

## **Labor Relations**

### **1. Employee benefits, implementation status of further education, training, and retirement system, labor-management negotiation, and protection of various employees' rights.**

#### **A. Employee Benefits**

- (1) The Employee Welfare Committee of EVA Air was established on 30 October, 1997. The Company and employees, with a registration certificate No. 225031 issued by the Taoyuan City Government, set aside welfare funds to handle and process the following welfare businesses pursuant to the Employee Welfare Fund Act:
  - (A) Marriage allowance
  - (B) Funeral allowance
  - (C) Childbirth allowance
  - (D) Injury and sickness consolation cash benefit
  - (E) Festival vouchers or gifts
  - (F) Recreation and fitness facilities
  - (G) Library service, Employee Welfare course
- (2) The Company provides lunch and overtime meal allowance for all employees, in addition, breakfast and evening meal allowance for shift personnel.
- (3) The Company provides laundry service of uniforms and other accessories.
- (4) The Company provides commute buses for all employees as well as transport allowance for shift personnel.
- (5) The Company provides wedding cash gift, burial allowance, injury or sickness benefits, settlement allowance for international job transfer, and allowance for domestic job transfer.
- (6) The Company gives year-end bonus and employee compensation based on its operation performance every year.
- (7) The Company sets up Clinic Div. to provide medical interview and medicine prescription by doctors, in addition, regularly arrange free health check.
- (8) The Company covers workers by Labor Insurance, National Health Insurance, group accident insurance, hospitalization and injury medical insurance for those on overseas business trips, and provides group term life insurance preferential premium rate.
- (9) The Company offers psychological consultation for employees, and individual services for those in need.
- (10) The Company provides massage service to relieve the tension and fatigue from work of employees.
- (11) Employee and retiree reduced fare tickets.
- (12) Sports and leisure club allowance.

(13) Maternal Health Protection Program (breastfeeding rooms, maternity parking, priority seating in cafeteria, intrapartum and postpartum care visits, and employee welfare contracts for infant daycare centers and kindergartens).

B. Implementation Status of Further Education, Training, and Retirement System

(1) Ground Staff Training

Since it was founded, the Company has been continuously endeavored to improve employees' quality, management capability and professional knowledge to achieve higher business performance. Entire training programs were standardized and divided into three categories: competency training, annual training and international civil aviation organization training.

(A) Competency Training

Training courses held by each division for request of employees' profession according to its responsibilities includes departmental functional training, management training, general training to advance soft skill, Code of Conduct, Ethical Integrity and Insider Trading Prevention.

(B) Annual Training

In order to improve employees' professional knowledge, skills, and service attitude so as to provide high-quality services for passengers, the Company provides professional training for operational characteristics of ground staff, including Reservation & Ticketing Course, Passenger and Cargo Service Course, Load Control Course, Baggage Service Course, Dangerous Goods Regulations Course, Frequent Flyer Program (Infinity MileageLands) Training Course, Enterprise Data Warehouse Course, Digital Marketing Course, E-commerce Course, Aircraft Operator Security Programme Course, etc.

(C) International Civil Aviation Organization Training

Depending on the requirement for ground staff developing needs, employees will be assigned to attend relevant training programs organized by international civil aviation organization, such as IATA (International Aviation Transportation Association) and Star Alliance, or aircraft manufacturing company.

(D) Statistics of Ground Staff Completing Training Course in 2023

Number of Trainees	Total Training Hours	Total Training Expenditure (NT\$ thousands)
60,002	164,140	16,383

(2) Cabin Crew Training

Each new-hired cabin crew trainee must receive basic ground training for three months. 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. The cabin crew trainee must pass the evaluation of the ground courses to be qualified for operating duty.

For the cabin crew, EVA provides the following trainings, and the 2023 training performance statistics are as follows:

Courses	Completed Counts	Training Hours (per person)
Initial New Hire Training	204	464
Recurrent Training	4,011	24
Requalification Training (The period of not on duty exceeds three years)	10	464
A321 Transition Training	208	16
B777 Transition Training (from broad to broad)	25	19
B777 Transition Training (from narrow to broad)	68	32
B787 Transition Training	350	24
A330 Transition Training	76	21.5
CP Position Duty Training	2	40
CP Professional Skill Development Workshop	464	8
DP Position Duty Training	4	24
Substitute of CP Training	64	8
AP Position Duty Training	13	56
AP Promotion Training	204	56
CA Enhanced Training	174	32
CA Advanced Training	274	16
AP Advisor Training	26	6
Public Announcement Advanced Training (DP)	82	8
Public Announcement Advanced Training (AP/CA)	33	16
Public Announcement in Japanese Advanced Training	10	18
Service Differentiation Training	59	24
Orientation Training from UNI Air transferred crew	9	16

### (3) Flight Crew Training

For the flight crew, EVA provides the following trainings, and the 2023 training performance statistics are as follows:

Types of Training	Completed Counts	Training Hours (per person)
Initial New Hire	87	234
Transition Training-simulator phase	51	136
On-type Upgrade (Senior First Officer to Captain)	38	34
Upgrade (First Officer to Senior First Officer)	77	8
Requalification Training	33	22
Recurrent Simulator training	2,577	6
Annual Ground School	1,368	30
CRM-Joint Emergency Training	1,368	7

### (4) Retirement System

The Company has established an employee retirement plan, in accordance with the Labor Standards Act and the Labor Pension Act, covering full-time employees in ROC.

(A) Employees who are applicable to the pension regulations of the Labor Standards Act Labor pension funds appropriated in accordance with the Labor Standards Act are generally coordinated and managed by the Bureau of Labor Funds, Ministry of Labor. Each employee receives 2 bases for each full service year from year 1 to year 15, and 1 base for each additional year thereafter, subject to a maximum of 45 bases. Payments of retirement benefits are based on the employee's average monthly salary for the last six months before retirement and the number of bases accumulated by the employee according to his/her years of service.

(B) Employees who are applicable to the Labor Pension Act

In accordance with the Labor Pension Act, enacted from July 1, 2005, labor pension appropriated monthly by the Company is 6% of the worker's monthly wages.

### C. Protection of Various Employees' Rights:

(1) Continue to reinforce the operation of personnel system:

Attempting to attract and retain talent, and increase their competitiveness, the Company continues to strengthen integration of corporate structure, rationalize the manpower allocation, review personnel system and duty allowances, smooth promotion channels, and nurture international talents.

(2) Signing of Collective Agreement/Agreement:

(A) The Company has entered into a collective agreement/agreement with multiple labor unions in accordance with working conditions agreed upon as shown in the table below, which covers approximately 45.4% of the employees (based on the number of union members or domestic employees who signed the collective agreement/agreement by December 31, 2023). Employees who are not members of the labor unions will also be equally treated in terms of compensation, benefits and management.

Nature of Contract	Union	Contract Period	Main Content	Restrictions
Collective Agreement	Taoyuan Flight Attendants Union	Jul. 6, 2022 ~ Jul. 5, 2025	Working and employment conditions	1. The union agrees that no dispute activities (including but not limited to strikes and sabotage) will be initiated on domestic routes. 2. No dispute activities (including but not limited to strikes and sabotage) will be initiated during the contract period.
	EVA Airways Corporation Affiliated Enterprises Union	Nov. 1, 2022 ~ Oct. 31, 2025	Working and employment conditions	No dispute activities (including but not limited to strikes and sabotage) will be initiated during the contract period.
Agreement	Taoyuan Union of Pilots	Jan. 28, 2024 ~ May 31, 2026	Compensation conditions	No further dispute activities regarding the three strike disputes (increase in pilot pay, increase in per diem, and moratorium on hiring foreign pilots) shall be initiated during the contract period.

(B) The Company and the EVA Airways Corporation Enterprises Union are in the process of negotiating a collective agreement.

(3) Maintain an unimpeded Labor-Management Communication:

The Company utilizes various communication channels to forge a consensus and enhance the sense of cohesion among our employees, including regularly holding management meeting, department meeting, and interview with employees, conveying the Company's future development, operation strategy and objective, significant information and measures, and innovations so that employees can fully understand operation status and give their feedback and opinions to have positive

labor-management interactions. Moreover, the Company has established mechanisms for regular communication with multiple labor unions in order to maintain positive labor-management interactions. Furthermore, the Company responds to specific issues raised by labor unions and provide feasible solutions by making timely adjustments, aiming to establish good relations between labor and management through continuous rational communication.

**2. Until the printing date of the annual report, the actual or estimated losses caused by labor disputes and the countermeasures:**

- A. The loss due to civil action is estimated about NT\$7.59 million, and it will not have great impact on shareholders' equity and stock prices of the Company.  
 B. After the labor inspection, the total amount of fines imposed by the labor authority is NT\$0.60 million. The details are as follows:

Disposition Date	Disposition Number	Violated Article	Violated Article Content
May 22, 2023	Taoyuan Labor Inspection No. 1120132221	Labor Standards Act Article 32 Paragraph 2	1. When an employer has a necessity to have his/her employee to perform the work besides regular working hours, he/ she, with the consent of a labor union, or if there is no labor union exists in a business entity, with the approval of a labor-management conference, may extend the working hours. 2. The extension of working hours referred to in the preceding paragraph, combined with the regular working hours shall not exceed twelve hours a day; the total number of overtime shall not exceed forty-six hours a month; however, the extension of working hours, with the consent of a labor union, or if there is no labor union exists in a business entity, with the approval of a labor-management conference, shall not exceed fifty-four hours a month and one hundred and thirty-eight hours every three months.
Oct. 04, 2023	Taoyuan Labor Inspection No. 1120268744		
Feb. 16, 2024	Taoyuan Labor Inspection No. 1130041117		
May 22, 2023	Taoyuan Labor Inspection No. 11201322211	Labor Standards Act Article 34 Paragraph 2	A. If a rotation system is adopted, workers on such shifts shall be rotated on a weekly basis except as otherwise consented to by the worker.

Disposition Date	Disposition Number	Violated Article	Violated Article Content
			<p>B. Workers who are on rotation in accordance with the preceding paragraph shall be granted a rest period of at least eleven hours continually; however, due to the characteristic of work or special cause, a rest period of at least eight continuous hours shall be granted after the Central Regulatory Authority with jurisdiction over the business (or industries) has reviewed with the Central Competent Authority.</p>
<p>Aug. 25, 2023</p>	<p>Taoyuan Labor Inspection No. 1120231885</p>	<p>Labor Standards Act Article 59 Subparagraph 2</p>	<p>An employer shall pay compensation to a worker who is dead, injured, disabled or sick due to occupational accidents according to the following provisions; provided that if, in respect of the same accident, the employer has already paid compensation to the worker concerned in accordance with the provisions of the Labor Insurance Act or other applicable statutes and administrative regulations, The employer may deduct those already paid compensation therefrom:</p> <p>2. When a worker under medical treatment is not able to work, the employer shall pay him/her compensation according to his/her pre-existing wage. The employer shall be released from such compensation obligation by giving to the worker a lump sum payment equal to forty months of average wage if the worker failing to recover after two years of medical treatment has been diagnosed and confirmed by a designated hospital as being unable to perform the original work and so does not meet the disability requirements under Subparagraph 3 hereof.</p>

C. Response measures: EVA Air communicates and interacts with employees on different topics through various channels such as concern discussions, interactive meetings, and the employee welfare committee. Different work problems can be communicated through multiple communication channels. To protect employees' rights and interests, the Company established labor complaint handling regulation. Employees may reflect problems through the appealing channel and the Company will communicate with the employee properly to achieve consensus. The new cases are mainly about disputes over employment relationship and compensation criteria, the Company will enhance the communication about employment conditions to prevent disputes.

### **3. Codes of Conduct or Ethics for Employees and Protection Measures for Working Environment and Personnel Safety**

#### **A. Codes of Conduct or Ethics for Employees**

Service principles for employees standardized by the Company's Management Rules.

- (1) Comply with the Company's regulations and work procedures, devote to work, and obey managers' orders, commands, and supervision.
- (2) Sign in (out) within the prescribed time, unless there is special case stated and approved.
- (3) Leave working position only when all document files are put in order after work.
- (4) Be scrupulous in separating business from personal matters, discreet in word and deed, honest, and incorruptible. Protect the honor of the Company, get rid of all bad habits, show respect to colleagues and get along well with each other.
- (5) Hold firm to own position, decentralize responsibilities, and stay intensive connection with related departments to make concerted efforts in finishing works undertaken for execution of business.
- (6) Pay attention to the workplace neatness, aesthetic, and safety at all times.
- (7) Be modest and courteous toward customers, must not treat them with frivolousness, arrogance, perfunctoriness or disregard.
- (8) Avoid using business phone for personal purposes, and make calls short.
- (9) Before bringing out public property, obtain a release pass from a department manager and accept examination of security officer.

The Company has formulated "Codes of Ethical Conduct" and "Ethical Corporate Management Best-Practice Principles". The former standardizes the ways employees carry out their daily actions with ethics, and makes the Company's ethical criterion understood and adhered by all stakeholders. The latter revealed that the Company upholds the business philosophy of honest, transparent and responsible, bases on ethics, and establishes a sound corporate governance system and risk control mechanism so as to create a business environment for sustainable development.



## B. Protection Measures for Working Environment and Personnel Safety

- (1) Located at office park in Nankan Village and with convenient communications, broad area and elegant environment, the Company provides employees many recreation and fitness facilities such as indoor heated swimming pool, gym, aerobics classroom, table tennis room, and badminton court for recreations or activities with colleagues.
- (2) For the sake of employees' safety, the Company implements not only Labor Insurance and National Health Insurance, but also accident and injury insurance, medical insurance and so forth for those on overseas business trips and overseas dispatch.
- (3) The Company sets up Clinic Div. to regularly arrange health check, medical consultation and interview, and the rest to ensure employees' health.
- (4) We have established the Occupational Safety & Health Div., and formulated safety and health work rules. We hold occupational safety and health committee meetings at least once every three months, and handle occupational accident investigation reports and analyze statistics.
- (5) The Company executes inspection of fire security and public facilities on a regular time schedule to safeguard environment safety.
- (6) The Company conducts occupational safety and health educational training for new employees and annual safety and health educational training for existing employees, with additional fire-fighting lectures and practical training held periodically.