

China Airlines Ltd.

Procedures Governing the Election of Directors

Amended and implemented after approval by the Shareholders' Meeting on June 26, 2015

Article 1: Except as otherwise provided by law and regulation or by the Company's Articles of Incorporation, elections of directors shall be conducted in accordance with these Procedures.

Article 2: Directors shall be elected in the Shareholders' Meeting.

Article 3: Elections of the Company directors shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. The Company shall review the qualifications, educational background, and work experience, and the existence of any other matters set forth in Article 30 of the Company Act with respect to nominee directors, and may not arbitrarily add requirements of other credentials. It shall further provide the results of the review to shareholders for their reference, so that qualified directors will be elected.

The qualifications and elections for the independent directors of the Company shall comply with the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

When the number of directors falls below five due to the dismissal of a director or more for any reason, the Company shall hold a by-election to fill the vacancy at its next Shareholders' Meeting. When the number of directors falls short by one third of the total number prescribed in the Company's Articles of Incorporation, the Company shall call a Special Shareholders' Meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, Paragraph 1 of the Securities and Exchange Act, or the related provisions of the Taiwan Stock Exchange Corporation rules governing the review of listings, a by-election shall be held at the next Shareholders' Meeting to fill the vacancy. When the independent directors are dismissed en masse, a Special Shareholders' Meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 4: For election of Company directors, each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates. The Board of Directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with

each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the Shareholders' Meeting. Elections for directors and independent directors shall be held concurrently but the respective voting rights shall be separately calculated to determine the elected directors and independent directors.

Article 5: The number of directors will be as specified in the Company's Articles of Incorporation. The candidates to whom the ballots cast represent a prevailing number of voting rights shall be elected as independent directors or non-independent directors, respectively, based on the results of the election, in descending order. When two or more candidates receive the same number of voting rights, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any candidate not present.

If, following review, there are confirmed discrepancies in the personal information provided by any director elected as per the above paragraph or he/she is not fit to serve according to relevant laws or regulations, the resulting vacancy will be filled by the candidate receiving the next largest number of voting rights in the same election.

Article 6: If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; while the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name on the ballot paper. If the candidate is the representative of a governmental organization or juristic-person shareholder, both the name of the governmental organization or juristic-person shareholder and the candidate's name shall be entered in the column for the candidate's account name. When there are multiple representatives, the names of each respective representative shall be entered. For a non-shareholder candidate, the voter shall enter the candidate's full name and identity card number.

Article 7: Before the election begins, the chair shall appoint a number of persons to perform the respective duties of vote monitoring and voting rights counting.

Article 8: The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before the voting commences.

Article 9: Each ballot may only specify the name of one candidate.

Article 10: A ballot is invalid under any of the following circumstances:

- (1) The ballot is not prepared in accordance with these Procedures.

- (2) A blank ballot is placed in the ballot box.
- (3) The writing is unclear and indecipherable.
- (4) There are any alterations to the writing of the candidate's account name (or name) or shareholder account number (or identity card number) or the number of voting rights allotted.
- (5) The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
- (6) The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number is provided in the ballot to identify such individual.
- (7) Other words or marks are entered in addition to the candidate's account name (or name) or shareholder account number (or identity card number) and the number of voting rights allotted.
- (8) The number of voting rights cast total more than the voting rights allotted to the voter.

Article 11: If the number of voting rights cast is fewer than the total number of voting rights allotted to a voter, the remaining will be considered abstentions.

Article 12: After the casting of ballots is completed, the voting rights shall be publicly counted and the results of the calculation, including the list of persons elected as directors and the numbers of voting rights with which they were elected, shall be announced by the chair on the spot.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 13: The Company shall issue the notification to the persons elected as directors.

Article 14: Other matters not stipulated in these Procedures shall be conducted in accordance with the Company Act, the Company's Articles of Incorporation and all relevant laws and regulations.

Article 15: These Procedures, and any amendments hereto, shall be implemented after adoption by Shareholders' Meetings.