

Remuneration Committee Charter of CHINA AIRLINES

Enacted at the 21st meeting of the 18th Board of Directors on August 26, 2011.

Amended at the 1st meeting of the 19th Board of Directors on June 15, 2012.

Amended at the 6th meeting of the 19th Board of Directors on March 29, 2013.

Amended at the 8th meeting of the 21st Board of Directors on November 7, 2019.

Amended at the 12th meeting of the 21st Board of Directors on August 6, 2020.

Article 1. (Purpose of Establishment)

To ensure a sound system for compensation of the directors, supervisors and managerial officers of the Company, this Remuneration Committee Charter (hereinafter, “this Charter”) is adopted pursuant to Article 3 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter (hereinafter, “the Regulations”).

Article 2. (Scope of Application)

The composition, number of members, term of office, powers, rules of meeting procedures, and resources to be provided by the Company in exercising the Committee’s powers shall be handled in accordance with the Charter.

Any matters not covered herein shall be governed by applicable laws and regulations.

Article 3. (Committee Composition)

The Committee shall consist of three to five members appointed by resolution of the board of directors. A majority of the members shall serve as independent directors. The other members shall be independent directors or external professionals who possess the professional qualifications specified in Article 5 and meet the independence requirements stated in Article 6 of the Regulations.

When a member of the Committee is dismissed for any reason, resulting in there being fewer than three members, a board meeting to make a new appointment shall be held within 3 months from the date of occurrence. In the event that an independent director is dismissed and there is no other independent director, the Company may appoint someone who is not qualified to act as an independent director to be a member of the Committee until an independent director is appointed in a by-election, as required. The independent director elected in the by-election will be appointed following the by-election.

The term of the Committee members shall be the same as that of the board of directors by whom they were appointed.

Article 4. (Scope of Duties)

The Committee shall exercise the care of a good administrator to faithfully perform the following duties and present its recommendations to the board of directors for discussion:

1. Formulate and regularly review policies, systems, standards, and structures for performance evaluation and compensation of directors and managers.
2. Regularly evaluate and determine the remuneration of directors and managers.

3. Regularly review matters related to the organizational charter and submit them to the Board of Directors for revision.
4. Other matters referred to the Board of Directors.

For matters concerning the remuneration of directors and managers of the Company's subsidiaries that require approval from the Board of Directors based on the subsidiary's hierarchical responsibility, this Committee shall first make recommendations before submitting them to the Board of Directors for discussion.

For the purposes of the Charter, remuneration includes cash compensation, stock options, dividends, retirement benefits or severance pay, various allowances, and other tangible incentives. The scope of such compensation is consistent with the provisions regarding director and manager remuneration in the Regulations Governing Information to be Published in Annual Reports of Public Companies.

Article 5. (Principles for the Performance of Duties)

In performing its duties under the preceding article, the Committee shall adhere to the following principles:

1. Performance evaluations and remuneration of directors and managers shall be based on industry norms and shall be reasonable in relation to individual performance, the Company's operating performance, and future risks.
2. Directors and managers shall not be led to engage in behavior that exceeds the Company's risk appetite in pursuit of compensation.
3. The proportion of short-term performance-based bonuses and the timing of the payment of some variable compensation for directors and senior managers should be determined based on the specifics of the industry and the nature of the Company's business.

Article 6. (Rules of Order)

Rules of Order for the Committee:

1. The Company's Human Resources Division shall serve as the Committee's secretary, responsible for assisting with the preparation of the Committee's agenda, convening notices, conducting meetings, recording meetings, and other related matters.
2. The Committee shall meet at least twice a year and may convene meetings at any time as necessary.
3. When convening a meeting of the Committee, the reason for the meeting shall be clearly stated and notified to the Committee members seven days in advance, except in the case of emergencies.
4. An independent director shall be nominated by all members of the Committee to serve as the convener and chairperson of the meeting. If the convener is absent or unable to convene the meeting for any reason, he or she shall designate another independent director of the Committee to act in his or her place. If there is no other independent director, the convener shall designate another member of the Committee to act in his or her place. If the convener fails to designate a proxy, the other members of the Committee shall nominate a person to act in his or her place.

5. The meeting agenda for this Committee shall be set by the convener, and other members may submit proposals for discussion. The meeting agenda shall be provided to Committee members in advance.
6. A signature book shall be kept during meetings for members to sign in. Attendees via video conference are deemed to be in person. If a member of the Committee is unable to attend in person, they may authorize another member to attend on his/her behalf. Such proxy may only be authorized by one person. When authorizing another member to attend a meeting on his/her behalf, a written authorization letter must be provided for each meeting, detailing the reasons for the meeting and the scope of authorization.
7. Resolutions of the Committee must be approved by at least half of all members. When a matter comes to a vote at a Committee meeting, if upon inquiry by the meeting chair no member voices an objection, the matter will be deemed approved, with the same effect as approval by vote. The result of the vote shall be made known immediately and recorded in writing.
8. The Committee may invite directors, managers of relevant company departments, internal auditors, accountants, legal counsel, or other personnel to attend meetings and provide necessary information; however, they must not be present when deliberation and voting take place.
9. The Committee shall explain at the meeting any matters concerning the remuneration of its members. If such matters are deemed detrimental to the interests of the Company, the member shall not participate in and shall recuse him/herself from the discussion and voting the discussion, and may not vote on behalf of other members of the Remuneration Committee.

Article 7. (Meeting Minutes)

Minutes shall be kept of the Committee's meetings. The minutes shall include the following details:

1. The meeting session, time, and location.
2. The name of the chairperson.
3. Member attendance, including the names and number of those present, those on leave, and those absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute's taker.
6. Matters for report.
7. Matters for discussion: The resolution method and results of each proposal; the names of committee members whose remuneration is affected by their own remuneration as provided in the preceding article, their remuneration details, any circumstances in which they recused themselves, and any objections or qualified opinions.
8. Extempore motions: The name of the proposer; the resolution method and results of the proposal; summaries of the speeches given by committee members, experts, and other personnel; the names of committee members whose remuneration is

affected by their own remuneration as provided in the preceding article, their remuneration details, any circumstances in which they recused themselves, and any objections or qualified opinions.

9. Other matters to be noted.

The Committee's signature book constitutes part of the minutes. If the Committee is convened via video conference, the video and audio recordings will be considered part of the minutes. The minutes must be signed or stamped by the chairperson and the recorder, distributed to Committee members within twenty days of the meeting, submitted to the Board of Directors, and included in the Company's major archives to be retained for five years.

If litigation regarding matters related to the Committee occurs before the expiration of the retention period specified in the preceding Paragraph, the minutes must be retained until the litigation is concluded.

Minutes may be prepared and distributed electronically.

Article 8. (Appointment of Experts)

The Committee may, upon resolution, authorize an attorney, accountant, or other professional to conduct necessary audits or provide consulting services related to the exercise of its powers, with the Company bearing the costs.

Article 9. (Authorization of the Committee)

The convener or other members of the Committee may be authorized to continue the implementation of matters resolved by the Committee, and shall submit a written report to the Committee during the implementation period. If necessary, the report shall be submitted to the Committee for ratification or reporting at the next meeting.

Article 10. (Approval and Amendment)

The Charter shall be implemented upon approval by the board of directors, and the same applies to the amendments.