

China Airlines

Employee Workplace Code of Conduct

1. Content:

1.1. Service Philosophy and Professional Ethics

1.1.1 China Airlines (Hereinafter called CAL) is a transportation service industry, and the most basic job requirement is to safely deliver every passenger and freight to the correct destination. In addition, the essence of every CAL employee's job description is service.

1.1.2. Every customer and downstream business must be treated with a service attitude. Duties should be performed effectively, and needs must be quickly responded without excuses or undue delay. Assistance must be initiated and offered with empathy to gain trust and recognition.

1.1.3. Complying with and diligently completing reasonable job assignments, protecting trade secrets, respecting customers and respecting the profession are concrete ways of demonstrating professional ethics.

1.1.4. Every employee must understand, be familiar with and comply with relevant national laws and company standards pertaining to his or her profession, promptly clarify any questions and refrain from acting without authorization if he or she is not sure about any matter. It is CAL employee's obligation to comply with laws and regulations when he or she performs his or her duties and gets outcomes.

1.2 Safe and Fair Work Environment

1.2.1 Privacy Protection

1.2.1.1. CAL and every employee, based on business requirement, shall comply with the relative personal information protection regulation of each nation, when collecting, processing, storing and destroying employee or customer information for the purpose of management or job duties. In addition, cooperating vendors must also comply with the regulations.

1.2.1.2. Personal salary and bonus are within the scope of personal information protection, and cannot be publicly discussed or disclosed.

1.2.1.3 Customer information should be carefully handled and kept, and should not be disclosed or transferred to other use. Customer signatures should not be altered, forged, or copied to other documents. Discretion to occasion and attitude should be taken when discussing customers' statuses and the discussion should not occur in the presence of unrelated parties.

1.2.2. Work Safety

- 1.2.2.1. Employees should implement safety measures in accordance to their professional training and safety regulations, and wear and use proper safety equipment.
- 1.2.2.2. The use of alcoholic beverages and inappropriate drugs are prohibited in the workplace and during time periods that might influence work, to avoid compromising personal safety and the safety of others.
- 1.2.2.3. In consideration of flight safety, CAL and employees must cooperate with any reasonable requests arising from the need to increase safety.
- 1.2.2.4. In the event of safety or health impact, every employee has the responsibility to initiate reports to relevant units to avoid personal harm or harm to others.
- 1.2.2.5. Every employee must receive regular health checks provided by the company, and manage his or her personal health.

1.2.3. Anti-Discrimination and Anti-Harassment

- 1.2.3.1. Offensive words or behavior toward others on account of their gender, sexual orientation, race, nationality, religion, age, disability, marital status, family status, socio-economic status and other differences are prohibited at any time or under any circumstance.
- 1.2.3.2. CAL is committed to providing all employees with a working environment and conditions that respect differences. Employees should treat the people and things around them with respect, professionalism and fairness.
- 1.2.3.3. CAL handles sexual harassment in accordance with government regulations. In case of sexual harassment, report to the complaint hotline: shc@china-airlines.com.

1.2.4. Fair and Open Hiring Principles

- 1.2.4.1. Influence peddling, blackmail, pressure tactics and bribery are prohibited in all business matters such as recruitment, appointment, promotion and evaluation, and anyone using such tactics will not be hired or appointed.
- 1.2.4.2. CAL hires employees according to character integrity, professional ability, work attitude and performance, and the potential for development. Employees should progress with the times, and actively develop their professional capability, cultivate excellent professional competence, and demonstrate team spirit to improve their job performance.

1.3 Personal Character and Integrity

- 1.3.1. Do not participate in, assist with or conduct any criminal act.
- 1.3.2. Do not lie, steal or commit perjury. Honesty is the best policy.
- 1.3.3. Avoid extramarital affairs and improper sexual relations. Keep relationships beyond reproach and respect family values.
- 1.3.4. Employees should value honor and integrity, treat others with enthusiasm and honest, and maintain a sense of civic-mindedness and responsibility.
- 1.3.5. CAL respects each employee as a mature personality. Employees should consistently act in a manner as befitting their nationality, and demonstrate self-restraint and appropriate moral judgment.

1.4 Interaction with Media and Public Image

- 1.4.1. Without consent or assignment from CAL, employees should not act on their own initiative or the initiative of others to release to the public any statement, articles, written or electronic information pertaining to CAL to avoid leaking company confidential information or cause undue problems.
- 1.4.2 Without consent from the CAL, employees should not make any outside presentation or information display or participate in private activities while in their uniform or wearing images or words that can identify CAL.
- 1.4.3 Employees should express their opinion through the diverse internal communication channels provided by the company or through the employee complaint mailbox: wecare@china-airlines.com. Employees should not publicize their complaints or criticize, deride or spread rumors about others or CAL via social networking sites, or persist in inappropriate conduct.
- 1.4.4. CAL takes pride in outstanding employee performance, and employees should conduct themselves appropriately in all circumstances to avoid damaging company image with their personal behavior.
- 1.4.5 Employees should not use their staff position or title or any other relevant way to engage in commercial transactions such as buying and selling through any channel or network.

1.5. Avoid Conflicts of Interest

- 1.5.1. To avoid undermining their personal health or overall CAL interest, employees should focus on CAL assignments and avoid concurrently taking any other job position that may impact their CAL job performance or create a conflict of interest.
- 1.5.2. When engaging in any necessary operations or activities that may conflict with CAL interest, employees must first report to CAL supervisors for coordination and permission.

1.5.3. Spouses and relatives of employees should not be in positions subordinated to or to be evaluated by employees in CAL operations. Should such a relationship occur in operations or activities such as recruitment, then the employees involved should take the initiative to exclude themselves.

1.6. Antitrust and Fair Competition

1.6.1. To maintain fair competition among enterprises, matters that could affect market competition mechanism such as transport price, commission, revenue distribution, customer and market segmentation and boycotts should not be discussed or negotiated with other aviation industry. Any questions about legality should be referred to local legal counsel or the Legal and Insurance Division.

1.6.2 Commercially sensitive information such as competitor price should be obtained from public sources. When collecting market information, non-public commercially sensitive information should not be exchanged or discussed with other aviation industry in any way (such as e-mail, telephone or SMS).

1.6.3. When other companies in the aviation industry express intent to discuss competition related non-public commercially sensitive information, employees should immediately indicate their lack of authorization, quickly exclude themselves and report to their supervisor and keep written records.

1.6.4. Transactions should not be denied without justifiable cause, and the transacting party should not be discriminated against. Any anti-trust or clearly unconscionable conduct that could affect transaction procedure should be avoided.

1.6.5. When served with a search warrant approved by the local judiciary or in the event of an administrative investigation by local antitrust authorities, employees should immediately notify their supervisory unit, Legal and Insurance Division and local legal consultant for legal assistance.

1.7. Anti-Corruption Standards for Entertainment and Gifts

1.7.1 Directly or indirectly undertaking the expenditure of government officials, political party or election candidate with any thing of value in exchange for business opportunities or other purposes is prohibited. In addition, accepting rebates or any form of bribery offered by any unit is prohibited.

1.7.2. Employees should comply with various national anti-bribery laws and foreign anti-corruption laws such as the Foreign Corrupt Practices Act (FCPA), the UK Bribery Act (UKBA) and the Customs Law of the People's Republic of China.

1.7.3 Gifts and entertainment for maintaining business relationships should comply with applicable laws and regulations of the various countries and be limited to the range of social customs. Personal bribes should not be accepted, and gifts

and entertainment must not be excessively costly. Gifts should be public relations gifts bearing the CAL logo, and pre-approved by supervisors.

1.7.4. All business entertainment should not involve inappropriate places or events, and immoral conduct is prohibited.

1.8. Protect Company Assets and Intellectual Property Rights

1.8.1. During their terms of employment, CAL has authorship rights to works completed by employees as part of their job duties, and the works should not be disclosed, delivered, transferred, publicly presented, leased or sold without company consent or transacted in any way that undermines the interest of the company.

1.8.2. In compliance with copyright laws and to safeguard the company's information environment, only legitimate software provided by CAL may be used on the company's computer facilities and any unauthorized software is not allowed to use on the company's computer facilities. Employees requiring unauthorized software for job related tasks should apply with the department in charge.

1.8.3 Office software and hardware and supplies are for job related uses. Public property, uniforms, facilities, internet, e-mail device and other resources may not be used for personal purposes or deliberately consumed. The use of the abovementioned resources are subjected to random supervision by the company.

1.9. Responsibility and Obligation to Report

1.9.1 In accordance to the spirit of a just culture, employees are obligated to report to their supervisors or business management department any incident that affected flight and ground safety, involved corruption or violated integrity. If such incidents are in progress, employees are obligated to stop or report the incidents. Employees are obligated to report potential risks or negligence. Employees should understand that major negligence or intentional violation of company policy is unacceptable behaviors.

1.9.2. Reports should specifically state the person involved, time, place and objects involved in the incident, and include the name and department of the person who made the report. CAL is obligated to protect persons reporting or investigating the violations, and strictly prohibit retaliation.

1.9.3 CAL retains the right to refuse anonymous reporting, and will investigate and discipline those who deliberately make false accusation and malign.

1.10. Respect Human Rights

1.10.1. Each employee should be treated fairly and with respect, and avoid infringing on the human rights of others or become an accomplice to human rights abuses. In addition to supporting the CAL's human rights policy, employees should be

committed to and respect internationally recognized human rights standards/principles, including the Universal Declaration of Human Rights (UDHR), the United Nations Global Compact (UNGC), the core labor standards of the fundamental conventions of the International Labour Organization (ILO), the UN Guiding Principles on Business and Human Rights and other local laws and standards.

1.10.2. Respect the rights of employees to freedom of association and collective bargaining.

1.10.3. Each department must comply with labor laws prohibiting the use of forced labor or the employment of child labor under 16 years of age.

1.11. Commitment to Environmental Friendliness

1.11.1. Employees shall familiarize themselves with, and implement CAL's "Principles for Environmental and Energy Management" and "Environmental and Energy Policy."

1.11.2. Employees should be more efficient in their use of existing resources, reduce pollution, and protect animals and the natural environment.

1.11.3. Employees should be aware of and cooperate with CAL's environmental protection measures and energy-saving programs formulated in accordance to relevant laws and regulations to mitigate global warming and strengthen environmental protection.

1.11.4. CAL has signed the Buckingham Palace Declaration to support global biodiversity conservation and curb illegal wildlife trade. Employees shall be concerned with, abide by and support relevant laws and regulations, and shall not participate in but assist in preventing illegal wildlife trafficking and trade.

1.12 Employee compliance with the abovementioned workplace standards will be included in their annual performance evaluation. Disciplinary actions for non-compliance or violation of the abovementioned workplace code of conduct will be consistent with severity and based on CAL's merit system.