers / Athletes / Sports teams / the general public
- Input Method** Sponsorship for international sports events / Sponsor sports players to participate in international competitions/ Sponsor international arts and cultural events in Taiwan / Hold EVA Air Half Marathon / Support literary creation

**Social Impact** Enhance art and culture accomplishment / Train sports players / Invigorate sports atmosphere / Popularize city tourism / Advance public knowledge

EVA's Public Welfare Performance	Operational Benefits			
	2018	2019	2020	
- Customer participation in athletic and arts activities (person-times)	1,063	1,230	1,193	
- Events at which EVA Air was the designated airline (number)	11	11	4	
- Registration for EVA Air Half Marathon (persons)	18,108	20,60	19,569	
Social Benefits				
2018	2019	2020		
- Assistance given to sports athletes (persons)	9	11	11	
- Assistance given to athletic teams (teams)	4	5	4	
- Assistance given to arts & cultural events	12	14	6	



Note : With the global impact of COVID-19 in 2020, we suspended the campus recruitment and overseas tourism promotion events.

	CATEGORY	VALUE (TWD)	PROPORTION (%)
<b>Resources Invested</b>	Cash	55,304,623	47.1%
	Donations in kind (airfare, airfare vouchers, etc.)	61,148,670	52.1%
	Volunteering	281,218	0.2%
	Administrative fees	589,084	0.5%
<b>Public Welfare Categories</b>	One-time charitable events	2,916,541	2.5%
	Long-term social participation	12,187,551	10.5%
	Commercially-related public welfare	101,349,201	87.0%

Note : Commercially-related public welfare includes assistance given to domestic sports athletes, as well as assistance given to domestic & international sporting events and teams, support to local tourism and education of flight safety.

## 6-1 Safety Foundation

### A. Social issues we want to improve

Flight safety is a core issue for public safety. It is also a value held in common by all of society. Only through continuous improvement of our management measures and deepened flight safety education can we build a safe, sustainable aviation transport environment.

### B. Our role & actions

Safety is our commitment to passengers. By sharing our experience and cultivating talent, we continue working hard to develop professional talent for aviation and promote flight safety education. We join hands with others in the industry, our employees, and the public at large in enhancing flight quality and safety.

### C. Major actions for 2020

- **Pilot/ Flight Attendant/ Airline Catering Experience Camps** | Through integration of our corporate core capacity, we held expert experience camps, with a total of 1,186 people participating in the events.
- **Donations of Replaced Seating and Training Equipment** | Donated many sets of replaced equipment. One example is two sets of outmoded Boeing 777 passenger seating, donated to Chaoyang University of Technology for use in educational training, with a value of TWD 330,000.
- **Talent Cultivation** | Worked with National Cheng Kung University to open the Civil Aviation Engineering Program. With joint corporate-academic effort, the program deepens specialized aviation education. By the end of the year, a total of 446 curriculum hours had been dedicated to the program, with 254 instructors involved.
- **EVA Safety Gallery** | An education center, where we promoted flight safety education, with a total of 1,209 persons visiting for the year.
- **Compassionate Doctors on Board** | EVA Air and MedLink provide travelers with healthcare quality during their journeys, with a total of 503 doctors enrolled in the program.
- **Sharing Our Safety Experience** | Collaborated with the Flight Safety Foundation to hold FORAS domestic and international forum, using non-commercial methods to promote this system to the entire aviation industry; developed the FORAC app, and in 2020, put the trial version up on the App Store and Google Play store.



## D. Where we've been



### Talent Development National Cheng Kung University "Civil Aviation Engineering Program"

In 2013, EVA Air unveiled the Civil Aviation Engineering Program in a corporate-academic partnership with the NCKU, to help advance the education of aviation professionals and nurture aviation engineering talents. 2020 marked the eighth year of the program, and EVA Air has appointed professionals in flight operation, dispatch, flight safety, and maintenance with 156 hours of lectures given. The content of the program includes Aircraft Subsystems and Operations, Aviation Safety Management and Basic Flight Operation. The students also took 290 hours of internship with EVA Air and EGAT during the winter and summer breaks. Besides offering annual scholarships for well-performing students, we also give those who have completed the program priority in hiring.

### EVA Safety Gallery

Internally, EVA Air continues to carry out safety training for our employees to ensure that our colleagues will diligently find problems, carefully look into the reasons behind them, and determinedly adopt effective improvement measures, in addition to adhering to the standard operating procedure when performing their tasks so as to ensure passenger and flight safety. Externally, we are more proactive in terms of providing social education. We not only establish a safety gallery, but also consistently promote our safety philosophy.

# Highlights



## 01 Pilot/ Flight Attendant/ Airline Catering Experience Camps

Amidst the COVID-19 pandemic, EVA Air utilized its available capacity and training resources to hold experience camps for pilots, flight attendants, and catering. Through hands-on experience, these camps helped the general public to get a real sense of how pilots and flight attendants are educated through strict training, as well as how much we care about flight safety and onboard food safety. The camps were held from October 17, 2020 to January 31, 2021, with the three main topics being held a total of 16 times; 1,186 signed up. During this time of severe pandemic challenges for the aviation industry, not only does this use our core expertise to innovate new business models, it also helps to educate consumers about how rigorously we uphold its flight safety and service principles.

## 02 Donating Replaced Seating and Onboard Equipment for Educational Use

In the past, EVA Air has donated replaced training equipment to schools for use in education, and 2020 was no exception. This year, we donated passenger cabin seating, a Boeing flight procedure trainer, and other replaced equipment to Chaoyang University of Technology. We also sent engineers to support in onsite installation and testing, thus assisting in the cultivation of civil aviation talent ready for the world.

## Compassionate Doctors on Board

EVA Air launched the "Compassionate Doctors on Board" program to enhance the flight safety of passengers, and invited the physician to join the program. When passengers have unexpected medical needs on board, the physician can provide professional medical assistance immediately. The flight information of physicians joining this program will be provided to the flight attendants on duty, and the flight attendants may consult with them if necessary to assist EVA Air and MedLink in providing medical advice to passengers. This program is also supported by Taiwan Medical Association, which jointly reviewed a total of 101 physicians joining the program in 2020.

## Sharing Safety Experience

### FORAS and FORAC App

EVA Air has worked with United States Naval Research Laboratory in developing the FORAS. The system uses information on instant crew, weather, navigating facilities and aircraft equipment to conduct risk assessment on every flight to provide the crew with current information about the flight operations risks.

Upholding the spirit of giving back to the industry, we promote FORAS to the global aviation industry with non-commercial approach. We have put forward the concept of FORAS in the past flight safety meetings and shared its own practical experience, attracting tremendous attention from the industry. We also work with the Flight Safety Foundation-Taiwan, assisting the airlines participating in the program in building the FORAS system and implement relevant training, so more airlines will be able to use this system to improve their flight risk management capacity and enhance flight safety.

EVA Air has also developed the FORAC app for free download by flight crew around the world. This helps airline companies who don't yet have the capacity to establish a FORAS system, and provides flight crews with a way to analyze the risk of the flight plan they've implemented. We introduced the app at the 2019 International Air Safety Summit; and in 2020, we put the trial version on the App Store and Google Play store to make it available to flight crew around the world.

### Military Visit

In order to help military flight safety and aircraft maintenance personnel better understand the relevant training and incident investigation, and to help the trainers understand aircrew/ground staff training content of civil aviation and practical practices of safety management, we invited military parties to visit EVA Air, and invited our persons in charge in various fields to elaborate our experience.

## 6-2 Tourism Innovation

### A. Social issues we want to improve

With the progress of times and advances in science and technology, the issues of uneven urban-rural development and talent drain have become increasingly obvious. Through its role in the international aviation industry, we help to promote various cultural heritages in Taiwan. Such efforts enable concerned industries to thrive, allow local population to recover, and facilitate balanced developments of urban and rural areas.

### B. Our role & actions

As an airline, we work with local governments, providing gratis airfare, airfare vouchers, and other resources, to promote local tourism resources in the international market. In addition, we also cooperate with tourism bureau in organizing promotion events overseas to promote the beautiful scenery and features of Taiwan.

### C. Major actions for 2020

- **Semi-Travel (Sightseeing) Flights** | In 2020, we rolled out a variety of different Semi-Travel (Sightseeing) for a total of 38 flights and a total passenger count of nearly 7,500.
- **Boosting Local Tourism** | We participated in 7 local events, and sponsored 40 gratis airfares, worth a total of c. TWD 2 million, and made donations in cash of TWD 4.84 million and in airfare vouchers worth TWD 1.5 million.
- **Overseas Tourism Promotion** | Due to the impact of COVID-19 in 2020, we were unable to do overseas tourism promotions.



# Highlights



## 01 Semi-Travel (Sightseeing) Flights

In response to the COVID-19 pandemic, countries adopted border controls which meant that people were unable to travel abroad. This impacted the travel industry severely. Therefore, EVA Air worked with the related authorities and rolled out the concept of Semi-Travel (Sightseeing) flight program, intended to satisfy people's thirst for travel and to boost the tourism industry. From August 2020 until the end of the year, we implemented many holiday themed and Evergreen Group charter Semi-Travel (sightseeing) flights. There were a total of 38 flights in this program, with a total passenger count of nearly 7,500.

## D. Where we've been

### Boosting Local Tourism

EVA Air commits to giving back to the country and local communities, and reinforcing neighborhood relations. We have a long history of helping foreign tourists learn about the passionate, beautiful land of Taiwan. Through international events and exchanges, integrated with local tourism organizations going abroad to hold tourism promotion sessions, we promote what makes Taiwan unique.

EVENT	PARTICIPATION PERIOD	SPONSORSHIP TYPE		TOTAL INVESTMENT (OR TOTAL VALUE)
		AIRFARE	CASH	
<b>Takeshi Kaneshiro Tree in Taitung</b>	2013~2020		●	Sponsored with c. TWD 1 million in cash.
<b>Taiwan International Balloon Festival</b>	2014~2020	●		155 gratis airfares of various types, with a value of c. TWD 7.26 million.
<b>Chihshang Autumn Harvest Arts Festival</b>	2014~2020	●		76 gratis airfares of various types, with a value of c. TWD 1.04 million.
<b>Taoyuan Countdown Party</b>	2016~2020	●	●	Sponsored with TWD 10 million in cash 18 gratis airfares of various types, value totaling c. TWD 720,000.
<b>Christmasland in New Taipei City</b>	2016~2020	●	●	Sponsored with TWD 9 million in cash 1 million in airfare vouchers.
<b>Taiwan Lantern Festival</b>	2018~2020	●	●	- Sponsored with TWD 500,000 in cash. - Sponsored with in-flight magazine and boarding pass ad placements, value totaling c. TWD 5.84 million.
<b>Taipei Lantern Festival</b>	2018~2020	●	●	- Sponsored with TWD 4.5 million in cash. - 3 million in airfare vouchers. - 12 gratis airfares of various types, with a value of c. TWD 400,000.

### Overseas Tourism Promotion

Due to the impact of COVID-19 in 2020, we were unable to do overseas tourism promotions. However, we continued to promote local Taiwan events and national tourism, to lower the impacts of the pandemic on Taiwan's tourism industry.

## 6-3 Sports and Arts

### A. Social issues we want to improve

Promoting athletic events and arts & cultural activities broadens people's minds and enriches their lives. It also helps to facilitate Taiwan's exchanges with international community. We've sponsored sports players and organizers of arts & cultural events for shipping training equipment and exhibit, as well as tickets for sports players and performers, thus helping reduce their financial burdens of international travel and transportation.

### B. Our role & actions

We invested in athletics sponsorships of c. TWD 91.45 million (including 248 gratis airfares in a variety of types); and donated airfare vouchers, 13 airfares, and cash for arts & culture events, totaling c. TWD 4.27 million in value. These actions helped promote popularity of sports and boosted competitors' international visibility, while promoting local cultural exchanges and broadening artistic horizons.



### C. Major actions for 2020

- **Sports Events** | We invested resources to support two athletic events and four sports teams, with sponsorships in cash of c. TWD 36.78 million and airfare vouchers worth c. TWD 7.4 million. We also provided 30 airfares in a variety of types for a total sponsorship value of c. TWD 4.08 million.
- **Sports Players** | We sponsored 11 tennis, badminton, golf, and long-distance running competitors, investing a total of TWD 1 million in cash, and 219 global unlimited business class airfares worth a total of c. TWD 43.2 million.
- **Arts & Cultural Events** | We sponsored six arts & cultural events, attracting 80,000 participants. We provided airfare vouchers worth c. TWD 1.13 million, seven gratis airfares worth a total of c. TWD 1.71 million, and TWD 240,000 in cash.
- **Literary Creation** | We sponsored four literary columns and special editions, providing TWD 950,000 in cash, and six airfares in a variety of types worth c. TWD 240,000.

### D. Where we've been

#### Sports Events

EVA Air's flight network covers the globe and we've invested resources to support local sports teams, players and events for a long time. By reinforce bilateral exchanges with sports teams and consumers in various countries, we help to promote Taiwan and EVA Air to the global community. Besides, we've held the EVA Air Half Marathon for three consecutive years from 2018. Attracting nearly 20,000 runners from the world to participate the events due to the great combination of sports and sightseeing. We also responded to public welfare by allocating a portion of the registration fees to disadvantaged groups, doing our best to fulfill our corporate social responsibility. In 2021, we will expand the event, formally making it a full marathon.

EVA Air Half Marathon	Taiwan Orient Golf Tournament
Coupe Louise Lesaffre Baking Competition	Yokohama DeNA BayStars professional baseball team
Los Angeles Angels professional baseball team	West Ham United Football Club
Oakland Athletics professional baseball team	

## Sports Players

We sponsor Taiwan's top athletes to join international competitions, providing them with airfares to reduce their economic burdens and help them attain superior records in international competitions. Athletic events help competitors to accumulate experience, while simultaneously expanding Taiwan's recognition for athletics. We do this in hopes of increasing Taiwanese people's interest in sports and building a healthy sporting environment, in order to cultivate even more outstanding Taiwanese athletes.

## Badminton

Tai Tzu-Ying, the world No.1 record holder of female badminton player, is sponsored by EVA Air. In recent years, she has been triumphant on the court with her outstanding performances. Besides Tai, we have also been sponsoring another badminton player, Wang Tzu-Wei, who has shown considerable potential. We will continuously provide sponsorships for the athletes, hoping that these Taiwanese athletes will keep delivering outstanding performances in the future.

## Golf

The excellent golf player, Pan Cheng-Tsung, is one of EVA Air's sponsored athletes, and the first Taiwanese golfer to win the PGA Tour since 1987. He has earned many impressive achievements at the international tournaments in recent years. Since 2017, EVA Air has also started to sponsor three potential golf players selected by the Swinging Skirts Golf Foundation. The three recipients of sponsorships in 2020 were Hsu Wei-Ling, Chien Pei-Yun, and Cheng Ssu-Chia.

## Tennis

EVA Air has been sponsoring Chan Yung-Jan since 2008, Chan Hao-Ching since 2012, and male tennis players Lu Yen-Hsun since 2015. With the support of EVA Air, talented Taiwan athletes can gain experience at international sporting events without financial worries. In recent year, the outstanding performance of these players also help increase Taiwan's global presence.

## Marathon Runners

Road Running has been a trend in recent years. Following the first ever EVA Air Half Marathon held in 2018, EVA Air has started sponsored Hsieh Chien-Ho and Chou Ting-Yin, two top marathon runners in Taiwan. The Sponsorship is expected to strengthen the connection between the brand and marathon event.



## Arts and Culture Activities

EVA Air has a long history of promoting arts and cultural events. Through sponsoring gratis tickets, discounted airfares, and air transportation of exhibited works of art and excess baggage, we assist organizers to invite outstanding international arts and cultural groups to perform and exhibit in Taiwan. This helps the people of Taiwan to enjoy a world-class banquet of art without needing to go abroad, and enhances national artistic & cultural literacy.

The History of Ukiyo-E: Five Great Ukiyo-e Painting Masters	57 <sup>th</sup> Golden Horse Awards
Taipei Music Academy & Festival	Harry Potter and the Half-Blood Prince Film Score Orchestra Concert
The Lion King Film Score Orchestra Concert	NCCU Golden Melody

## Literary Creation

EVA Air supports United Daily News, China Times and other media to promote high-quality columns and disperse knowledge. Through different domestic and foreign subjects, more readers can discover the vigorous vitality of Taiwan and expand their horizons.

United Daily News Column "a Crash Course on Global Affairs"	Commercial Times "Major Trends in Wealth" financial column for Spring Festival
United Daily News Vote for Most Major News Event of the Year	Sponsorship of China Times Column "Taiwan 368 - Rediscover the fascinating hometown"

## 6-4 Social Welfare

### A. Social issues we want to improve

Working with the Chang Yung-Fa Foundation for charity and social welfare, we are devoted to uphold the spirit that “what we gain from society, we must return to society”. By providing material resources and labor, we take action to help disadvantaged groups, and alleviate the difficulties that remote villages experience with material shortages.

### B. Our role & actions

With the impact of the COVID-19 pandemic in 2020, social welfare organizations also faced a fundraising drought. While fighting the pandemic, we never forgot the importance of social welfare; during 2020, we invested TWD 10.07 million in social welfare causes. In addition to cash donations of TWD 6 million, we made donations in kind of items such as in-flight service items, second-hand computers, furniture, food, and tools. We also provide service and material resources into rural village education promotions, to continue helping the disadvantaged sectors of society.

### C. Major actions for 2020

#### - Chang Yung-Fa Foundation

**Computer Donations** | Through the Chang Yung-Fa Foundation, we donated 130 second-hand computers to remote regions of Hualien. There were more than 100 social welfare organization recipients, including the Hualien Bo'ai Baptist Whole-Person Development Association, the Hualien City Civil Affairs Community Development Association, long-term care facilities, and more. Estimate the total value at c. TWD 715,000.

**Donations of In-flight Service Items and Food** | Donated more than 100,000 packages of instant noodles, cookies/chips/rice crackers, and in-flight service items. These were distributed to six remote villages and social welfare organizations: The Hsinchu County Social Affairs Department; Taipei Mental Rehabilitation Association and so on. These helped person and disadvantaged families plunged into hard times by the pandemic. Our donations totaled c. TWD 634,000 in value.

#### - Care for the Community

**“Love, and Sharing” Brilliance Program** | We sponsored the China Youth Corps in organizing the brilliance program, providing meals, transportation and a visit tour to our headquarter. This program promoted airline knowledge and educated attendees about flight safety, helped students in remote villages to learn about themselves and explore, with a total of 84 students from 22 elementary and middle schools attending.

**The Young Eagles Program** | In order to promote aviation industry education in young students, we collaborated with the China Youth Corps to organize the program. In 2020, a total of 40 students from Neizha Elementary School in Taoyuan City were invited to participate.

**Pingtung Region HappyBus 2.0** | In response to the Ministry of Transportation and Communications' Remote Village Ride-Share program, we added our strengths to enhance transportation quality in remote regions. Through real action, we gave a positive boost of energy to society. The project is scheduled to last three years; for the first year, we donated TWD 2 million for a portion of the funds to purchase an accessible medium-sized shuttle bus.

**Designated Purchase of Chishang Rice** | With the impact of the COVID-19 pandemic in 2020, the frequency of flights was cut significantly; this year's purchase of Premium Grade Chishang Rice was only 3,125 kg, for a total of TWD 750,000.

#### - Neighborhood Relations

**Adopt Highway Side Slope** | We have signed 3-year contracts to adopt the trees on the road (Land serial No. 504-1) with Taiwan Area National Freeway Bureau since 2013 and budgets for landscaping side slopes every year. Landscaping highway side slope and nearby areas helps the public enjoy good, clean roadway vistas.

### D. Where we've been

#### Chang Yung-Fa Foundation

For more than three decades, the Chang Yung-Fa Foundation has been dedicated to charitable and educational initiatives. EVA Air upholds the spirit of giving back to society by donating resources to those in need of help. The resources could be further reused, helping to improve students' quality of life, as well as the learning environment. The Foundation also manages a symphonic orchestra and developing music talents, spreading Taiwan's art and culture to the world; moreover, the Evergreen Maritime Museum was established to promote maritime culture. The Foundation's social service was brought into full play to fulfill the vision of giving back to society.

# Highlights



## Care for the Community

EVA Air has never ceased to do our utmost for social welfare; we have long put our hearts into public and social welfare organizations' activities. In the spirit of corporate social responsibility, we co-sponsored Anue's "Warmly Sending Our Love" event. Every year, we buy Premium Rice from the Chishang Farmers' Association, which we use for in-flight dining, thus bringing the wonderful tastes of Taiwan to the world. And in response to the Ministry of Transportation and Communications' Remote Village Ride-Share program, and to add our strengths to enhancing transportation quality in remote regions, in 2020 we donated to the Pingtung County Government's three-year Pingtung Region HappyBus 2.0 program. We hope to encourage even more enterprises to hop on with us in caring for our society.

## Neighborhood Relations - Adopt Highway side slope (Land serial No. 504-1)

In order to make our living environments more comfortable, since 2013, EVA Air has worked with the MOTC Freeway Bureau to sign three-year 'highway adoption' agreements (plot number 504-1). Every year, we allocate budget for side slope beautification; and at the end of 2019, we renewed the agreement until 2022. We care for cherries, Chinese hibiscus, silk floss trees, golden shower trees, and other seasonally-blooming plants; fan palms, date palms, and other tall, evergreen palm trees and grassy areas beautify highway side slope and nearby areas, thus helping the public to enjoy good, clean roadway vistas.



## 01 "Love, and Sharing" Brilliance Program

We assisted the China Youth Corps in holding the Brilliance Program, within which 84 students and parents from 22 elementary and middle schools from rural areas around Taiwan were taken to visit EVA Air. Our flight crew, cabin crew, ground staff, mechanics and more personnel guided the children on a visit to the EVA Safety Gallery, the cabin emergency evacuation trainer, and the flight simulator. By integrating social welfare into our core aviation capacity, we promote aviation knowledge and educate others about flight safety, to expand students' horizons.

## 02 The Young Eagles Program

Beginning in 2020, EVA Air proactively promoted our Young Eagles Program. Through matching with the China Youth Corps, we provided students from elementary to high school, professional school, and university levels with culture and education learning opportunities and corporate visit activities. By integrating our core specialized capacities, we promote aviation knowledge and provide students with flight safety education. We also assist students in learning about the airline industry and aviation-related occupations. This adds professional knowledge and competitiveness, while building correct professional attitudes and helping to raise the talents of next generation for the aviation industry. For the first session, we invited Neizha Elementary School for a field trip; a total of 40 teachers and students joined in the event.

# 07

PART

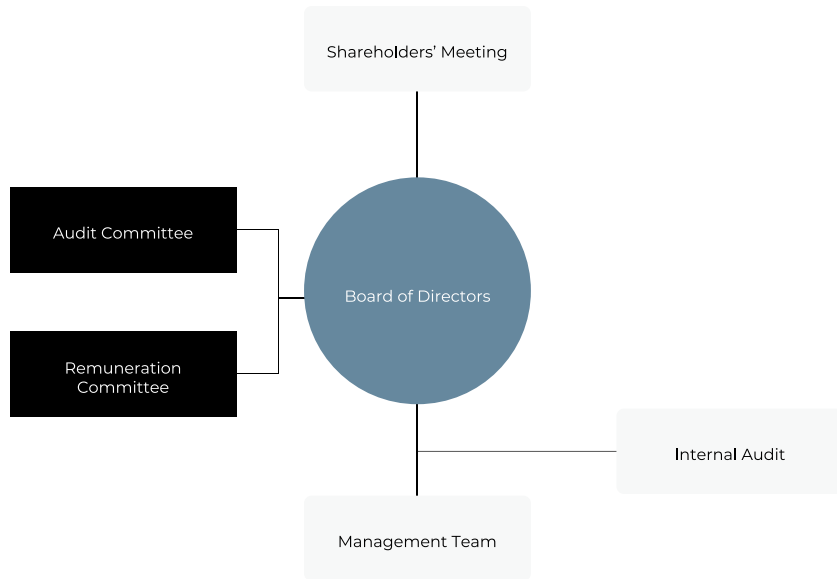
## Corporate Governance



EVA Air upholds the principle of ethical management, a sound corporate governance structure, rigorous internal control system, and excellent risk management. While strengthening the company's operating performance, EVA Air also protects the interests of shareholders and other stakeholders. As for the 7th "Corporate Governance Evaluation for Listed and OTC Companies", the Company was ranked in the range of top 5% of all selected listed companies, representing EVA Air's excellent implementation of Corporate Governance.



# 7-1 Ethical Management



## Corporate Governance Framework

The Directors of EVA Air were elected via the Shareholders' Meeting in accordance with candidate nomination system adopted in the Company's Articles of Incorporation. The Board of Directors consists of nine Directors, one of them female and three of them independent directors (one of them shall be an Independent Director Undertaking Public Welfare). Two directors' ages are under the age of 60, and the others are above 60 years old. The term of office of one Director is three years, and the average continuous term of all Directors is 4.89 years. None of the independent directors has over nine years of consecutive terms of office.




Articles of Incorporation  
Regulation for Electing Directors  
Rules and Procedures of Board of Directors Meetings

English version

Mandarin version

## STRUCTURE AND OPERATION OF THE BOARD OF DIRECTORS

The Chairman of EVA, whose main duty is to supervise the management level to ensure that the business operation conforms to the business philosophy of EVA Air. The President, whose main duty is to lead the management team to ensure that the business is fully implemented under the instructions of the Board of Directors. To ensure that the responsibilities of the two do not contradict with each other, the Chairman of EVA Air does not hold the concurrent post of President.

A Board of Directors Meeting is convened at least once a quarter; however, in case of emergency, the meetings may be convened at any time. The Board of Directors shall execute its duties in accordance with the Company Act, the Securities and Exchange Act, as well as the Articles of Incorporation, and are also responsible for making resolutions concerning the Company's business. To avoid the occurrence of conflicts of interest, the Board meetings shall be carried out in accordance with the "Corporate Governance Best Practice Principles" and "Rules and Procedures of Board of Directors Meetings". If a director or a juristic person represented by the director is an interested party with respect to any proposals listed in a board meeting, the director shall state the important content of such interest at that board meeting. If it may harm the interests of EVA Air, the director cannot participate in the discussion and voting, and shall excuse him/herself from the discussion and voting. He/she also cannot act as another director's proxy to exercise voting rights on that matter.

The independent directors of the Company, according to Article 24 of "Corporate Governance Best-Practice Principles", shall not hold office concurrently as a director (including independent director) or supervisor of more than five other listed companies, and also shall not concurrently serve as an independent director of more than three other public companies. For the detailed information of each director's other positions, please refer to P.22-28 of the 2020 Annual Report.

The remuneration of each Board member has been resolved by the Remuneration Committee to ensure that it is reasonably connected with each board member's performance. In addition, in order to implement corporate governance, in accordance with the company's "Stock Ownership Guidelines for Senior Managers who hold Director Positions ", the senior managers who hold director positions shall hold at least 100,000 shares of the company so that their interests are connected with the Company's long-term operating performance and the shareholders' interests.

## DIVERSIFICATION OF DIRECTORS

The members of the Board all have a certain level of cognition of risk management based on their educational backgrounds and experience, and the composition of the board shall be determined by taking diversity into consideration, such as gender, age, nationality, race, and culture. The convener of the Audit Committee, Mr. Hsu, Shun-Hsiung, who holds the CPA qualifications in both Taiwan and China, served as the Chairman of the 1st and 2nd term of Association of Certified Fraud Examiners, and also has the professional qualifications of Certified Fraud Examiner. His expertise and relevant experience bring significant benefit to the implementation and improvement of the Company's risk management. Every year the Company holds training sessions for the Board depending on the industrial characteristics and the needs of each board member, and also provides directors with information of training courses and forums organized by the competent authority and training institutions. For the detailed information of each director's training situation, please refer to Market Observation Post System.

The relevant industry experience of each director is classified as follows according to GICS Level 1:

(Global Industry Classification Standard,GICS) Level 1	Lin, Bou-Shiu	Chen, Hsien-Hung(*)	Ko, Lee-Ching	Tai, Jiin-Chyuan	Sun, Chia-Ming	Liao, Chi-Wei	Chien, You-Hsin	Hsu, Shun-Hsiung	Wu, Chung-Pao
Energy									
Materials			●						
Industrials	●	●	●	●	●	●			
Consumer Discretionary							●		
Consumer Staples									
Health Care									
Financials			●	●			●	●	
Information technology	●							●	●
Communication Services									
Utilities									●
Real Estate									

Note : Corporate director, Evergreen Marine Corp. (Taiwan) Ltd., has re-appointed Mr. Chen, Hsien-Hung instead of Mr. Chang, Kuo-Hua as its representative and the Director of EVA Air from Feb. 1, 2021.

### SELF-EVALUATION OF PERFORMANCE OF THE BOARD OF DIRECTORS

To enhance the functions of the Company's Board of Directors in accordance with the "Regulations Governing the Board Performance Evaluation" formulated by the Board of Directors, the Board of Directors shall carry out an internal board performance evaluation at least once a year. In addition, the board performance evaluation may be conducted by an external independent professional institution or a panel of external experts and scholars at least once every three years. Self-evaluation of Performance of the Board of Directors, Self-evaluation of Performance of Members of the Board of Directors (for themselves) and Self-evaluation of Performance of the Functional Committees had been implemented in 2020, the results are as follows:

2020 SELF-EVALUATION OF PERFORMANCE OF THE BOARD OF DIRECTORS	SELF-EVALUATION OF PERFORMANCE OF THE BOARD OF DIRECTORS	SELF-EVALUATION OF PERFORMANCE OF MEMBERS OF THE BOARD OF DIRECTORS (FOR THEMSELVES)	SELF-EVALUATION OF PERFORMANCE OF THE FUNCTIONAL COMMITTEES
<b>Overall Average Score (3 points for full marks)</b>	2.97	2.97	3
<b>Results</b>	Good	Good	Excellent

Note : Under 2 points means "Requiring Improvement", 2-3 "Good", and 3 "Excellent".

### FUNCTIONAL COMMITTEE OF THE BOARD OF DIRECTORS

In order to enhance supervision and strengthen management, EVA Air set up the functional committees such as Remuneration Committee and Audit Committee under the Board of Directors. For the detailed information of duty and the state of operations of each functional committee, please refer to EVA Air's website.

#### - REMUNERATION COMMITTEE

The Committee, which consists of entire independent directors, assists in formulating and periodically reviewing the performance evaluation and remuneration policies, systems, standards and structures for the directors and managers, and also periodically evaluates and determines the remuneration of the directors and managers. The term of office of the current Committee members is from May 27, 2020 to May 26, 2023. Three meetings were convened in the year 2020, and the average attendance rate of all Remuneration Committee members is 100%.

#### - AUDIT COMMITTEE

EVA Air established the "Audit Committee" on June 26, 2017, which consists of entirely independent directors, with at least one with accounting or finance expertise. The Committee helps to supervise the fair presentation of the Company's financial reports; appointment of accountants, as well as the independence and performance of the accountants; the effective implementation of the Company's internal control system; and corporate risk management. The term of office of the current Committee members is from May 27, 2020 to May 26, 2023. Seven meetings were convened in the year 2020, and the average attendance rate of all Audit Committee members is 100%.

## Ethical Management and Code of Conduct

Since its establishment, EVA Air has upheld the corporate spirit of “challenge, innovation, and teamwork”, and has taken “safety, service, and sustainability” as its core values. EVA Air also follows concerning regulations to formulate “Codes of Ethical Conduct”, “Ethical Corporate Management Best Practice Principles”, “Procedures for Ethical Management and Guidelines for Conduct”, “EVA Antitrust Policy and Guidelines”, “Information Security Policy”, “Corporate Social Responsibility Best Practice Principles”, “Supplier Code of Conduct”, etc. In 2020, EVA Air refers to UN Global Compact, ILO, OECD, SA8000, ISO 26000, GRI and UN Guiding Principles on Business and Human Rights to formulate the “EVA Air Code of Conduct” as the highest guideline for conduct and ethics in the daily tasks of business ethics, environment, human rights/labor, safety and health and so on. The Code is applicable to the Company, its subsidiaries and its suppliers.



EVA Air Code of Conduct

Above-mentioned “Code of Conduct” and related regulations has been disclosed on the company's internal and external websites for interested parties and employees to consult at any time. The company abides by laws and regulations such as occupational safety and health, information security, etc. and selects appropriate topics that are in line with current events and emerging social issues or trends to provide regular training to employees so as to communicate the Company's Code of Conduct and ensure that all employees fully understand the behavioral guidelines. From 2018 to 2020, the annual completion rate is 100%.

### EVA AIR CODE OF CONDUCT COURSE SERIES

COURSE NAME	2018			2019			2020		
	NUMBER OF TRAINEES	TRAINING HOURS	COVERAGE (%)	NUMBER OF TRAINEES	TRAINING HOURS	COVERAGE (%)	NUMBER OF TRAINEES	TRAINING HOURS	COVERAGE (%)
<b>Ethics and Integrity Management Training</b>	-	-	-	-	-	-	11,073	0.3	100%
<b>Information Security Training</b>	-	-	-	11,503	2	100%	10,952	2	100%
<b>Occupational Safety and Health Training</b>	9,024	1	100%	9,098	1	100%	9,034	1	100%

Note : The above coverage rate is the same as completion rate, and the formula is as follows:

1. Ethics and Integrity Management Training, Information Security Training: Number of trainees/ Number of permanent employees. The base date for counting is the day of training.
2. Occupational Safety and Health Training: Number of trainees/ Number of permanent employees in the Taiwan. The base date for counting is the day of training.

In addition, the Company also arranges a series of code of conduct courses in the training of new recruits, such as ethics and integrity management training, antitrust laws compliance training, information security training and occupational safety and health training, etc. The written acknowledgement of the ethics and integrity management will be made at the end of the course. From 2018 to 2020, the written acknowledgement rate based on the number of new recruits signing up to the total number of employees were 27.6%, 30.1%, and 30.5%. Moreover, in view of the fact that suppliers and subsidiaries are important operating partners of EVA Air, the Company has successively required suppliers and subsidiaries to implement relevant codes of conduct in order to further instill EVA Air’s requirements. The current agreement signing rate is 100% for suppliers and 44% for subsidiary companies. For details, please refer to page 20 of this report. The goal for 2021 is 100% signing of all employees, suppliers and subsidiaries.

E-mail and Phone Number	Responsible Div./ Dept.
Mailbox for Ethics Consultation and Violations Reporting evapsn@evaair.com	Human Resource Div.
Mailbox for CSR csr@evaair.com	Corporate Safety, Security & Sustainability Div.
Sexual harassment complaint channel 134@evaair.com Ground staff hotline 03-351-5113 Flight crew hotline 03-351-5916. 03-351-5886 Cabin crew hotline 03-351-8805. 03-351-8806	Occupational Safety & Health Div. Human Resource Div. Flight Crew Management Div. Cabin Crew Management Div.

In order to prevent and avoid any unethical, dishonest, or violations of the “EVA Air Code of Conduct” and related regulations, EVA Air has set up reporting, enquiry and communication channels on the Company's internal and external websites, and encourages internal and external personnel to report guideline or regulatory violations or provide relevant suggestions to EVA Air at any time.

After accepting the case, the responsible unit of each mailbox or hotline will instruct the responsible unit to handle or investigate according to the nature and content of the case. The Company promises to keep the identity of the informant and the content of the report confidential information, and promises to protect the informant from improper treatment due to the report. If, after investigation, it is found that there is a case of non-compliance with the Code of Conduct, including the failure of persons with supervisory responsibility to report wrongful conduct, the Company shall implement disciplinary actions in accordance with the labor contract, internal disciplinary regulations and procedures, including dismissal. From 2018 to 2020, there were 7 cases of violation of the Code of Conduct.

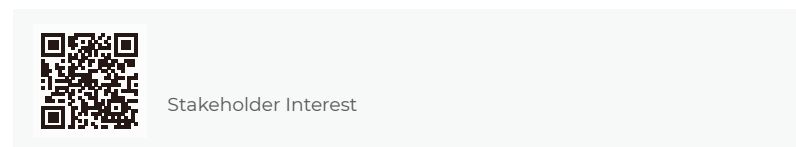
CODE OF CONDUCT CASE STATISTICS	2018		2019		2020	
	NUMBER OF CASES ACCEPTED	NUMBER OF CASES CLOSED	NUMBER OF CASES ACCEPTED	NUMBER OF CASES CLOSED	NUMBER OF CASES ACCEPTED	NUMBER OF CASES CLOSED
Corruption	0	0	0	0	0	0
Privacy protection	0	0	0	0	0	0
Fair trade	0	0	0	0	0	0
Discrimination	0	0	0	0	0	0
Sexual harassment	1	1	1	1	5	5
Other	0	0	0	0	0	0
<b>Total number of violations</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>5</b>

Note : Case handling results and mitigation measures in 2020: Based on the severity of the case, perpetrators were issued administrative sanctions and required to attend training courses such as gender equality courses. The Company's system was also adjusted according to the situation, and victims were given material compensation or psychological counseling. For details of case handling situations and mitigation measures, please refer to the Labor Rights section on page 75 of this report.

To fulfill the spirit of anti-corruption, the probability of corruption for 26 of EVA Air's operating locations around the world that scored below the global average score (43) was analyzed. The analysis was conducted in accordance with the corrupt practices as defined in EVA Air's Ethical Corporate Management Best Practice Principles and Codes of Ethical Conduct; and by referring to the Transparency International Corruption Perceptions Index 2019 for the survey results of the perceived levels of corruption in 180 countries around the world. Between 2016 and 2020, the Auditing Div. conducted internal audit at 25 locations and found no corruption cases; the audit ratio was 96%.

## Communication Channels

To provide clear communication channels for stakeholders, a specific page for stakeholders (<http://www.evaair.com/zh-tw/stakeholder-interest/>) is set up channels for various response matters and identity categories. Communications with various stakeholders are reported to the board of directors every year, and are disclosed on the stakeholder interest area of our official website.



Mailbox for CSR	Issues related to CSR and responses.
Investor Column	Issues related to investors and responses.
Customer Column	Issues related to passenger & cargo service and responses.
Employee Column	Issues related to employees and responses.
Supplier Column	Issues related to suppliers and responses.
Mailbox for Ethics Consultation and Violations Reporting	Issues related to Company's business ethics, integrity management and responses.

## STATISTICS ON CASES RECEIVED FROM STAKEHOLDERS

MAILBOX	NO. OF CASES RECEIVED				NO. OF VALID CASES				NO. OF CASES HANDLED				NO. OF CASES RESOLVED			
	2017	2018	2019	2020	2017	2018	2019	2020	2017	2018	2019	2020	2017	2018	2019	2020
Ethics Consultation and Violations Reporting	22	46	252	125	0	0	0	0	0	0	0	0	0	0	0	0
Social Impacts	0	0	16	6	0	0	16	6	0	0	16	6	0	0	16	6

Note : Starting from 2021, the social impact mailbox is merged with the corporate social responsibility mailbox to simplify the channels for stakeholders' feedback.

## MAJOR LAWSUIT

After considering the follow-up legal cost and risk in the air transportation antitrust class action lawsuit in the US, EVA Air agreed to settle the case with the plaintiff by paying twenty one million US dollars through the resolution of the Board meeting held on February 7, 2018. The information was posted on the material information of Market Observation Post System, and the amount of the settlement was recognized in the financial statements of 2017 and would be paid in four installments within three years to reduce the impact on the operation of the Company; the case has been paid off on June 30, 2020. The Company reached a settlement with the plaintiff based on the consideration of the follow-up legal cost and minimum loss. It does not mean the Company admitted to any intentional or negligent behavior that caused the damage to the plaintiff. The Company is committed to the implementation of antitrust compliance guidelines and to their publicity to all its employees to protect the rights and interests of the Company and shareholders.

## Sound Internal Control

EVA Air has formulated “Internal Control System of EVA Air” and “Internal Audit Implementation Rules of EVA Air” as the basis for its internal audit implementation with its operating pattern in the airline industry, according to “Regulations Governing Establishment of Internal Control Systems by Public Companies” promulgated by the Financial Supervisory Commission (FSC)

The Auditing Div. of EVA Air is an independent unit affiliated with the Board of Directors. There is one Audit Supervisor and eight full-time auditors. The auditors are all the senior members of various units of the Company. Besides having applicable qualifications as required by the FSC, the auditors continuously take professional courses every year related to internal audit. The Auditing Div. is responsible for the inspection and evaluation of the Company's internal control, and assists the Board of Directors and managers in checking and reviewing the internal control system of the Company.

The Auditing Div. draws up the annual audit plan in accordance with the risk assessment results every year, submits it to the Board of Directors for approval, checks and evaluates the implementation of internal control, and provides timely suggestions for improvement to ensure the sustained and effective implementation of the internal control system. In addition, the Auditing Div. verifies self-assessment reports of various units and subsidiaries of the Company in accordance with the regulations each year, and provides the verified reports together with the aforementioned internal audit results and improvement condition to the Board of Directors and General Manager as the basis for their assessment of the effectiveness of the overall internal control system and issuance of the statement on internal control system.

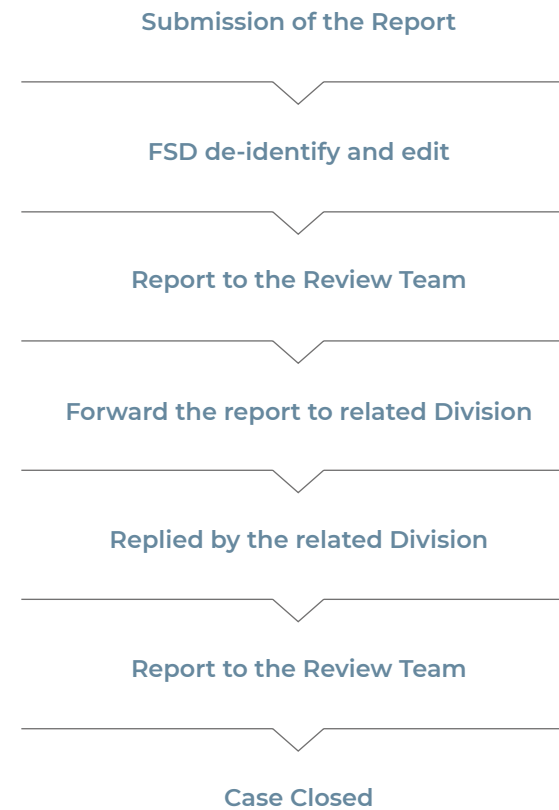
### AUDITS OF VARIOUS CYCLES IN THE INTERNAL CONTROL SYSTEM

Supervision and Management Audits of Subsidiaries.	<b>9 items</b>	Audits of Various Cycles in the Internal Control System.	<b>17 items</b>
Audits of Management Control.	<b>9 items</b>	Audits of Lending of Capital, Endorsements and Guarantees.	<b>4 items</b>
Audits of Stock Services.	<b>12 items</b>	Audits of Derivative Transactions.	<b>12 items</b>

## Enterprise Risk Management

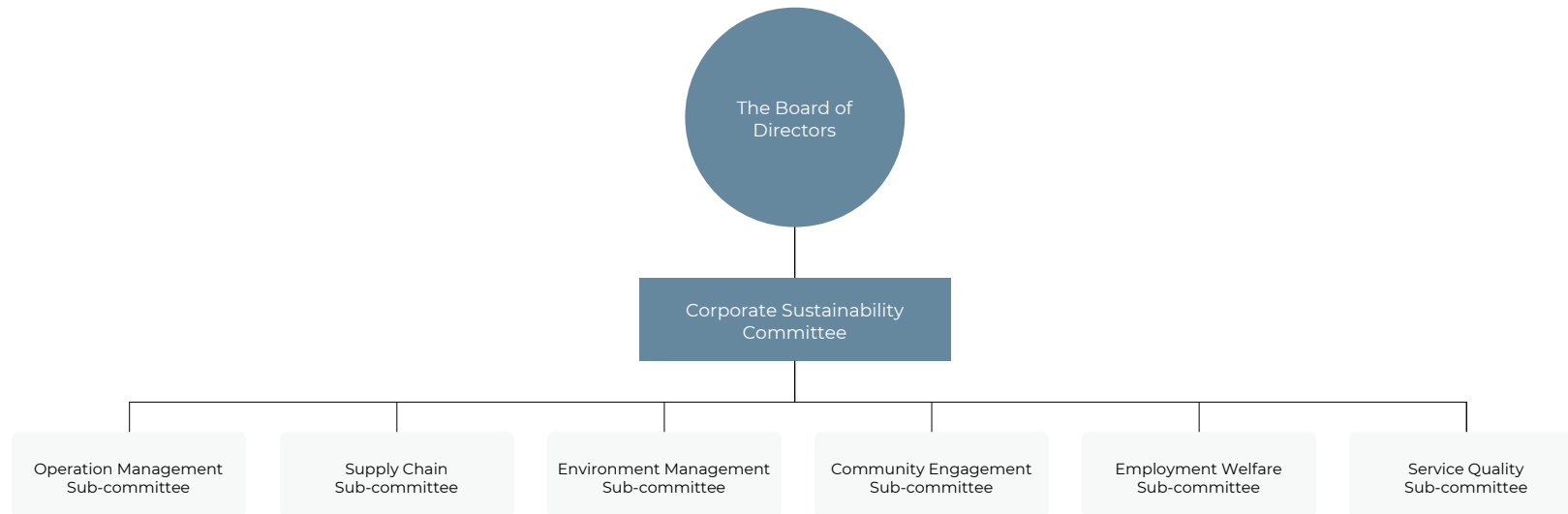
In order to improve and implement the risk management mechanism, the Company has established the “Risk Management Policy and Procedures” to carry out risk management aimed at uncertain factors that may threaten the Company's operations, improve the efficiency in division of labor in risk management, and ensure the achievement of the Company's operational goals.

### FLOW CHART OF SAFETY REPORT PROCESSING



## RISK MANAGEMENT FRAMEWORK

The Board of Directors is the highest supervisor for EVA enterprise risk management, and continues to oversight the effectiveness of the risk management mechanism in accordance with the overall corporate strategy and programs. The “Corporate Sustainability Committee” is responsible for implementing enterprise risk management related matters, integrating and supervising the implementation of risk management policies as well as the implementation and improvement progress of risk control by various competent departments, and reporting the operational status to the Board of Directors on a regular basis. In addition, it is to implement the confirmation, evaluation, management and disclosure of risk categories for economic (including corporate governance), environmental, social risks, and other dimensions of risk that may be faced in the operational process in accordance with the principle of materiality. For the sub-committee of “Operation Management”, “Supply Chain”, “Environment Management”, “Community Engagement”, “Employment Welfare” and “Service Quality” subordinate to the Committee, each of the competent units is to identify its possible risk factors and assessment methods to implement risk management, propose the mitigation and response plan, and report the risk and response plan to the Corporate Sustainability Committee on a quarterly basis. The five major risk categories of the Company are strategic, operational, financial, environmental and other risks.



Strategic Risk	Include the risks that may affect the Company due to changes of dimensions in the international political and economic situation, trends in industrial development, competition among the same trade or different industries, brand image, intellectual capital, etc.	Environmental Risk	Include risks related to issues of greenhouse gas emission management, carbon rights management, energy management and others derived from the theme of coping with climate change and natural disasters, as well as risks of the need to conform to international and local environmental protection laws and regulations or environmental assessment requirements, etc.
Operational Risk	Include possible impact on operations, such as market changes, flight safety, information security, personal data protection, labor relations, legal compliance, supply chain management, and other risks that may cause company losses.	Other Risks	Refer to various risks that are not included in the items mentioned above, but risks, such as long-term emerging risks; major external, uncontrollable or non-man-made hazards, will cause the Company to incur significant losses. In addition, appropriate risk control and handling procedures for other risks shall be established based on the characteristics of the risks and the level of impact.
Financial Risk	Foreign exchange risk, investment risk, capital risk, liquidity risk, credit risk, hedging operations, etc., that may cause possible losses.		

## RISK EDUCATION AND TRAINING

Risks exist in every operational areas. EVA Air is well-known in the industry for its seamless safety record and has ranked among the best in international indicator evaluations over the years. To fulfill the core elements of hazard identification and risk management in its safety management and implant the mindset of safety into the DNA of all its employees, the Company requires all its employees to receive the "Aviation Safety Basic Training". In addition, grassroots classes and managerial classes in "SMS Management Courses" are conducted for relevant operations personnel. In 2020, a total of 356 people were trained and completion rate was 100%. For details, please refer to page 71 of this report. In 2020, various responsible departments also set up education and training courses on operations related risks. A total of 77 people completed the occupational safety and health hazard/risk assessment training, and a total of 10,952 people completed the information security related training, which is a 100% coverage of all employees. For details, please refer to page 114 of this report.

## INCREASING RISK AWARENESS



### SAFETY WEEK

Since 1996, EVA Air has been organizing the Safety Week event every year. By promoting various activities, it hopes to deeply plant the mindset of safety into every employee. To date, the Company has held the event for 25 consecutive years. The theme of Safety Week 2020 was "Safety never changes even the world does, we never quit even the pandemic is severe." With the COVID-19 pandemic, the aviation industry is facing major impacts and challenges. Through the annual Safety Week activities, we hope to inspire resilience in our employees. From formulating strategies, adjusting attitudes to implementing actions, we are able to uphold the spirit of "Safety never changes even the world does, we never quit even the pandemic is severe". Only with prompt adjustment in the face of difficulty, full creativity, and proactive preparation can our organization remain highly competitive and achieve our goal of corporate sustainability.



### CORPORATE SAFETY CULTURE SURVEY

Since 1998, a safety culture questionnaire survey is conducted once every three years. Through the safety culture questionnaire, the Company's safety culture and risks are analyzed, and appropriate adjustments or strengthening measures are proposed accordingly to enhance the sense of mission and responsibility towards overall safety, thereby creating and solidifying a high-quality safety culture. The results of the 2000- 2018 questionnaire survey showed that employees believe that the Company has established a positive safety culture (93-125 points / full score is 125 points). The survey results were reported to the Safety Promotion Committee, and specific suggestions were made for improving items with lower scores. The next safety culture questionnaire survey is expected to be carried out before the second quarter of 2021.



## EMERGING RISK IDENTIFICATION

With the increasing regulatory requirements of global aviation authorities, climate change, information security, political influence, the rapid development of emerging technologies, etc., the risks faced by enterprises are accompanied by uncertainties. Furthermore, "emerging risks" are undoubtedly one of the important issues that require airlines to be cautious with the assessment, which needs further identification, analysis, and formulation of response measures in order to respond to new forms of potential risks as soon as possible as well as to reduce the impact on operations.

With reference to the "The Global Risks Report" published by the World Economic Forum (WEF) at the beginning of each year, the Corporate Sustainability Committee (CSC) incorporates identified emerging risks into risk management, conducts investigations on risk factors aimed at each department in the first quarter of each year, integrates risk mitigating actions formulated by related departments, and regularly reports the results to the Board of Directors.



## EMERGING RISK IDENTIFICATION RESULTS

<p><b>Pandemic</b> Societal / The COVID-19 pandemic has made countries around the world to implement strict border control measures, severely impacting the tourism industry.</p>	<p><b>Cyber Attack</b> Technological / With the advancement of technology, the operation of business relies heavily on Internet and network systems to perform their work. If they are attacked by hackers, huge losses will be resulted.</p>
<p><b>Impact on Our Operations</b></p> <p>The closure of borders by various countries has led to restrictions on business and tourism activities, and reduced willingness to fly by the general public. Airlines need to modify service procedures and evaluate the introduction of new types of aircrafts using antibacterial materials in the future that will increase costs accordingly. Long-term grounding of aircrafts as well as the decreased workload of personnel resulting in decreased familiarity will affect the overall operational risk.</p>	<p><b>Impact on Our Operations</b></p> <p>The Company holds a large number of passenger data, and the procedures and operations require network connections to perform. Failure to properly protect them will cause substantial losses and even the interruption of operations.</p>
<p><b>Mitigating Actions</b></p> <ul style="list-style-type: none"> <li>- During the pandemic, the Company has implemented pandemic prevention and disinfection operations for every flight. In addition, in order to prevent, control and reduce the risk of bacteria spreading on the aircraft, aircraft manufacturers have begun to conduct research and development as well as the testing of antibacterial materials. The Company will continue to pay attention to the relevant research and development results aimed at antibacterial materials for cabins and introduce them timely so as to provide passengers with a more secure flight environment.</li> <li>- Depending on the development of the pandemic, the Company has flexibly implemented various work methods, such as work from home or remote office, streamlined work processes, systematized the businesses to ensure the effective operation of the key business, and adjusted the organization and manpower to mobilize support and transfer manpower in front-line units to other departments for learning cross-field functions.</li> <li>- It is to enhance functional training for the air and ground handling departments, make good use of diversified online learning channels, and hold cross-departmental seminars to strengthen the basic functions and professional skills of all employees so as to benefit the career planning of employees and to cultivate all-round talents as well.</li> <li>- With regard to the low utilization rate of the Company's A321 fleet due to the pandemic and according to the aircraft maintenance requirements of the Airbus manufacturing plant, for aircrafts that have been suspended from flying for a long time, in addition to carrying out daily aircraft maintenance management and inspections, the additional Special Work Order checks and operations shall be performed every 7 days to optimize the aircraft system and maintain the airworthiness of the aircraft so as to ensure that when the pandemic subsides, the fleet capacity can be swiftly restored.</li> </ul>	<p><b>Mitigating Actions</b></p> <ul style="list-style-type: none"> <li>- The Company has passed ISO 27001 Information Security Management System Certification. To ensure the confidentiality, integrity, availability and legality of information assets, avoid internal and external deliberate or accidental threats, and take into account the Company's development needs, EVA Air has formulated the "Information Security Policy" to cover areas such as organization and personnel management, information asset classification and personal data management procedures, audit supervision and risk assessment, regulatory compliance and other information security requirements, entity and environmental security, access control and system development/maintenance, technical vulnerability and operational record management, awareness advocacy and education &amp; training, information security incident response and continuous operation management.</li> <li>- The new-generation aircraft uses IP technology in avionics systems to upload or download data to the aircraft wirelessly. The operation of EVA Air's fleet is conducted in accordance with the regulations and authorizations of the Civil Aeronautics Administration (CAA), MOTC. EVA Air formulates policies, standard operating procedures, training requirements and guidelines, and conducts SMS (Safety Management System) assessments for possible aircraft cybersecurity threats. It established a comprehensive aircraft cybersecurity plan to reduce cybersecurity risks to a controllable level, ensuring the continued airworthiness of the aircraft.</li> </ul>

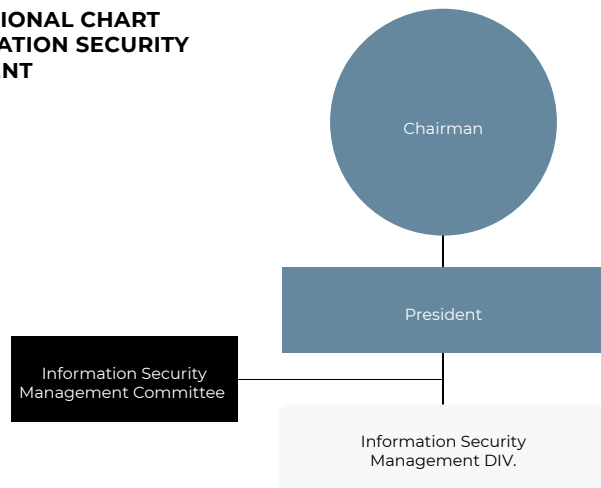
## 7-2 Information Security and Privacy Protection

### INFORMATION SECURITY POLICY AND MANAGEMENT FRAMEWORK

To ensure the confidentiality, integrity, availability and legality of information assets, and to avoid internal and external threats from deliberate or accidental threats, we have also formulated the "Information Security Management Policy" while simultaneously taking into consideration the business development needs of the Company. All Company employees and partner vendors and their employees, temporary employees and visitors who have business dealings with the Company are expected to abide by this policy and the regulations and procedures of relevant management mechanisms. EVA Air's information security policy is reviewed at least once a year to ensure compliance with relevant laws, regulations and the latest development in information security, and amended when necessary.

In terms of management structure, the Information Security Management Division is responsible for formulating the overall information development strategy, formulating information security and privacy protection policies, planning regulatory compliance, supervising risk assessments and management, managing information security objectives and coordinating information security incidents, and report to the Company's Chair of Board and President. The top executive of the Information Security Management Division (Huang Hui-Chin) is the Chief Information Security Officer, who has a background in information technology and experience in the e-commerce, membership and passenger businesses of an information department. The Chief Officer has recently served as a GDPR project manager and an ISO 27001 verification project manager. The Information Security Management Committee comprises top executives from the Computer Division, the Audit Division, the Human Resources Division, the Legal & Insurance Division and the Digital and Information Planning Department to direct information security development strategies and dictate the direction of information security issues.

### ORGANIZATIONAL CHART OF INFORMATION SECURITY MANAGEMENT



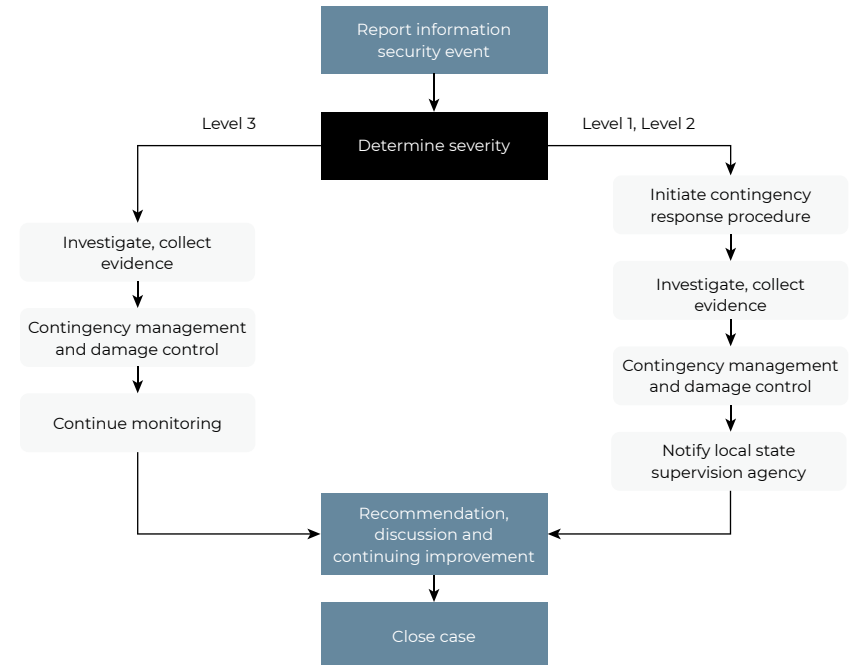
The Company's board of directors includes directors with information technology background and makes decisions on major information security issues during board meetings.

Lin Bou-Shiu	Department of Computer Science and Information Engineering, Tamkang University.
Wu Chung-Pao	Chair of Board, Protech Systems Co., Ltd. Master of International Business, National Taiwan University.

### REPORTING CHANNEL AND PROCEDURE FOR EMPLOYEES

All employees in the Company should immediately notify the reporting window when information security events occur. An emergency hotline is provided instead during the off-hours. The corresponding team will report to the division head upon receipt and confirmed it constitutes an information security incident. The Chief information security officer (CISO) will then preliminarily determine the severity of the incident as Level 1, Level 2 or other special considerations, and report to the Information Security Management Committee. Based on the decisions of the Committee, the CISO will initiate a contingency response procedure, and convene an information security contingency meeting comprising relevant authorities and responsible units. The status of damage, contingency measures and resolution proposal would be the main purpose of this meeting.

Employees violating information security regulations and digital information system usage regulations will be punished in accordance with employee management regulations according to the severity of the violation.



## Information Security Drill Frequency and Outcome

All core business systems have business continuity plans, and all systems and data backups have remote or same-site redundancy mechanisms. In addition, the remote/ same-site recovery time objective (RTO) is set to be no greater than the Maximum Tolerable Period of Disruption (MTPD). Drills for core business systems are conducted at least once a year. Through the drills, the appropriateness and availability of the business continuity plans are verified to ensure the continuous operation of core businesses.

Business Domain	System	Frequency of Drill
Passenger reservation and ticketing	Altéa Reservation Desktop Web.	Annually
	Altéa Customer Management.	Quarterly
Passenger check-in	Auto Check-In and Common-Use Self-Service.	Annually
Cargo reservation and operation	New CargoWing.	Annually
Information technology infrastructure for supporting core passenger and freight system	-	Semi-annually

The Information Security Management Division conducts at least one information security drill each year to ensure that in the event of an information security incident, the responsible unit can grasp information in the shortest possible time through the reporting process, make real-time judgments and take necessary contingency measures to reduce the extent of damage. The outcomes achieved through the drill include ensuring the appropriateness and availability of the contingency procedure, increasing the information security awareness and response capability of employees, and strengthening the communication and coordination between responsibility units.

### INFORMATION SECURITY EDUCATION AND TRAINING AND INFORMATION SECURITY IMPLEMENTATION EFFECTIVENESS

In order to establish basic information security mindset in employees and enhance their information security awareness, and reduce information security incidents and the damage caused by information security incidents, we conduct social engineering drills, education and training in various departments and division both at home and abroad, organize information security lectures on “How to Implement Information Security Management” during Safety Week, share on the Company website from time to time, and promote information security news and information security information.

Furthermore, we conduct at least 2 hours of online education and training courses on information security issues for all employees each year. Based on their job duties, our information security personnel organize internal and external training courses on hacking technology, information security analysis and practice, network vulnerability assessment, web programming security, monitoring technology, threat intelligence analysis, and information security response and forensics. Training hours range from 3 hours to 40 hours. Information security education and training in 2020 were as follows:

	NUMBER OF TRAINEES (PERSON)	TOTAL TRAINING HOURS (HOURS)	COVERAGE RATE (%)
General employee	10,952 (*)	21,904	100
Information security personnel	6	164.5	100

Note: Trainees excludes resigning employees, employees on leave without pay, employees on long-term leave of absence, and personnel with special job attributes.

Moreover, to ensure the effectiveness of the information security management system, information security monitoring and management indicators were established to achieve information security goals. The information security indicators are divided into six management objectives, namely core system availability management, general system availability management, authority control, hacker attack prevention, information security incident management, and continual improvement in information security, totaling 15 index items. In the third quarter of 2020, the human resources security indicator was added, and with the exception of the “continual improvement in information security” indicator, all have reached their set target value.

KPI ACHIEVEMENT RATE	2019	2019	2021 TARGET
Core system availability management	100%	100%	100%
General system availability management	100%	100%	100%
Authority control	100%	100%	100%
Hacker attack prevention	100%	100%	100%
Information security incident management	100%	100%	100%
Continual improvement in information security	100%	91% (*)	100%
Human resources security	-	100%	100%

Note: An external audit finding that due to schedule coordination in systems development, an item for improvement has not been completed within the expected completion time set by the corrective and preventive measures. Compensatory control measures have been proposed to reduce risks and the improvement will be completed in April 2021.

## Information Security Management

The EVA Air passenger and cargo core systems, as well as the information technology infrastructure, were certified by the BSI (British Standard Institution) on December 23, 2019. This signifies a new milestone in our information security endeavor. ISO 27001 is the international standard for information security management. It covers rules and control measures that defines a framework for good information security management system, which ensures confidentiality, integrity and availability of information assets. Risk management is also its part and parcel, providing confidence to all stakeholders. Based on the internationally-recognized ISO 27001 structure, EVA Air begins its endeavor, starting with risk identification, growing with the P-D-C-A cycle, reaching the ultimate goal of establishing a best practice in information security. In summary, these serve to ensure that the Company's information security management remains comprehensive and resilient, and ensuring its social responsibilities.

## Privacy and Personal Data Protection

EVA Air has great respect for customer privacy, and abides by the operating locations' relevant personal privacy protection regulations in regard to the collection, processing and use of customer information. EVA Air provides our members with services, while making every effort to protect their information, privacy and interests. Information on personal data collection and application, and the privacy protection and security statements are clearly stated in the "Privacy Policy and Cookies" on EVA Air's website. When joining us as members, members must read and agree with EVA Air's Privacy Policy & Cookies Terms and Conditions. When we collect information, members may choose to "Accept" or "Reject", and the relevant department shall proceed with marketing accordingly. According to "Regulations for Application System Authorization Management", only a few authorized employees from EVA Air have permission to handle member data. When there is a change to the data, the employee and the time at which the change was made, as well as data regarding the change, must all be recorded.

EVA Air's privacy protection policy is applicable to all departments and individuals (including suppliers) that collect, process and use personal data. The policy specifically states that the Company's collection, processing and use of personal data shall be in compliance with the Personal Data Protection Act, the EU General Data Protection Regulation (GDPR) and other relevant laws and regulations, and shall prevent the theft, alteration, damage, loss or divulging of personal data held. It also clearly stipulates that employees shall comply with personal data protection regulations, and that those found in violation shall be punished according to the severity of the violation. Outsourced vendors found in violation shall be handled according to the penalties stipulated in the contract. To ensure the implementation of information security and personal data protection, personal data collection, processing and utilization reviews have been included into the self-assessment items for annual internal control. Various review requirements have also been included into information security self-assessment items. In 2020, there was no major complaint of infringement of customer privacy rights or loss of customer information.

## NUMBER OF INFORMATION SECURITY BREACH AND FINES

	2017	2018	2019	2020
<b>Total number of information security breaches or other cybersecurity incidents</b>	0	0	0	0
<b>Total number of customers' data breaches</b>	0	0	0	0
<b>Total amount of fines</b>	0	0	0	0

EVA Air's privacy protection policy clearly states that the purpose of personal data collection is for the flight-booking process, establishment of ticket-related data, ticketing notifications, issuing itineraries, transportation management, providing consumer/passenger/membership services and management, handling payment issues and irregularities, baggage claims, product marketing, online shopping, inflight shopping, additional purchases, service, online advertising, and statistical surveys and analyses in order to improve service quality and strengthen personalised services. Furthermore, information is collected with passenger consent. In 2020, there was no incident of secondary use of the personal data of passengers.

Customers can exercise their personal data rights through the EVA Air website. They can request to delete personal data by downloading and completing an application form, and submitting the application form to EVA Air offices worldwide. In 2020, there was no report from external and regulatory agencies.

## RESPONSE TO THE EU GDPR

In order to verify that the Company's operating procedures are in compliance with GDPR regulations and avoid potential risks, EVA Air has introduced external consultants who are familiar with GDPR regulations to help improve the Company's compliance with GDPR in overall personal information and privacy protection standards. Supervised by the Company's Information Security Management Committee, key personal information processing business units jointly formed a core team. The team coordinates with the consultants to complete reviews of privacy data protection policies and management procedures, discuss current situations, perform GDPR comparative analysis, strengthen privacy protection plans, inventory privacy data types and related information assets, establish data processing authority and responsibilities, establish Data Protection Impact Assessment (DPIA) procedures and mechanisms, and implement education and training on personal information management and privacy impact assessment.

## 7-3 Operational Highlights

### Industry Overview

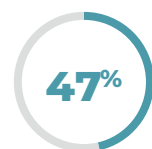
According to the analysis of the International Air Transport Association (IATA) released in November, passenger numbers are expected to plummet to 1.8 billion in 2020 (year-on-year decrease of 61%), passenger revenues are expected to fall to \$191 billion (year-on-year decrease of 69%), and load factor is expected to be 65.5% (compared to 82.5% in 2019). On the other hand, operational parameters for cargo are performing better amid the Coronavirus pandemic. In 2020, freight volume is expected to be 54.2 million tonnes (year-on-year decrease of 12%) and revenue is expected to increase to US\$117.7 billion (year-on-year increase of 15%). In 2019, cargo accounted for 12% of total revenues and that is expected to grow to 36% in 2020.

On the assumption that there is some opening of borders by mid-2021, IATA expects passenger numbers to grow to 2.8 billion in 2021, and load factor is expected to improve to 72.7%. While passenger volumes are not expected to return to 2019 levels until 2024 at the earliest, passenger revenue is expected to reach US\$287 billion in 2021. Furthermore, a continued capacity crunch due to the slow reintroduction of belly capacity from passenger services combined with the increased demand for vaccine delivery will contribute to an increase in freight volume to 61.2 million tonnes, and thus further boost cargo revenues to a historical high of US\$139.8 billion in 2021.

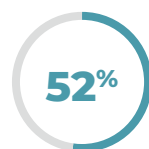
### 2020 PASSENGER LOAD FACTOR (%)

Definition of short-haul flights:  
Flight time is less than 3 hours.  
Definition of long-haul flights:  
Flight time is more than 3 hours.

Short-haul  
flights



Long-haul  
flights



## Financial Performance

### RATIOS OF CONSOLIDATED OPERATING REVENUE

Unit: TWD Thousands

ITEM	2020		2019		2018		2017	
	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
Passenger revenue	24,505,345	28	100,623,028	56	99,077,690	55	92,437,502	57
Cargo revenue	50,018,381	56	25,379,299	14	27,642,897	15	24,841,078	15
Other operating revenue	14,525,050	16	55,272,931	30	53,186,745	30	46,283,151	28
Consolidated operating revenue	89,048,776	100	181,275,258	100	179,907,332	100	163,561,731	100

### OVERVIEW OF OPERATING REVENUES FOR VARIOUS REGIONS

Unit: TWD Thousands

REGION	2020	2019	2018	2017
Taiwan	25,601,020	58,871,831	90,396,571	91,418,358
Asia	41,016,458	44,346,941	46,396,531	36,391,365
Europe	3,725,197	5,991,783	6,018,981	4,924,846
North America	18,170,497	71,295,618	36,473,766	30,325,905
Others	535,604	769,085	621,483	501,257

### BUSINESS PERFORMANCE OVER THE YEARS

Unit: TWD Thousands

ITEM	2020	2019	2018	2017
The Company's income tax expense (benefit)	(1,054,645)	545,661	1,114,690	1,133,866
The Company's total assets	302,236,909	321,863,333	210,287,417	201,146,068
The Company's amount of capital	48,535,695	48,535,695	43,821,215	41,734,490
Average revenue of employees	7,056	11,973	11,988	11,095
Employee salaries and welfares	14,789,482	19,886,770	19,570,361	18,810,878
The Company's total revenue	79,602,529	135,621,151	135,620,650	125,314,160
Consolidated total revenue	89,048,776	181,275,258	179,907,332	163,561,731
Consolidated net profit (loss) before tax	(4,318,936)	6,058,349	9,155,931	7,976,120
Total market value	63,824,439	66,736,580	69,315,986	66,149,167
The Company's operating costs and expenses	81,456,693	129,504,285	129,625,508	119,371,642
The Company's retained earnings	7,827,138	12,117,248	12,344,382	8,672,249
The Company's gross salaries	11,183,429	14,046,979	14,050,888	13,278,239
Total pension	716,572	732,002	635,257	605,011
The Company's gross profit margin (%)	8.18	13.38	13.26	13.93
The Company's return on assets (%)	0.15	3.03	3.88	3.67
The Company's return on equity (%)	(4.73)	5.91	10.78	10.33
The Company's debt ratio (%)	76.58	77.86	69.76	71.16

# 08

PART

## Materiality Analysis





**01**  
**Compilation of Sustainability Issues**

**18**

general and industry-specific sustainability issues



**02**  
**Stakeholder Engagement**

**7**

major stakeholders



**03**  
**Determine Material Issues**

**13**

material issues & minor material issue



**04**  
**Value Chain Boundaries**

**5**

material links in the value chain



**05**  
**Risk & Opportunity Management**

**100%**

management systems established for material issues

## 8-1 Compilation of Sustainability Issues

EVA Air considers the global business and the aviation industry in the context of sustainable development. In 2020, EVA identified 18 sustainability issues, including general and industry-specific issues, which referred to global standards or guidelines, such as GRI, UN Global Compact, SDGs, SASB and ISO 26000; besides, the TCFD framework was introduced into climate change aspects. The CDP and DJSI questionnaire contents were also included within the scope of the issues selection. Furthermore, the identified sustainability issues also considered the global developmental trend of aviation industry, the aspects which major stakeholders concerned with regarding the Company's sustainable development, and the professional recommendations of the CSC and external experts. Regarding issues related to COVID-19, as it is a global event with profound impact, are described in detail on page 5 of this report.

### Sustainable Operation

Business Integrity and Ethics
Risk and Opportunity Management
Brand Strategy and Value
Sustainability Strategy and Goals

### Airline Industry

Flight Safety
Fleet Planning
In-flight Catering Management

### Economic Aspects

Financial Performance
Service Innovation
Customer Relationship
Supply Chain Management

### Environmental Aspects

Environmental Impact Management
Climate Change Management

### Social Aspects

Workplace Diversity and Inclusion
Human Resources Development
Occupational Safety and Health Management
Labor Relations and Human Rights Protection
Community Engagement and Social Welfare

## 8-2 Stakeholder Engagement

Through the five principles of AA1000 Stakeholder Engagement Standard: 2015 (i.e. Dependency, Responsibility, Influence, Diverse perspectives and Tension), EVA Air has identified 7 major stakeholders from 11 relevant categories, which are in the order of importance: customers, employees, government, travel agencies or distributors, media reporters, shareholders, suppliers or contractors. EVA Air conducts surveys by sorting issues in sequence to understand stakeholders' level of concern regarding sustainability issues. During the survey period from December 2020 to February 2021, 484 questionnaires were collected: among them, 40 questionnaires were filled out by customers, 300 by employees, and 11 by government officials; meanwhile, travel agencies, press/media, shareholders, and suppliers contributed 43, 11, 31 and 48 questionnaires, respectively. For each of these 7 major stakeholders, EVA Air has established sound communication channels to collect the issues they concerned, needs and expectations, and evaluate the communication effectiveness after receiving feedback, so as to meet stakeholders' expectations and urge the Company to make continuous improvements at the same time.

STAKEHOLDER CATEGORY	E-MAIL OR WEB LINKS	RESPONSIBLE DIV./ DEPT.
<b>Customers</b>	<a href="http://www.evaair.com/en-global/customer-services/contact-us/contact/">www.evaair.com/en-global/customer-services/contact-us/contact/</a>	Customer Relations Dept. Customer Service Div.
<b>Employees</b>	<a href="mailto:evapns@evaair.com">evapns@evaair.com</a>	Human Resources Div.
<b>Travel agencies or distributors</b>	<a href="mailto:menghsuanwu@evaair.com">menghsuanwu@evaair.com</a>	Passenger Business Div.
<b>Media</b>	<a href="mailto:larrylai@evaair.com">larrylai@evaair.com</a>	Public Relations Div.
<b>Shareholders</b>	<a href="https://stock.evergreen.com.tw/servlet/WUF1_ControllerServlet.do?lang=en&amp;menu=WFT1&amp;func=FAQ&amp;action=VIEW_INDEX">https://stock.evergreen.com.tw/servlet/WUF1_ControllerServlet.do?lang=en&amp;menu=WFT1&amp;func=FAQ&amp;action=VIEW_INDEX</a>	Corporate Governance Dept.
<b>Suppliers or contractors</b>	<a href="https://ctas.evaair.com/smasb2b/default.aspx">https://ctas.evaair.com/smasb2b/default.aspx</a>	Cabin Service Div.
<b>Government</b>	Each department/division takes the initiative to communicate with pertinent government officials.	





## Customers

### Importance to EVA Air

Increase revenue.

—

### Issues of Concerns & Expectations

- Flight Safety
- Business Integrity and Ethics
- Occupational Safety and Health Management

—

### Communication Channel & Frequency

Official website Traveling Experience Feedback, phone calls, written feedback, email, branch/office, CP flight report, online customer satisfaction survey on demand or as needed.

### Content

- Flight safety is our core value and our commitment to customers. The customers can know more about our efforts and actions through the public platform.
- Formulated the "EVA Air Code of Conduct", which is the highest guidance stating business ethics, environment, human rights/labor and other daily work behaviors and ethics.
- Continuously invest resources for the employees working environment, with the goal of zero violation, zero occurrence and zero risk.

### Performance in 2020

Overall Customer Satisfaction: **4.44** / Overall Cargo Satisfaction: **4.36** / The implementation rate of series courses about the Codes of Conduct for employees: **100%**

### Communication Results

Pass on the EVA Air's core values; increase customer trust in EVA Air; attract customers to continue to fly with us; increase customer stickiness and revenue. Continually strengthen occupational safety; reduce occupational hazards, providing a more complete employment environment to gain customers' recognition of the company.



## Employees

### Importance to EVA Air

Maintain the Company's operation.

—

### Issues of Concerns & Expectations

- Flight Safety
- Financial Performance
- Occupational Safety and Health Management

—

### Communication Channel & Frequency

Three Labor-management Communication Meetings a year/ Five Cabin Crew Seminars a year / Quarterly committee meeting (Corporate Sustainability, Occupational Safety and Health, Employee Welfare etc.) / Monthly departmental meeting / Investigation report on occupational accident as needed / Complaints hotline and mailbox on demand / Safety report as needed

### Content

- Instill the safety goal of "zero accidents" into every employee's mindset and action.
- Disclose financial condition on relevant platforms such as official website; and convey the company's operating status, direction and major policies through regular meetings.
- Gather consensus to enhance the cohesiveness of all employees; supervise and track the implementation of occupational safety and health relevant policies.

### Performance in 2020

The completion rate of Aviation Safety Basic Training: **100%** / Introduced the **ISO 45001 & TOSHMS** standards.

### Communication Results

Enhance the mutual understanding of the need and standpoint of employees and the company, and seek a win-win solutions on the basis of mutual trust. Implement the company's operating principles through regular meetings to achieve goals jointly, create revenue and sustainably develop.



## Government

### Importance to EVA Air

Competent authorities.

—

### Issues of Concerns & Expectations

- Flight Safety
- Business Integrity and Ethics
- Labor Relations and Human rights Protection

—

### Communication Channel & Frequency

Meeting, official documents, phone calls, audit, related business websites, participation in initiatives and seminars on demand or as needed.

### Content

- Continually operates in accordance with regulatory requirements, and actively improve the safety management structure.
- Participate in assessments required by regulations; voluntarily participate in other relevant assessments and initiatives; formulate the "Corporate Social Responsibility Best Practices Principle" in accordance with the regulations.
- Submit the official document to the authorities for explaining questions regarding labor relations and human rights.

### Performance in 2020

The achievement rate of safety performance **100%** / Participate in meeting and project held by international organization. / Result of Corporate Governance Evaluation: ranked in the range of top **5%** of all selected listed companies.

### Communication Results

Avoid the risk of violating regulations; enhance the company's reputation; continue to protect the rights of both employer and employee; and comply with occupational safety and health regulations. Collect domestic and global industrial trends through participating seminars; share industrial information as a reference for government governance.



## Travel Agencies or Distributors

### Importance to EVA Air

Sell flight tickets and provide services regarding travel, reservation, and ticketing.

—

### Issues of Concerns & Expectations

- Flight Safety
- Business Integrity and Ethics
- Occupational Safety and Health Management

—

### Communication Channel & Frequency

Phone call, visit in person, travel agency conference, letter, E-mail on demand or as needed.

### Content

- Flight safety is the company's core value and commitment to passengers. Through public communication channels, passengers can instantly understand our efforts and actions.
- Formulate the "Ethical Corporate Management Best Practice Principles" and "Codes of Ethical Conduct" to regulate employees to uphold the ethics and integrity principles in their work.
- Continuously improve workplace environment for employees, with the goal of zero violations, zero accidents and zero risks.

### Performance in 2020

Passenger revenue: TWD **24,505** billion

### Communication Results

Actively expand customer base through various promotional activities. Continually maintain good cooperative relations with travel agencies or dealers, jointly creating revenue and sustainable operation.



## Media Reporters

### Importance to EVA Air

Report and promote the Company's positive image and product information.

### Issues of Concerns & Expectations

Flight Safety / Financial Performance / Occupational Safety and Health Management.

### Communication Channel & Frequency

Telephone counseling, E-mail, press conference as needed.

### Content

Update information at any time on public platforms such as the official website, CSR website, Market Observation Post System, and social media. In response to the questions raised by the media, the internally information is collected and consolidated, and publicly announced by the Public Relations Div..

### Performance in 2020

A total of **45** Mandarin and English press releases were announced in 2020.

### Communication Results

Ensure the authenticity of the content of media reports, and avoid the reputation damage and financial loss of the company due to the spread of wrong information.



## Shareholders

### Importance to EVA Air

The person holding the company's shares is entitled to attend the shareholders' meeting and have the right to vote.

### Issues of Concerns & Expectations

Flight Safety / Financial Performance / Occupational Safety and Health Management.

### Communication Channel & Frequency

Shareholders' meeting once a year / Investor conference at least once a year / Official website on demand / Shareholder hotline & mailbox on demand.

### Content

- "Safety, Service, and Sustainability" are the core operational objectives of EVA Air. We continually strengthen safety on flight operation and ground operation through operating safety management framework.
- Regularly report on operational status and views on future industry prospects; summarize major business project on annual report; provide important financial and business information for investors' reference.
- The occupational hazard and risk are effectively decrease through the implementing of ISO 45001 and TOSHMS. EVA Air ensures new recruits receive Occupational Safety and Health education and firefighting drills and trainings, etc.

### Performance in 2020

Shareholders' meeting in May 2020. / Investor conference in July and December 2020.

### Communication Results

Attract the attention of potential investors; provide opportunities for opinion expression and communication with the company; convey business philosophy and corporate value; fully allow shareholders to assist in the improvement of corporate governance.



## Suppliers or Contractors

### Importance to EVA Air

Maintain the Company's operation

### Issues of Concerns & Expectations

Flight Safety / Business Integrity and Ethics / Occupational Safety and Health Management.

### Communication Channel & Frequency

Phone call, E-mail, visits, on-site audit as needed.

### Content

- EVA Air and its suppliers are committed to improve safety standards of aviation services and take actions to reduce the risks of flight safety.
- The "Supplier Code of Conduct" was formulated to require suppliers to follow regulations on issues such as environmental protection, occupational safety and health or human rights.
- The occupational hazard and risk are effectively decreased through the implementing of ISO 45001 and TOSHMS. The suppliers are required to follow the SCoC to protect the occupational safety and health, to enhance the EVA Air's supply chain sustainability.

### Performance in 2020

The signed rate of Supplier Code of Conduct Tier 1 suppliers: **100%** / Critical suppliers: **100%**

### Communication Results

EVA Air has established supply chain sustainability assessment and auditing process, and actively track the improvements on suppliers, to reduce the sustainability risk of the supply chain, and to avoid interruption of operations.

## 8-3 Determine Material Issues

In addition to the analysis of the stakeholders' level of concern on sustainability issues, the CSC members completed the survey on the "Level of impact of various issues on EVA Air's operations". In the process, each member evaluated the level of impact on the Company's sustainable operations by sorting the importance in sequence. The CSC members identified the relationship and importance of these material issues with EVA Air operation, including increase revenue, reduce cost, uplift brand trust, reduce reputation risk, increase employee cohesiveness or create social influence. According to the results of the two surveys, a Materiality Matrix Diagram was drawn, and through evaluation among members of the CSC, 8 material issues and 5 minor material issue were finally selected; these correspond to 20 material aspects of GRI Standards, including 4 economic aspects, 5 environmental aspects, and 11 social aspects.

### SUSTAINABLE OPERATION

Sustainability Issues	Level of Materiality	Corresponding GRI Topic-specific Standards	Increase Revenue	Reduce Cost	Uplift Brand Trust	Reduce Reputation Risk	Increase Employee Cohesiveness	Create Social Influence
<b>Business Integrity and Ethics</b> 7-1 Ethical Management	● ● ●	Anti-corruption, anti-competitive practices, public policy, social economic regulation compliance.			■	■		
<b>Risks and Opportunities Management</b> 7-1 Ethical Management	● ● ○	Economic performance.	■	■		■		
<b>Brand Strategy and Value</b> 1-2 Sustainable Management	● ○ ○	Marketing and labeling.	■		■			
<b>Sustainability Strategy and Goals</b> 1-2 Sustainable Management	● ● ●	GRI 102.	■		■	■		■

■ Medium relevance   ■ High relevance

## AIRLINE INDUSTRY

Sustainability Issues	Level of Materiality	Corresponding GRI Topic-specific Standards	Increase Revenue	Reduce Cost	Uplift Brand Trust	Reduce Reputation Risk	Increase Employee Cohesiveness	Create Social Influence
<b>Flight Safety</b> 2 Intelligent Safety	● ● ●	Customer health and safety.						
<b>Fleet Planning</b> 1-1 About EVA Air	● ● ○	Economic performance.						
<b>In-flight Catering Management</b> 3-1 Innovation with heart	● ○ ○	Customer health and safety.						

■ Medium relevance ■ High relevance

## ECONOMIC ASPECT

Sustainability Issues	Level of Materiality	Corresponding GRI Topic-specific Standards	Increase Revenue	Reduce Cost	Uplift Brand Trust	Reduce Reputation Risk	Increase Employee Cohesiveness	Create Social Influence
<b>Financial Performance</b> 7-3 Operational Highlights	● ● ●	Economic performance.						
<b>Service Innovation</b> 3-1 Innovation with heart	● ● ○	Marketing and labeling.						
<b>Customer Relationship</b> 3-2 Customer Relationship	● ● ●	Customers privacy, customer health and safety.						
<b>Supply Chain Management</b> 1-3 Sustainable Supply Chain Management	● ○ ○	Procurement practices, supplier environmental assessment, supplier social assessment.						

■ Medium relevance ■ High relevance

## ENVIRONMENTAL ASPECT

Sustainability Issues	Level of Materiality	Corresponding GRI Topic-specific Standards	Increase Revenue	Reduce Cost	Uplift Brand Trust	Reduce Reputation Risk	Increase Employee Cohesiveness	Create Social Influence
<b>Environmental Impact Management</b> 5-1 Environmental Sustainability	● ● ●	Water, emission, waste water and waste, compliance with environmental protection regulations.						
<b>Climate Change Management</b> 5 Environmental Leadership	● ● ○	Energy, emission.						

Medium relevance
  High relevance

## SOCIAL ASPECT

Sustainability Issues	Level of Materiality	Corresponding GRI Topic-specific Standards	Increase Revenue	Reduce Cost	Uplift Brand Trust	Reduce Reputation Risk	Increase Employee Cohesiveness	Create Social Influence
<b>Workplace Diversity and Inclusion</b> 4-1 Diversity and Tolerance	● ● ○	Market presence, diversity and equal opportunity, non-discrimination.						
<b>Human Resources Development</b> 4-3 Employee Development	● ○ ○	Labor/management relations, training and education.						
<b>Occupational Safety &amp; Health Management</b> 4-5 Friendly Work Environment	● ● ●	Occupational safety and health.						
<b>Labor Relations &amp; Human Rights Protection</b> 4-2 Retention of Talent	● ● ●	Market presence, labor/management relation, forced and compulsory labor, human rights assessment.						
<b>Community Engagement &amp; Social Welfare</b> 6 Social Inclusion and Community Engagement	● ○ ○	Local communities.						

Medium relevance
  High relevance

**STAKEHOLDERS' LEVEL OF CONCERN**



**LEVEL OF IMPACT ON EVA AIR OPERATION**

- Economic Aspects
- Environmental Aspects
- Sustainable Operation
- Social Aspects
- Airline Industry
- Less Material Issue
- Minor Material Issue
- Material Issue



## 8-4 Value Chain Boundaries

EVA Air may be subject to the impact of sustainability issues through its own activities or other entities of business relationship. Pursuant to GRI Standards, we will divide the impact pattern into the types of 'directly cause', 'contribute to' and 'through business relationship' to define the boundaries where the impacts occur. Through one by one evaluations by members of the CSC on 20 selected major issues, the impact boundary of each issue on the value chain has been identified, including EVA Air and its subsidiaries, suppliers, contractors and customers. For impacts on EVA Air, the Report also describes the management systems, coping measures and performance results in various chapters and sections. As for the impacts happening to the subsidiaries inside the organization and the value chain, the emphasis is on the demonstration of EVA Air's management practices.



Aspect	Material topics	EVA Air	Subsidiary	Supplier	Contractor	Customer
			EGAS, EGAT, EGSC, EGAC	Aircraft Mfg., Aeroengine Mfg., Ground equipment Mfg., Aircraft Leasing	Petroleum, Aircraft Maintenance, Ground Service, Passenger/ Cargo Transport, Sky Catering	Cargo Forwarders, Express Delivery, Travel Agencies, General Public
Economy	Economic Performance	●	●	●	○	
	Market Presence	●	●			
	Anit-corruption	●	●	●	○	●
	Anit-competitive behaviors	●	●	●	○	●
Environment	Energy	●	●			
	Water	●	●			
	Emission	●	●			
	Waste water and Waste	●	●			
	Compliance with Environmental Protection Regulations	●	●	●	○	
Society	Industrial Relations	●				
	Occupational Safety and Health Management	●	●		○	●
	Diversity and Equal Opportunity	●	●			
	Non-Discrimination	●	●			
	Forced and Compulsory Labor	●	●	●	○	●
	Human Rights Assessment	●	●	●	○	●
	Public Policy	●				
	Customer Health and Safety	●	●	●	○	●
	Marketing and Labeling	●	●	●	○	●
	Customer Privacy	●		●	○	●
Compliance with Social Economic Regulations	●	●	●	○		

● Causes    ● Contributes to    ○ Business relationship

## 8-5 Risk and Opportunity Management of Material Issue

In order to lower impacts on the Company itself and the value chain produced by potential risks, and to proactively develop possible opportunities, EVA Air uses optimized management methods to avoid financial losses, operational pauses, service interruptions, and potential impacts on personnel and the Company's reputation as a result of risks. At the same time, through identifying potential advantages, we find new business opportunities to secure the sustainable value of EVA Air's future development.

MATERIAL ISSUES	13 MATERIAL ISSUES & MINOR MATERIAL ISSUE	POTENTIAL RISKS	POTENTIAL OPPORTUNITIES	MANAGEMENT METHOD(S)
Sustainable Operation	<b>Business Integrity and Ethics</b>	In the course of carrying out their business duties, employees may, directly or indirectly, provide, promise, request, or receive improper benefits, or may engage in other behaviors that violate integrity, illegality, or breach of fiduciary obligations.	Reinforce the corporate culture of business integrity, and build good corporate management and risk management systems, to secure the Company's development and create a sustainable operations environment.	Disclose the Company's business integrity and ethics regulations on its internal and external website; implement employee training procedures to deepen conduct principles. Establish reporting channels and handling procedures, to prevent and avoid any unethical or dishonest behaviors.
	<b>Risk and Opportunity Management</b>	Global monitoring & control requirements are becoming more stringent by the day, and with fast-developing emerging technologies, it will be difficult to identify emerging risk categories and types that possess a high degree of uncertainty, as well as their impacts on the enterprise.	Enhance employees' risk-management and disaster recovery skills and specializations, so that when hazards occur, they are able to efficiently enhance their response abilities and reduce losses, to allow operations to rapidly return to normal and take the lead in securing business opportunities.	Through the CSC's operations, continue to promulgate and implement risk management.
	<b>Sustainability Strategy and Goals</b>	Challenges that we face within the corporate development process come from increased pressure as a result of scrutiny from outside stakeholders; a lack of sustainability policies and targets may result in difficulties recruiting outstanding external talent and losing support from current employees.	Provide a stabilizing team spirit within the organization; promote virtuous cycles, and through teamwork, bring together EVA Air's long-term brand value, thus bringing energy to operational capacity.	Through CSC operations, build sustainable management mechanisms. With our Six Major Values as the core, develop our management programs and action plans, while focusing on the relevant UN Sustainable Development Goals.
Airline Industry	<b>Flight Safety</b>	May cause injuries to personnel, revenue losses, impact the corporate reputation, and losses in customers. When occurrence rates rise, the Company's very existence itself may be impacted.	Secure customer loyalty through our superb flight safety record, to maintain brand value and create continuously-growing revenue.	Establish robust safety management systems; require employees to follow discipline and implement flight safety standards.
	<b>Fleet Planning</b>	Aircraft and the fleet size may be unable to meet market demand; an unbalanced proportion of leased to purchased aircraft may result in financial cash flows being difficult to maintain, and increase the risk of residual value of aging aircraft.	Deploy combinations of different aircraft models to enhance operational efficiency and increase passenger/cargo revenue and brand loyalty, to achieve the goal of operations.	Introduce modern aircraft to promote a high-efficiency air travel & transport network; enhance aircraft fuel efficiency, to lower GHG emissions and costs.

MATERIAL ISSUES	13 MATERIAL ISSUES & MINOR MATERIAL ISSUE	POTENTIAL RISKS	POTENTIAL OPPORTUNITIES	MANAGEMENT METHOD(S)
Economic Aspect	<b>Financial Performance</b>	The risk that changes in market prices, such as foreign exchange rates, interest rates, fuel price, and equity prices that will affect the Company's income or the value of its holdings of financial instruments.	Manage and control market risk exposures within acceptable parameters, while optimizing the return.	Grasping the Company's financial status, responsible for management and control of capital allocation, and taking hedging measures for exchange/interest rates. Convening a Fuel Risk Management Team to draw up hedging strategies and countermeasures.
	<b>Service Innovation</b>	<ul style="list-style-type: none"> <li>- When a new product or service is introduced, as a result of customer acceptance and usage habits, it may affect sales.</li> <li>- Because the EU, US, etc. are continuing to establish regulations related to corporate digital platform operations, there may be challenges to use of our website sales and mobile services.</li> </ul>	<ul style="list-style-type: none"> <li>- Through differentiation and diverse channel exposure, enhance our products' visibility to increase customer acceptance.</li> <li>- With the impact of the COVID-19 pandemic, passenger purchasing and plane travel habits are moving to be more digital and self-serve oriented; through this, we can proactively develop new digital services.</li> </ul>	<ul style="list-style-type: none"> <li>- Based on customer satisfaction rates, evaluate new product proposals and implement follow-up development work.</li> <li>- Use the latest digital marketing trends and technologies to enhance the Company's brand visibility and website stability, and bring with them real revenue increases.</li> </ul>
	<b>Customer Relationship</b>	<ul style="list-style-type: none"> <li>- Because of consumers' growing awareness, countries are continuing to establish regulations on airline industry services, which may raise the risk of settlement losses and litigation.</li> <li>- With the broad usage of social media, and consumer disputes gaining high amounts of exposure, the Company's reputation may be directly affected.</li> </ul>	<ul style="list-style-type: none"> <li>- Handle customer complaints immediately and well, to regain passenger trust and thus increase our return customer rate.</li> <li>- Continue to raise service quality, to win good praise internationally, increase our global visibility and competitiveness, and thus increase customer stickiness and revenue.</li> </ul>	<ul style="list-style-type: none"> <li>- Through systematic processes, carefully handle customer suggestions, clarify incident causes, and implement correction measures.</li> <li>- Through periodic service quality management meetings, review operational effectiveness and follow customer satisfaction rates as required to guarantee quality service.</li> </ul>
Environmental Aspect	<b>Environmental Impact Management</b>	We may be subject to domestic or international environmental regulatory fines; under the CORSIA regulations, we may need to purchase more carbon credits, which may increase operational costs.	Avoid regulatory fines; reduce operational costs as a result of purchasing carbon credits, and increase our environmental branding.	Through the Environment Promotion Sub-Committee, introduce and implement ISO 14001 and ISO 50001 to effectively manage corporate operations' impacts on the environment and continuously improve our environmental efficiency.
	<b>Climate Change Management</b>	Extreme climate change may increase time of operational interruption, with concomitant risks for personnel and material losses.	Identify materiality risk, prevent/reduce negative impacts on corporate operations as a result of extreme climate change to strengthen corporate resiliency.	Introduce the TCFD framework to stay on top of potential risks and opportunities from climate change; understand potential financial impacts caused by such changes, and formulate the best possible climate change risk response policies based on this understanding.
Social Aspect	<b>Workplace Diversity and Inclusion</b>	Workplace bullying and harassment incidents may occur, affecting the harmony of the workplace, reducing individual and team work ability and affecting performance.	Enhance the diversity of the work environment to build a more innovative, productive team; maximize employee potential and use their talents; build a friendlier, more accepting workplace atmosphere, and thus achieve organizational efficiency.	Guarantee that there is no difference in treatment under the Human Resources Usage Policy; implement fairness and equality in hiring and employment conditions, pay, benefits, training, evaluations, and transfer opportunities.
	<b>Occupational Safety and Health Management</b>	<ul style="list-style-type: none"> <li>- Occupational injury accidents increase, thus affecting employee productivity.</li> <li>- While carrying out their duties (including layover at outstations), there is a risk of contracting a communicable disease.</li> </ul>	Provide a safe and secure workplace; reduce the occurrence of occupational injury accidents, and create a healthy workplace, so as to improve the dedication of employees, accompany to strive to grow together.	With the spirit of ISO 45001:2018 Occupational Health and Safety Management Systems and CNS 45001, we establish a certified Workplace Safety And Health System, and use the PDCA process for self-management to effectively control workplace hazards effectively and strengthen occupational disease prevention & management.
	<b>Labor Relations and Human Rights Protection</b>	<ul style="list-style-type: none"> <li>- Air transport is a Labor-intensive industry; strained labor/management relations may cause challenges to corporate operations and cause control pressures.</li> <li>- If we are unable to reach labor agreements for a long time, this will increase tensions with the union(s) and affect employee willingness to work.</li> </ul>	<ul style="list-style-type: none"> <li>- Increase employees' identification with the company and team spirit; lower the occurrence of labor/management disputes, litigation, and potential for administrative agency fines.</li> <li>- Avoid operational interruptions, service disruptions, and potential impacts from losses in terms of personnel or the corporate reputation.</li> </ul>	<ul style="list-style-type: none"> <li>- Interact and communicate with employees through departmental meetings, labor/management communication meetings, sharing discussions, interaction meetings, and other channels, to promote harmonious labor/management relations.</li> <li>- Through regular meetings with all labor unions, continue to understand the needs and possible improvements of labor unions and employees; clearly advocate the stance of equal treatment to all employees.</li> </ul>

Note : Risks related to COVID-19 are described in detail on page 5 of this report.

## 09

PART

## Appendix

## About This Report

Since its establishment in 1989, EVA Air has been placing importance on fulfilling its corporate social responsibility through active practices in corporate governance, environmental protection and social engagement, based on the objective of sustainable management. We insist on strict flight safety standards and quality service; as a result, we have received recognition by many domestic and international awards. EVA Air values the domestic and overseas developmental trends of corporate social responsibility to our core businesses, as well as the influence of our business operations on our stakeholders. Therefore, we have expressively stipulated our CSR policy, system, management guidelines and concrete implementation plan. To strengthen the mutual interaction with our stakeholders and meet their expectations in terms of EVA Air's efforts in addressing issues of flight safety, services, economics, environment and society, ever since 2014, we have been abiding by our principle of open information, transparency and integrity and published the CSR report every year. This report is the 8<sup>th</sup> CSR report on disclosing our results regarding sustainable management for 2020, and our outlook on the future.

## Report Management

### MANAGEMENT DIVISION

EVA Air Corporate Sustainability Committee, which is directly subordinate to the President and comprises 6 sub-committees, is responsible for managing this report. To ensure the report is accurate and meets the stakeholders' expectations, the content of this report was provided and jointly compiled by various departments. Afterwards, the CSC examined the report content and provided suggestions. All of the content was published after approved by all sub-committees and the President.

### INTERNAL REVIEW AND AUDIT

As the CSC implements materiality analyses, the specific impacts of the issues on the Company's operations were well identified. We have obtained the issues that the stakeholders are most concerned, from among which we identified the material issues. These issues served as the foundation for the disclosure of sustainable information in this report. All the statistical data revealed in this report were provided and organized by various departments. We entrusted an external professional consulting team to suggest the report's framework and disclosure direction. The basic draft was then edited step by step through discussions; the final draft was reviewed by the head of each department and then presented in this report after the President's approval.

### EXTERNAL REVIEW AND AUDIT

This report has passed the validation conducted by SGS Taiwan Ltd. and accords with GRI Standards Core Option and high assurance standard of the AA1000 AS 2008 TYPE II. The independent assurance statement is attached at the end of this report. In addition, the financial statement data disclosed in this report are the financial statements audited by KPMG, and the currency of the data is presented in TWD. The ISO 9001, ISO 14064, ISO 14001, ISO 50001, and ISO 45001 have been verified by Bureau Veritas Certification (Taiwan) Co., Ltd., and the ISO 27001 has been verified by British Standard Institution.



## Boundaries and Data

The information boundaries disclosed in this report encompass the up and downstream business entities with business relationships, including EVA Air, the subsidiaries and business partners of value chains. Material issues and topic boundary of 2020 have no significant change from the previous year. The EVA Air operations in Taiwan are the core disclosure in this report, including specific implementation, performance data and explanations of the results of relevant planning in 2020 (from January 1, 2020 to December 31, 2020) regarding the aspects of governance, flight safety, services, economics, environment, society and supply chain management. The disclosure of financial and personnel information comprises the operation locations around the world. If other indicators are involved, they are explained separately in the report. When it comes to the impact on the subsidiaries and value chains, the report focuses on EVA Air's management approach. In the event of different measurements of data from the previous version, notes concerning the differences can be found below such paragraph, figure or table.

## Publication

EVA Air publishes the Corporate Social Responsibility Report every year, and provides a downloadable electronic version from the EVA Air CSR website. The previous version was released in June 2020, and the next version will be released in June 2022.



EVA Air CSR website

## Contact Information

If you have any feedback, advice or suggestions regarding this report or the sustainable development of EVA Air, please feel free to contact Corporate Safety, Security & Sustainability Division of EVA Airways Corporation.

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# Social Data

## JOB VACANCY INTERNAL REPLACEMENT RATE

		2017	2018	2019	2020
<b>Available internal job vacancies (A)</b>		2	42	28	56
<b>Number of job vacancies internally filled (B)</b>		2	42	22	56
<b>Internal replacement rate (B/A)</b>		100%	100%	78.6%	100%
<b>Gender</b>	Male	2	21	9	23
	Female	0	21	13	33
<b>Age</b>	<30 years old	1	29	16	32
	30 - 50 years old	1	13	5	24
	> 50 years old	-	0	1	0
<b>Position</b>	Top management	-	0	0	0
	Senior management	-	0	0	0
	Junior management	-	1	0	0
	Non-management	2	41	22	56

## AVERAGE RECRUITMENT COST

Unit: TWD

	2017	2018	2019	2020
Ground staff	1,162	1,001	988	717
Flight crew (local residents)	0	0	1,623	1,812
Flight crew (overseas residents)	27,365	27,365	23,837	47,500
Cabin crew	8,830	0	4,620	1,199
<b>Total</b>	<b>4,015</b>	<b>2,712</b>	<b>4,090</b>	<b>12,335</b>

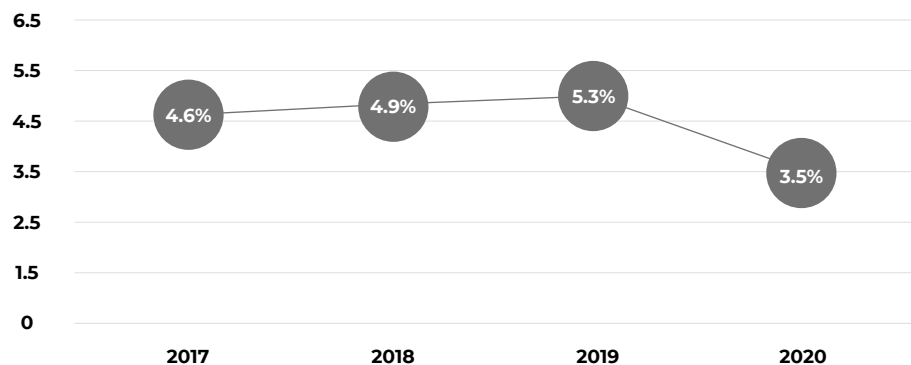
Note 1: The formula for calculating the average recruitment cost of each new employee = the recruitment cost in the current year / the number of new employees in the current year.

Note 2: Recruitment cost for ground staff is only calculated based on the Taiwan area. In 2020, due to the COVID-19 pandemic, the few new employees were not front-line personnel. Therefore, rubella and measles antibodies tests were not required in the medical examination. The contract in 2019 was used in the recruitment advertisement in 2020. Therefore there was no new expenses, accounting for the lower recruitment cost.

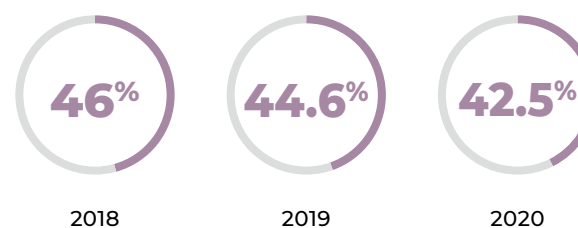
Note 3: Recruitment for flight crew (local residents) did not require transportation and medical examination costs. However, as of 2019, the Civil Aviation Medical Center began charging for medical examination reports and VTS survey fees, which generated recruitment costs. The recruitment cost for flight crew (overseas residents) includes air tickets and accommodation for interviews in Taiwan and medical examination. Due to the increase in air ticket fares and the 14-day quarantine requirement for immigration during the COVID-19 pandemic, the recruitment cost was higher.

Note 4: In 2017, the recruitment cost for local cabin crew included recruitment advertisements and campus recruitment fees (posters, venue rental, public relations gifts and staff transportation expenses). In 2018, there was no recruitment. In 2019, campus recruitment activities were cancelled. In 2020, only cabin crew (local residents) were recruited, and there were no business trip, venue rental and other expenses associated with recruiting overseas residents.

## VOLUNTARY EMPLOYEE TURNOVER RATE



## PROPORTION OF JOINING A LABOR UNION



# Climate Risks and Opportunities

ITEM	LEGAL AND REGULATION TYPE		TRANSITION TYPE		
	INTERNATIONAL CARBON EMISSIONS TRADING & REDUCTION MECHANISMS	TAIWAN GHG REDUCTION AND MANAGEMENT POLICIES	ENERGY COST	CHANGES IN CUSTOMER PREFERENCES	
<b>Description of Risks</b>	Beginning in 2012, the EU adopted the EU ETS. Beginning in 2019, the ICAO put the CORSIA into effect; and beginning in 2021, after the Brexit, the UK is putting UK ETS into effect. These will result in carbon trading expenses and operational management costs.	The nation's long -term GHG reduction target is to reduce the 2050 emissions by more than 50% of the 2005 emissions. The emissions exceeding the allowance will be charged penalty.	The aviation industry needs to operate with a large amount of fossil fuels. The market prices are greatly affected by international political and economic condition, in the face of rising raw material costs, the relative expenditure costs increase.	As customers' environmental awareness rises, they may choose airlines with better fuel efficiency.	
<b>Negative Impact</b>	- Increase operation costs - Reduce asset value - Dispose assets early	- Increase operation costs - Reduce asset value - Dispose assets early	-Increase operation costs	- Reduce revenue	
<b>Impact Subjects</b>	Company's operation	Company's operation	Company's operation	- Upstream and downstream value chain - Company's operation	
<b>Impact Strength</b>	Medium-high	Medium	High	Medium	
<b>Response Measures and Opportunities</b>	Highest Level of Management and Duties	President/ ensure no damage or loss to the Company operations.	President/ ensure no damage or loss to the Company operations.	President/ ensure normal company operations.	President/ maximize rewards for investors.
	Strategic Plan	Strictly obey management mechanism requirements.	Comply with legal requirements; plan to use the newest energy-saving aircraft to provide air transportation service.	Stay informed on international energy trends, maintain a stable energy supply, and adjust operations according to energy supply to reduce costs.	Continue to introduce a modern fleet to promote a high-efficiency air transportation network.
	Risk Management Action	Have related departments to be in charge of this item.	Monitor and control carbon emissions.	Establish a dedicated fuel procurement department to stay informed on global energy trends and execute risk prevention measures.	Continue to improve fuel conservation measures, and regularly monitor the performance and results.
	Goal	100% compliance with international regulations to ensure the Company's competitiveness.	Control and reduce emissions according to the Act.	Maintain normal operations in times of an unstable energy market.	From 2018 to 2023, continue to introduce Boeing 787.

Note : EU ETS stands for European Union Emission Trading System; UK ETS stands for United Kingdom Emission Trading System; CORSIA stands for Carbon Offsetting and Reduction Scheme for International Aviation.



ITEM	TRANSITION TYPE		PHYSICAL TYPE	
	EPIDEMIC DISEASES	TYPHOONS AND TORRENTIAL RAIN	ICE AND SNOW DAMAGE	EXTREME HEAT AND DROUGHT
<b>Description of Risks</b>	Epidemic diseases such as COVID-19 may transmit widely through the movement of global travelers. The epidemic prevention measures and infection levels of various countries will have an impact on air transportation and tourism.	Unpredictable strong gusts or intermittent torrential rains, which impact flight safety and operations.	The damage closes down airports and deters aircraft from landing, which results in flights transferred to alternative airports, affecting aircraft dispatch and the overall company operations.	Extreme heat will require extra fuel to maintain a comfortable temperature in the passenger cabin. Drought may also impact service quality with in-flight water rationing due to aircraft water shortage.
<b>Negative Impact</b>	- Reduce revenue	- Reduce revenue - Increase operation costs - Increase asset costs	- Reduce revenue - Increase operation costs - Increase asset costs	- Reduce revenue - Increase operation costs
<b>Impact Subjects</b>	- Upstream and downstream value chain - Operation	- Upstream and downstream value chain - Operation	- Upstream and downstream value chain - Operation	- Upstream and downstream value chain - Operation
<b>Impact Strength</b>	Medium-high	Medium	Medium	Medium

<b>Response Measures and Opportunities</b>	Highest Level of Management and Duties	President/ ensure the Company's operation are not affected.	President/ ensure no damage or loss to the Company operations.	President/ ensure no damage or loss to the Company operations.	President/ ensure the operation's service quality meets client needs.
	Strategic Plan	An epidemic disease may break out without warning at any time in any region. An airline's first line of defense is to correctly obtain possibilities beforehand, so that disease prevention and sterilization after the outbreak can be arranged in advance.	Correctly obtain global climate information and accurately analyze various risk values.	Collect the special cases faced by other airlines and draft the Company's response measures.	Find optimal service methods with limited resources to make the best use of the resources.
	Risk Management Action	Maintain close contact with every station to obtain local updates; accurately obtain information on epidemic diseases and plan preventive measures.	Plan corresponding measures for various types of natural disaster risks.	Closely follow regions affected by cold air mass, and dispatch flights early to improve usage rate.	Monitor and adjust the use of water resources.
	Goal	Reduce operational loss due to epidemic disease outbreaks.	To maximize the Company's profit under the principle of safety first.	To minimize the Company's loss under the principle of safety first.	Effectively use water resources and achieve optimal fuel efficiency without affecting comfort.

# GRI Content Index

## GENERAL DISCLOSURES

Disclosure refers to GRI version 2016 (GRI 403 refers to GRI version 2018)

GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE	DISCLOSURE	DESCRIPTION	PAGE
<b>GRI 102 General Disclosures</b>	102-1	Name of the organization.	10	102-2	Activities, brands, products, and services.	10
	102-3	Location of headquarters.	132	102-4	Location of operations.	10
	102-5	Ownership and legal form.	131	102-6	Markets served.	10
	102-7	Scale of the organization.	10	102-8	Information on employees and other workers.	59
	102-9	Supply chain.	17	102-10	Significant changes to the organization and its supply chain.	132
	102-11	Precautionary principle or approach.	82	102-12	External initiatives.	14
	102-13	Membership of associations.	14	102-14	Statement from senior decision-maker.	4
	102-16	Values, principles, standards, and norms of behavior.	106	102-18	Governance structure.	104
	102-40	List of stakeholder groups.	119	102-41	Collective bargaining agreements.	56
	102-42	Identifying and selecting stakeholders.	119	102-43	Approach to stakeholder engagement.	108.119
	102-44	Key topics and concerns raised.	119	102-45	Entities included in the consolidated financial statements.	131
	102-46	Defining report content and topic Boundaries.	127	102-47	List of material topics.	123
	102-48	Restatements of information.	131	102-49	Changes in reporting.	131
	102-50	Reporting period.	132	102-51	Date of most recent report.	132
	102-52	Reporting cycle.	132	102-53	Contact point for questions regarding the report.	132
	102-54	Claims of reporting in accordance with the GRI Standards.	131	102-55	GRI content index.	137
	102-56	External assurance.	142			

Disclosure refers to GRI version 2016 (GRI 403 refers to GRI version 2018)

GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE	DISCLOSURE	DESCRIPTION	PAGE
<b>GRI 103 Management Approach</b>	103-1	Explanation of the material topic and its Boundary.	123	103-2	The management approach and its components.	129
	103-3	Evaluation of the management approach.	23			

### MATERIAL TOPICS - ECONOMIC

Disclosure refers to GRI version 2016 (GRI 403 refers to GRI version 2018)

GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE	DISCLOSURE	DESCRIPTION	PAGE
<b>GRI 201 Economic Performance</b>	201-1	Direct economic value generated and distributed.	116	201-2	Financial implications and other risks and opportunities due to climate change.	88
	<b>GRI 204 Procurement Practices</b>	204-1	Proportion of spending on local suppliers.	22		
<b>GRI 205 Anti-corruption</b>	205-1	Operations assessed for risks related to corruption.	107	205-2	Communication and training about anti-corruption policies and procedures.	19,106
<b>GRI 206 Anti-competitive Behavior</b>	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices.	108			

### MATERIAL TOPICS - ENVIRONMENTAL

Disclosure refers to GRI version 2016 (GRI 403 refers to GRI version 2018)

GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE	DISCLOSURE	DESCRIPTION	PAGE
<b>GRI 301 Materials</b>	301-2	Recycled input materials used.	86	301-3	Reclaimed products and their packaging materials.	86
	<b>GRI 302 Energy</b>	302-1	Energy consumption within the organization.	84	302-3	Energy intensity.
302-4		Reduction of energy consumption.	84	302-5	Reductions in energy requirements of products and services.	92
<b>GRI 305 Emissions</b>	305-1	Direct (Scope 1) GHG emissions.	90	305-2	Energy indirect (Scope 2) GHG emissions.	90
	305-4	GHG emissions intensity.	90	305-5	Reduction of GHG emissions.	91
	305-7	Nitrogen oxides (NO <sub>x</sub> ), sulfur oxides (SO <sub>x</sub> ), and other significant air emissions.	87			

**MATERIAL TOPICS - ENVIRONMENTAL**

Disclosure refers to GRI version 2016 (GRI 403 refers to GRI version 2018)

GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE	DISCLOSURE	DESCRIPTION	PAGE
<b>GRI 306 Effluents &amp; Waste</b>	306-1	Water discharge by quality and destination.	85	306-2	Waste by type and disposal method.	86
	306-4	Transport of hazardous waste.	86			
<b>GRI 307 Environmental Compliance</b>	307-1	Non-compliance with environmental laws and regulations.	No such instances have ever occurred.			
<b>GRI 308 Supplier Environmental Assessment</b>	308-1	New suppliers that were screened using environmental criteria.	19	308-2	Negative environmental impacts in the supply chain and actions taken.	19

**MATERIAL TOPICS - SOCIAL**

Disclosure refers to GRI version 2016 (GRI 403 refers to GRI version 2018)

GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE	DISCLOSURE	DESCRIPTION	PAGE
<b>GRI 401 Employment</b>	401-1	New employee hires and employee turnover.	56	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees.	64
	401-3	Parental leave.	65			
<b>GRI 402 Labor/Management Relations</b>	402-1	Minimum notice periods regarding operational changes.	Handled in accordance with the stipulation of Article 16 of the Labor Standards Act.			
<b>GRI 403 Occupational Health and Safety</b>	403-1	Occupational health and safety management system.	76	403-2	Hazard identification, risk assessment, and incident investigation.	77
	403-3	Occupational health services.	77	403-4	Worker participation, consultation, and communication on occupational health and safety.	76
	403-5	Worker training on occupational health and safety.	78	403-6	Promotion of worker health.	80
	403-7	Prevention and mitigation of occupational health and safety impacts. directly linked by business relationships.	78	403-8	Workers covered by an occupational health and safety management system.	77
	403-9	Work-related injuries.	79	403-10	Work-related ill health.	79

**MATERIAL TOPICS - SOCIAL**

Disclosure refers to GRI version 2016 (GRI 403 refers to GRI version 2018)


GRI STANDARD	DISCLOSURE	DESCRIPTION	PAGE	DISCLOSURE	DESCRIPTION	PAGE
<b>GRI 404 Training &amp; Education</b>	404-1	Average hours of training per year per employee.	66	404-2	Programs for upgrading employee skills and transition assistance programs.	68
	404-3	Percentage of employees receiving regular performance and career development reviews.	66			
<b>GRI 405 Diversity &amp; Equal Opportunity</b>	405-1	Diversity of governance bodies and employees.	59	405-2	Ratio of basic salary and remuneration of women to men.	63
<b>GRI 406 Non-discrimination</b>	406-1	Incidents of discrimination and corrective actions taken.	75			
<b>GRI 409 Forced or Compulsory Labor</b>	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor.	74			
<b>GRI 412 Human Rights Assessment</b>	412-1	Operations that have been subject to human rights reviews or impact assessments.	73	412-2	Employee training on human rights policies or procedures.	76
<b>GRI 413 Local Communities</b>	413-1	Operations with local community engagement, impact assessments, and development programs.	93			
<b>GRI 414 Supplier Social Assessment</b>	414-1	New suppliers that were screened using social criteria.	19	414-2	Negative social impacts in the supply chain and actions taken.	20
<b>GRI 415 Public Policy</b>	415-1	Political contributions.	No such instances have ever occurred.			
<b>GRI 416 Customer Health &amp; Safety</b>	416-1	Assessment of the health and safety impacts of product and service categories.	31,43	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services.	43
<b>GRI 417 Marketing &amp; Labeling</b>	417-1	Requirements for product and service information and labeling.	43	417-2	Incidents of non-compliance concerning product and service information and labeling.	43
	417-3	Incidents of non-compliance concerning marketing communications.	43			
<b>GRI 418 Customer Privacy</b>	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data.	115			
<b>GRI 419 Socioeconomic Compliance</b>	419-1	Non-compliance with laws and regulations in the social and economic area.	108			

# SASB Index

TOPIC	CODE	ACCOUNTING METRIC	
<b>Greenhouse Gas Emissions</b>	TR-AL-110a.1	Gross Global Scope 1 emissions.	Page 90
	TR-AL-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	Page 91
	TR-AL-110a.3	(1) Total fuel consumed. (2) Percentage alternative. (3) Percentage sustainable.	Page 84
<b>Labor Practices</b>	TR-AL-310a.1	Percentage of active workforce covered under collective bargaining agreements.	Page 134
	TR-AL-310a.2	Number of work stoppages and total days idle.	0 days
<b>Competitive Behavior</b>	TR-AL-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations.	Page 43
<b>Accident &amp; Safety Management</b>	TR-AL-540a.1	Description of implementation and outcomes of a Safety Management System.	Page 33
	TR-AL-540a.2	Number of aviation accidents.	0
	TR-AL-540a.3	Number of governmental enforcement actions of aviation safety regulations.	0

CODE	ACTIVITY METRICS	
TR-AL-000.A	Available seat kilometers (ASK).	20,826,436,407
TR-AL-000.B	Passenger load factor.	51.43%
TR-AL-000.C	Revenue passenger kilometers (RPK).	10,710,889,903
TR-AL-000.D	Revenue ton kilometers (RTK).	4,852,154,556
TR-AL-000.E	Number of departures.	34,074
TR-AL-000.F	Average age of fleet.	6.23 years

# Third Party Assurance Statement



## ASSURANCE STATEMENT

**SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE EVA AIRWAYS CORPORATION'S CORPORATE SOCIAL RESPONSIBILITY REPORT FOR 2020**

**NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION**  
 SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by EVA AIRWAYS CORPORATION (hereinafter referred to as EVA Air) to conduct an independent assurance of the Corporate Social Responsibility Report for 2020 (hereinafter referred to as the Report). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the sampled text, and data in accompanying tables, contained in the report presented during on-site verification. SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

**INTENDED USERS OF THIS ASSURANCE STATEMENT**  
 This Assurance Statement is provided with the intention of informing all EVA Air's Stakeholders.

**RESPONSIBILITIES**  
 The information in the EVA Air's CSR Report of 2020 and its presentation are the responsibility of the directors or governing body (as applicable) and the management of EVA Air. SGS has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all EVA Air's stakeholders.

**ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE**

The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance, including the Principles contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) 101: Foundation 2016 for report quality, and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard Options	Level of Assurance
A SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000)	r/a
B AA1000ASv3 Type 2 (AA1000AP Evaluation plus evaluation of Specified Performance Information)	High

Assurance has been conducted at a high level of scrutiny.

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**SCOPE OF ASSURANCE AND REPORTING CRITERIA**  
 The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Select specific reporting criteria included in the contract

Reporting Criteria Options
2 GRI Standards (Core)
4 AA1000 Accountability Principles (2018)

- evaluation of content veracity of the sustainability performance information based on the materiality determination at a high level of scrutiny for EVA Air and moderate level of scrutiny for applicable aspect boundaries outside of the organization covered by this report;
- AA1000 Assurance Standard v3 (2020) Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018); and
- evaluation of the report against the requirements of Global Reporting Initiative Sustainability Reporting Standards (100, 200, 300 and 400 series) claimed in the GRI content index as material and in accordance with.

**ASSURANCE METHODOLOGY**  
 The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, CSR committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant.

**LIMITATIONS AND MITIGATION**  
 Financial data drawn directly from independently audited financial accounts and Task Force on Climate-related Financial Disclosures (TCFD) has not been checked back to source as part of this assurance process.

**STATEMENT OF INDEPENDENCE AND COMPETENCE**  
 The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from EVA Air, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

**VERIFICATION/ ASSURANCE OPINION**  
 On the basis of the methodology described and the verification work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

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**AA1000 ACCOUNTABILITY PRINCIPLES (2018) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS**

**Inclusivity**  
 EVA Air has demonstrated its commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to customers, employees, governmental authorities, travel agents, media, investors, suppliers, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. Process to facilitate direct stakeholder engagements is recommended to enhance stakeholder involvements in developing and achieving sustainability goals and strategies.

**Materiality**  
 EVA Air has established effective processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

**Responsiveness**  
 The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.

**Impact**  
 EVA Air has identified and fairly represented impacts from a wide range of sources, such as activities, policies, programmes, decisions, and products and services, as well as any related performances. Qualitative, quantitative and monetized measurements were presented to enhance a comprehensive and balanced understanding of the organisation's impacts on stakeholders and on the organisation itself.

**GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS**

The report, EVA Air's CSR Report of 2020, is adequately in line with the GRI Standards in accordance with Core Option. The material topics and their boundaries within and outside of the organization are properly defined in accordance with GRI's Reporting Principles for Defining Report Content. Disclosures of identified material topics and boundaries, and stakeholder engagement, GRI 102-40 to GRI 102-47, are correctly located in content index and report. Management approaches disclosed in the report have properly explained how EVA Air manages the economic, environmental and social impacts related to material topics and provided information about how the organization identifies, analyzes, and responds to its actual and potential impacts.

**Signed:**  
 For and on behalf of SGS Taiwan Ltd.




David Huang  
 Senior Director  
 Taipei, Taiwan  
 3 June, 2021  
[www.sgs.com](http://www.sgs.com)

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**EVA AIR**