



2016

Corporate Social Responsibility Report

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Message from the Management

Upholding the enterprise spirit of “challenges, innovation, teamwork” and carrying out adhering to rigorous strict flight safety management and service quality, EVA Air has been growing steadily with the core value of “Safety and Services” along the way, while receiving recognition and awards from around the world.

Adhering to the philosophy of “Never Compromise on safety,” EVA Air won multiple awards in 2016. In terms of flight safety, EVA Air was selected as one of the world’s twenty safest airlines by the internationally renowned website Airline Ratings.com, and rated 3rd among the “JACDEC Airline Safety Ranking” for the second consecutive year, thereby continuing to maintain its excellent flight safety record. In terms of service quality, EVA Air and RIMOWA jointly released the cutting-edge electronic tags luggage which simplifies passenger luggage check-in processes through electronic tags. This is the first airline in Asia and the second worldwide to officially offer the new service. For the benefit of visually disabled passengers, EVA prepared Braille cabin schematics and Braille versions of the passenger safety card, in accordance with the policy of the Civil Aeronautics Administration (CAA), Ministry of Transportation and Communications (MOTC), on barrier-free transportation environment, to offer visually disabled passenger information on the positions and instructions of all cabin safety facilities on-board. In terms of overall performance evaluation, EVA received the highest honor in airline service quality in 2016 - “The SKYTRAX 5-Star Rating”; the Company is the first in Taiwan and the eighth worldwide to be awarded this honor. The company has also been recognized as the world 8th best airline and named as the “Best Transpacific Airline” with the “Best Business Class Comfort Amenities as well as the World’s 3rd Most Loved Airline by SKYTRAX. Other awards include Global Traveler Magazine’s “Best Airport Staff/Gate Agents” award and “Leisure Lifestyle Award for Outstanding Customized Service” (Hello Kitty Jets), No. 8 on the Travel + Leisure Magazine’s “The World’s Best International Airlines”, Business Today Magazine’s “Best Brand Award” first place in the airline category, No. 1 on Cheers Magazine’s “Top 100 Most Attractive Employers” at transportation filed, and CAA’s 2016 “Golden Flyer Award” for International and Domestic Route Group.

Since its establishment in 1989, EVA Air has been going strong for 28 years. We sincerely appreciate all stakeholders’ support, which helps EVA Air to continuously advance towards sustainable development. In the face of many future challenges in the aviation industry, EVA Air will persist on its corporate spirit and the company’s mission “Safe, Punctual Flights, Friendly Professional Services, and Efficient, Innovative Operations”, and keep focuses on the core business and sustainable management in order to protect the interests of all stakeholders. Bearing in mind the founder’s original mission to contribute to society, EVA Air never pursue short-term profit; instead, we concentrate on the enterprise responsibilities of sustainable performance, environmental protection, and community engagement. We endeavor to establish the most comprehensive communication channels with tremendous gratitude, in the hope of continuing to communicate with the stakeholders and creating our own value using the feedback we have received.



EVA Air Chairman Bou-Shiu Lin

Message from the Management

EVA Air has been demanding the highest standards in its operations and sparing no effort in its devotion on corporate social responsibility. In terms of corporate governance, EVA was rated the top 5% best listed companies in the “3rd Corporate Governance Evaluation” by TWSE (Taiwan Stock Exchange) for the second consecutive year. In terms of the environment, EVA was certified for ISO 14001 environmental management and ISO 50001 energy management systems in 2016, and plans to adopt the ISO 14064 Greenhouse Gases emissions inspection and verification in 2017. EVA purchased 2.5 million kWh of green power, and received the “Corporate Vision Award” from the Ministry of Economic Affairs. The 2017 “EVA Carbon Offset Program” is a demonstration of EVA Air’s determination to support renewable energy, which allows passengers voluntarily pay the equivalent value or customized amount to take part in “zero-carbon travel” and support the international carbon reduction project funded by Climate Care. In terms of social involvement, in cooperation with the Chang Yung-Fa Foundation, EVA helped donate second-hand furniture to schools in remote areas of Miaoli County, and sponsored many sports and arts events such as the “Pingtung Picturesque Rice-Field Art Festival” to improve the nationals’ humanities accomplishment. Furthermore, EVA has participated in the “Taiwan Corporate Sustainability Award” by TAISE (Taiwan Institute for Sustainable Energy) for two consecutive years, and has received the “Top 50 Corporate Sustainability Report Awards - Transportation Gold Award” and the “Social Inclusion Award” in 2016. EVA also attended TACS’ (Taiwan Academy of Corporate Sustainability) 1st Taipei Golden Eagle Micro-movie Festival and received the “Best Corporate Governance Award”.

EVA Air listens to our customers’ needs and strives to create a memorable journey for every passenger. With the introduction of the latest aircraft, EVA Air will launch the splendid upgrading of cabin class planning, interiors and facilities and overall service quality to provide our customers with top flying experiences. Looking forward into 2017, we will continue to serve our customers with unwavering passion and strive to become one of the world’s best airlines.



EVA Air President Hsien-Hung Chen

Bou-Shiu Lin
Chairman, EVA Air

林寶水

Hsien-Hung Chen
President, EVA Air

陳憲弘



About This Report

Since its establishment 28 years ago, EVA Air has been placing importance on the corporate responsibility of sustainable performance, environmental protection and social engagement. We insist on strict flight safety standards and quality service; therefore, we have received recognition by many important domestic and international awards. To strengthen the mutual interaction with our stakeholders and meet their expectations in terms of EVA Air's efforts in addressing issues of governance, 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 Corporate Social Responsibility (CSR) Report every year. This report is the 4th CSR report on disclosing the results regarding sustainability in 2016 and our outlook on the future.

Report Management

Management Division
EVA Air Corporate Social Responsibility Committee, which is directly subordinate to the President and comprises 6 sub-committees, is responsible for managing this report. To ensure that the report is accurate and meets the stakeholders' expectations, the content of this report was provided and jointly compiled by various departments. Afterwards, EVA Air Corporate Responsibility Committee examined the report content and provided suggestions. All of the content was published after approved by all sub-committees and the President.
Internal Review
EVA Air has long been collecting worldwide information on material issues related to aviation, economics, environment and society. As the Corporate Social Responsibility Committee implements significant analyses, the specific impacts of the issues on the Company's operations were well identified. Via various communication channels, we have obtained the issues the stakeholders are most concerned, from among which we identified and screened the material issues for EVA Air. These issues served as the foundation for disclosing the information about the Company's sustainability in this report. All the statistical data revealed in this report were provided and organized by various departments of EVA Air. 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 with the consulting team. The final draft was reviewed by the head of each department and then presented in this annual report after the President's approval.
External Review
This report has passed the validation conducted by SGS Taiwan Ltd. and accords with the core of GRI G4 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 NTD. The Greenhouse Gas Emissions (ISO 14064-1), Environmental Management System (ISO 14001), Energy Management System (ISO 50001), Occupational Health and Safety Assessment Series (OHSAS 18001) have been verified by Bureau Veritas Certification (Taiwan) Co., Ltd.).

Boundaries and Data

The information boundaries revealed in this report encompass the inside of the organization (EVA Air and subsidiaries) and the outside of the organization (value chains). For the inside of the organization, the operations in Taiwan are the core of disclosure, including specific implementation, various performance data and explanations of the results of relevant planning of EVA Air in 2016 (from January 1, 2016 to December 31, 2016) regarding the aspects of governance, flight safety, services, economics, environment and society. 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 within the organization and value chains outside the organization, the report focuses on EVA Air's approach to management.

In terms of the scope of disclosure, the report differs from the previous version in the way that the issues' impacts were delineated using the value chains to present the boundaries outside and inside of the organization. In the event of different measurements of data from the previous version, the differences can be found in detail in the paragraph.

Principles of Preparation

The principles of preparing this report were based on the G4 Sustainability Reporting Guidelines of Global Reporting Initiative, GRI. The analysis procedure of the material issues of EVA Air was determined through the guidelines to make sure the data and information could be highlighted and accord with the principles of the content and quality. With regard to the material issues identified, the important strategies, response measures, performance indicators, objectives, and actual implementation results were disclosed to meet the external stakeholders' demand for the transparency of the Company's business information. For more information, please visit the Company's Corporate Social Responsibility website : <http://www.evacs.com/>

Publication

EVA Air publishes a Corporate Social Responsibility Report every year, and provides a downloadable electronic version from the EVA Air CSR website : <http://www.evacs.com/pages/download.aspx>



2017
The report is expected to be published in June 2018.

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 Planning Division of EVA Airways Corporation.

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Chapter Highlights



World's Top 10 Safest Airlines

Ranked 6th in the World's Top 10 Safest Airlines announced by Jet Airliner Crash Data Evaluation Centre (JACDEC) in 2016.



7-STAR SAFEST

According to the safety ratings published in 2016 by the global professional airline rating website, AirlineRatings.com, EVA Air was again selected as one of "Top 20 Safest Airlines," and won 7-star full score for its safety performance.



The prestigious air transport rating organization SKYTRAX conferred the certificate on Eva Air in June, 2016, rendering Eva Air the world's 8th 5-star airline. Eva Air's 5-star services adopt the concept of divisional services and exclusive service staff. Using the customized service flow incorporated with "thoughtfulness, interaction, attention and focus," Eva Air builds an interactive relationship with the passengers to gain a better understanding of their needs during each stage of the flight, based on which the Company provides top services with "security, comfort, uniqueness and luxury."

SKYTRAX 2016 WORLD AIRLINE AWARD



- Best Airline Transpacific (No. 1)
- Best Business Class Comfort Amenities (No. 1)
- The Most Loved Airlines on Skytrax (No. 3)
- The World's Best Airlines Top 100 (No. 8)
- Best Airline Cabin Cleanliness (No. 2)

Ranked 1st place in "Best Airline Transpacific", 1st place in "Best Business Class Comfort Amenities," 3rd place in "The Most Loved Airlines," 8th place in "The World's Best Airlines Top 100" and 2nd place in "Best Airline Cabin Cleanliness" by SKYTRAX (a UK-based international air transport rating organization).

WORLD'S BEST CABIN CREW

Selected as the "World's Best Cabin Crew" by the world-renowned aviation website AirlineRatings.com. Eva Air's Elite Class and Economy Class received recognition in two categories: "Best Premium Economy Class" and "Best Long Haul Economy Class Cabin."

FIRST PLACE

Manager Today(monthly): Civil Aviation category, Asian Power Brands 2016



BEST AIRPORT STAFF/GATE AGENTS

The US renowned travel magazine Global Traveler

PR AWARDS 2016

Gold Medal in Best PR Campaign - Lifestyle
Bronze Medal in Best Consumer PR Campaign

BEST AIRLINE IN ASIA

Voted as the "Best Airline in Asia" by the readers of Premier Traveler

ZERO DEFECTS

Passed the biennial IOSA certification for 6 consecutive times with "zero findings" and was the first airline to pass the certification in Taiwan.

FIRST PLACE

The 30(magazine): The Most Popular and Coveted Brands category, Youngsters' Favorite Brands Survey 2016

BEST SERVICES

Ranked 1st place in Next Magazine's "Best Services Awards" for 13 consecutive years in the international airline category.

Best Airline

Common Wealth Magazine: Golden Service Awards 2016 in Airline category.

BEST BUSINESS CLASS CELLAR Gold Medal BEST BUSINESS CLASS SPARKLING Gold Medal

The Business Traveller
Cellars in the Sky
2016 Awards



1st Place in Best Airline Brand

Business Today(magazine): The 9th Best Brand Award

8th PLACE

Selected as one of the World's Best International Airlines by the US-renowned travel magazine Travel + Leisure

Business Operations and Value Chain

About EVA Air



Evergreen Group Chairman and Founder Dr. Chang Yung-Fa established EVA Airways in 1989, taking the respected transportation heritage and tradition of quality service of older sister and container-shipping leader Evergreen Line into the skies. He ordered 26 brand-new aircraft and set high standards for quality service and safety.

We made our maiden flight on July 1, 1991. As of mid-April 2017, EVA Air has established 107 operating locations in 19 major countries around the world, as well as flight destinations across more than 60 major cities in Asia, Australia, Europe and America.

To become a more internationalized and competitive airline, EVA Air officially joined Star Alliance on June 18, 2013. A close-knit global network was formed through the strategic alliance of the member airlines, to provide more than 18,500 flights every day to nearly 1,330 destinations in 192 countries. We also collaborate with Uni Airways Corp. to provide flight services to major cities in mainland China.

In 2015, EVA Air signed a contract with the Boeing Company to introduce 24 Boeing 787 Dreamliners, which are expected to be delivered successively from 2018, and will result in an upgrade once again in terms of cabin designs, interiors and overall service quality to strengthen the Company's competitiveness.

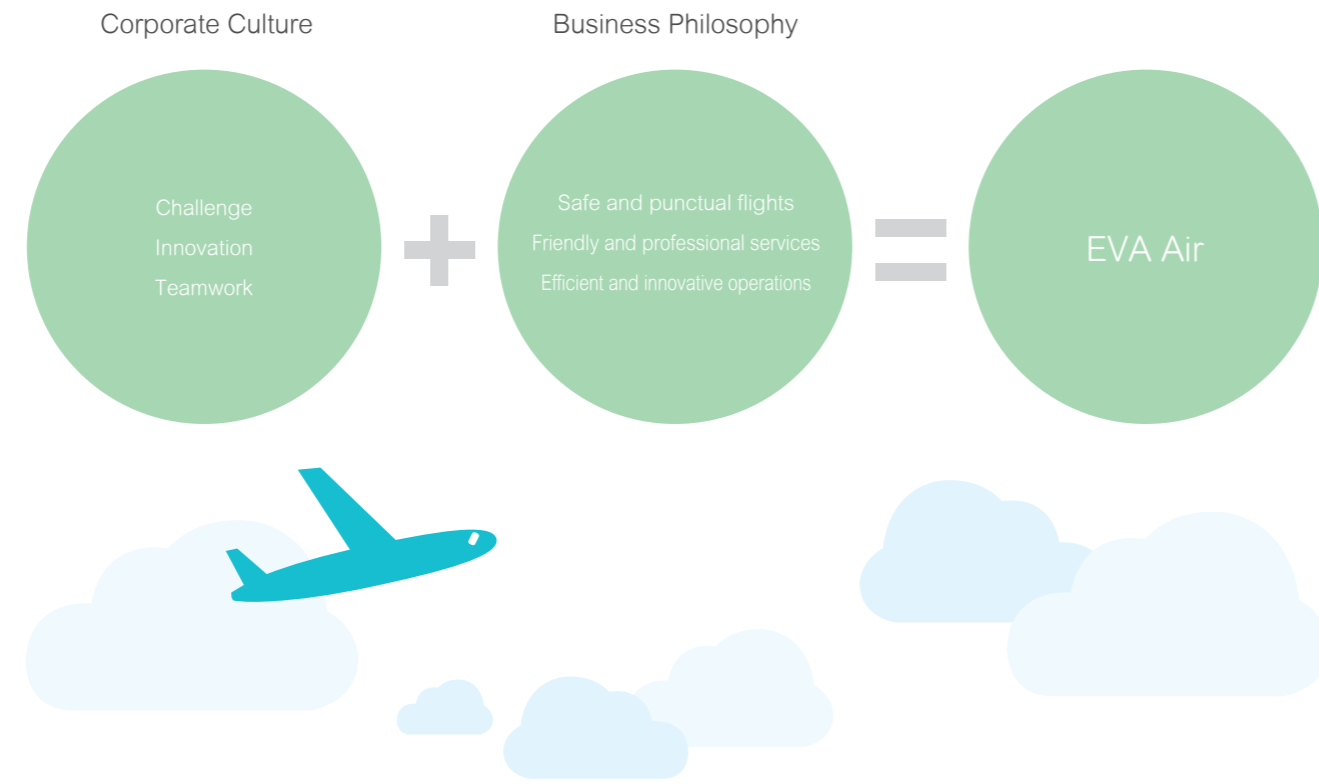
Fly to the Future and the World

EVA Air has aimed at becoming the global top airline since the beginning of its operations. We will continue adhering to strict flight safety in the future, and serve our passengers like family, with our tremendous gratitude. We strive to fly to the future with a global view and expand our services to every corner of the world in the attempt to become the best airline in the world.

Unwavering Pursuit of Safety

Adhering to the concept "Never compromise on safety", EVA Air holds a perfect flight safety record and is ranked time and again among the top airlines in flight safety inspections conducted by civil aviation authorities in various countries and independent certification companies. We have been honored as one of the "World's Top 10 Safest Airlines" by JACDEC for many consecutive years and ranked in 6th place in 2016. Furthermore, according to 2016 flight safety rating results announced by AirlineRatings.com, a global professional airline review site, EVA Air once again entered the ranks of "World's Top 20 Safest Airlines" among other top international airlines, and earned a 7 star rating for safety. EVA Air has remained true to the pursuit of flight safety and we will continue to push ourselves to reach even higher standards to provide passengers with safe and comfortable services.

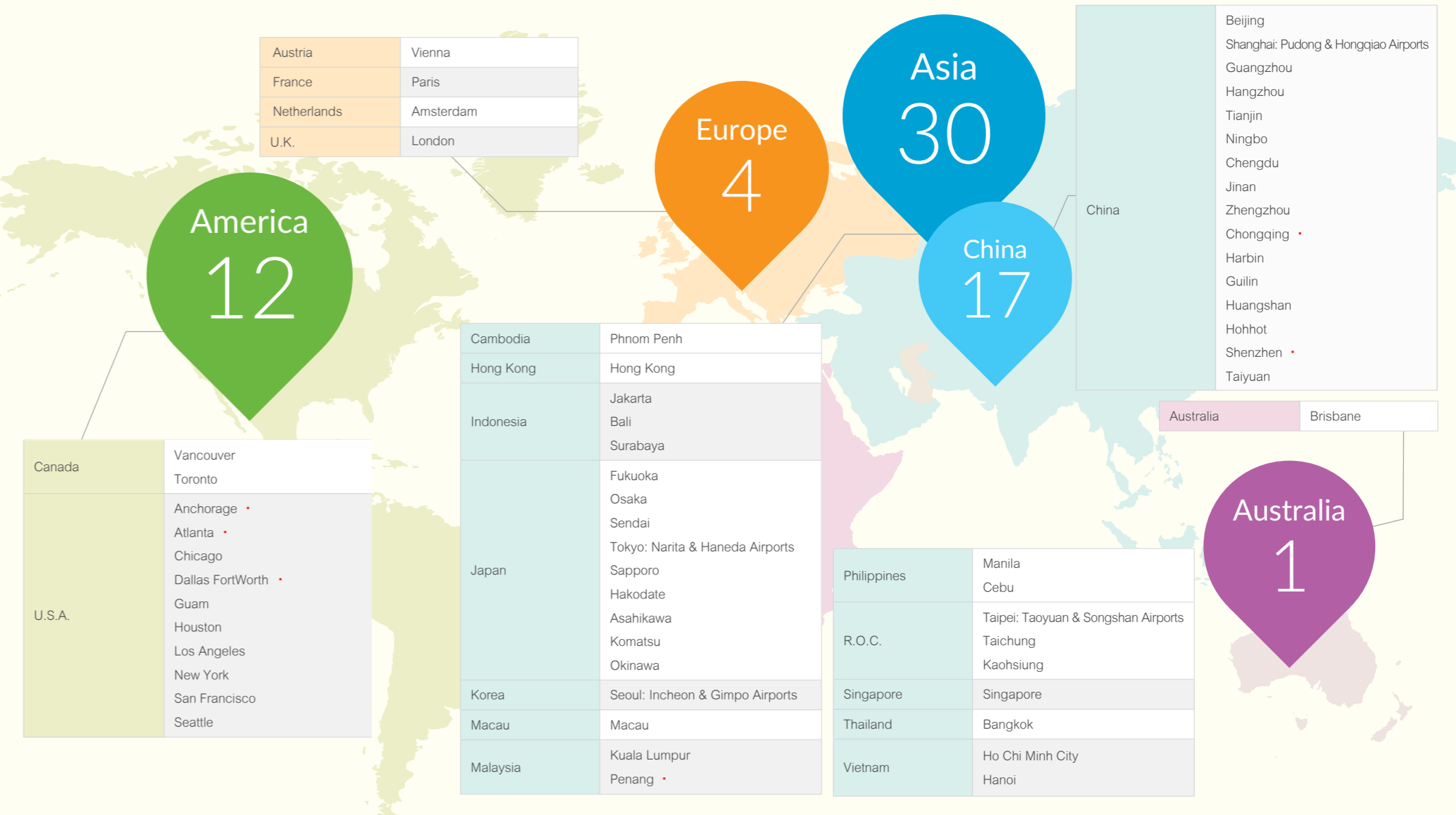
EVA Air's Core Values



Ever since its establishment, EVA Air has upheld the enterprise spirit of "challenge, innovation, teamwork" and the business philosophy of "safe and punctual flights", "friendly and professional services" and "efficient and innovative operations." We endeavor to improve service quality, maintain our excellent safety records, and implement the corporate governance to develop a sustainable environment and support social welfare. Our mission is to become the world's best airline.



Global Air Route Distribution

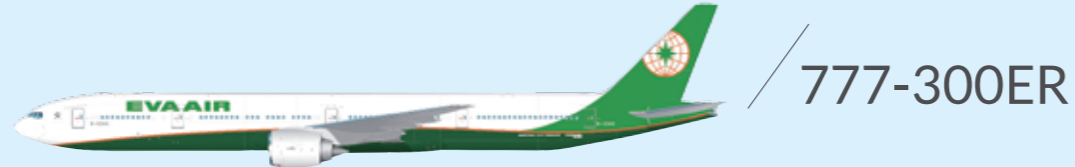


Note 1: Data updated as of April 2017

Note 2: Destinations marked with red dots (•) provide freighter services only.



747-400



777-300ER



A330-300



A330-200



A321-200



747-400F



MD-11F

Aircraft Model	Quantity
747-400	3
777-300ER	33
A330-300	7
A330-200	4
A321-200	24
ATR-72	2
Average age of the passenger aircraft	4.73 years
747-400F (FREIGHTER)	6
MD-11F (FREIGHTER)	2
Average age of the freighters	18.99 years
Total number of aircraft	81
Average age of all aircraft	6.14 years

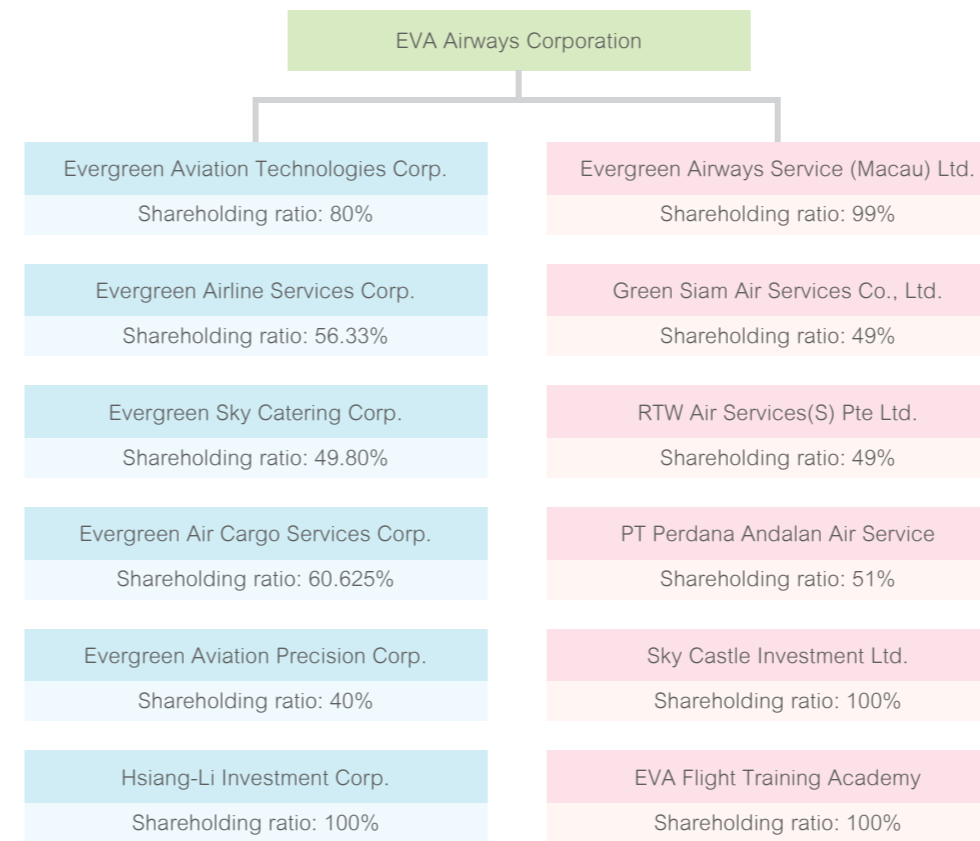
Note 1: The numbers of fleet as of May 1, 2017.

Note 2: EVA Air added a total of 15 new aircraft in 2016 (7 X Boeing 777-300ER, 6 X Airbus A330-300 and 2 X Airbus A321-200). To prepare for the opening of new destinations in the coming future, another 11 aircraft of existing models, such as 777-300ER and A330-300, will be added by 2017. Moreover, in coordination with EVA's fleet renewal plan and overall fleet expansion, 24 brand new Boeing 787 Dreamliners will be introduced from 2018. In addition, five Boeing 777F will be introduced from 2017 to deal with the demands of airfreight.

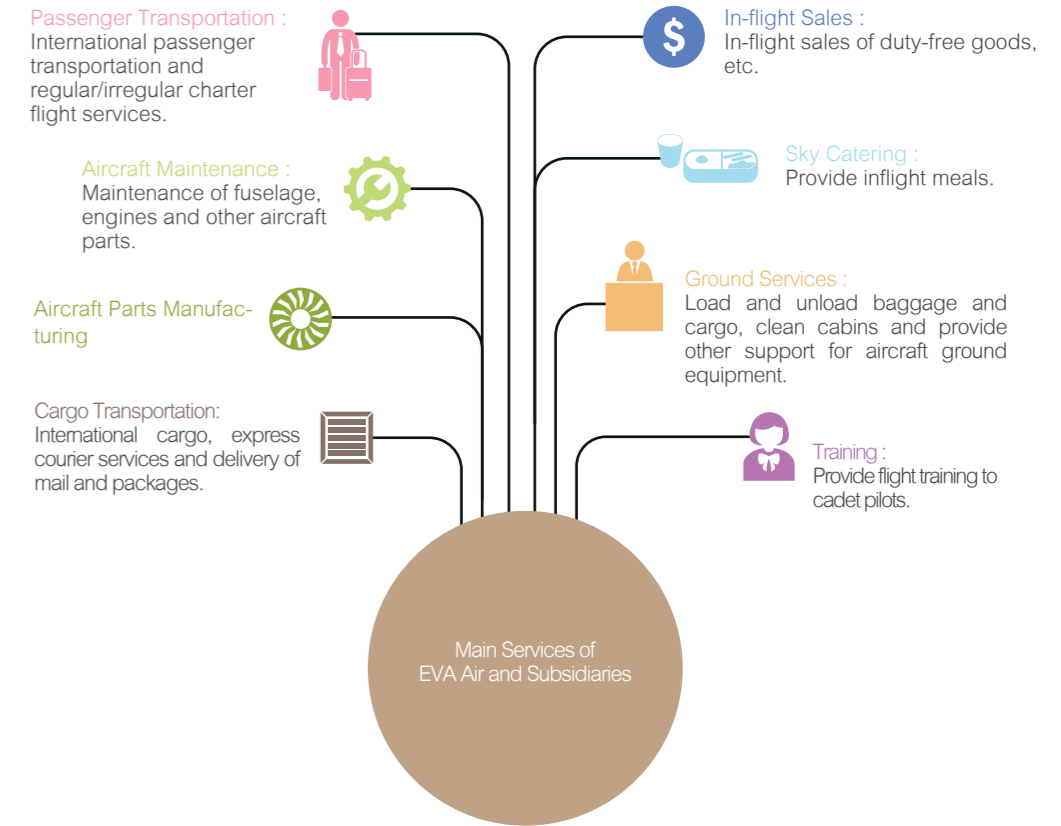
EVA Air Value Chain

Aiming at becoming the best airline in the world, EVA Air has long been concentrating on its main duties, upholding the enterprise spirit of "challenges, innovation, teamwork" and the business philosophy of "safe and punctual flights, friendly and professional services, efficient and innovative operations." We put our emphasis on customers' needs. With a series of service systems from the upstream aircraft parts manufacturing and pilot training, through the ground support that provides logistics services, aircraft maintenance, and airline catering, to direct passenger and cargo services for our customers and products sales, we construct a comprehensive aviation value chain.

EVA Airways Corporation and Subsidiaries



Main Services of EVA Air and Subsidiaries

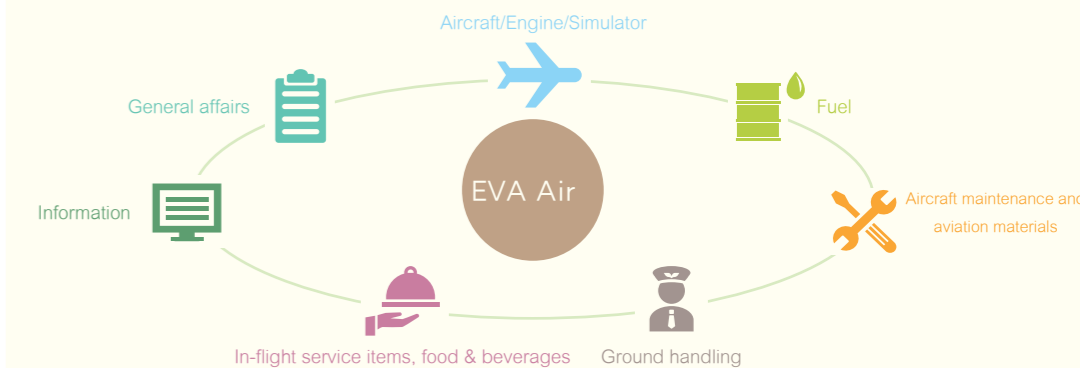


Sustainable Procurement Management

EVA Air Supply Chain

EVA Air works hard to provide the best products and services in close collaboration with all the partners of the supply chain. The number of suppliers in steady collaboration with EVA Air has reached approximately a thousand and can be divided into 7 categories; aircraft/engine/simulators, aviation fuel, aircraft maintenance and aviation materials, ground handling, in-flight service items and catering, IT and general affairs. Through close collaboration with these suppliers, we jointly strive to pursue sustainable management and create safe and wonderful flight experiences for the passengers.

EVA Air Supplier Categories



2016 EVA Air Procurement Percentages by Categories

Procurement Category	Percentage of Amount
Aircraft/Engine/Simulator	27%
Aviation Fuel	35%
Aircraft maintenance and aviation materials	15%
Information	4%
In-flight service items, food & beverages	9%
Ground handling	8%
General affairs	2%

Note: The above data take into account the procurement quantity of items required for EVA Air's global operations.

Percentage of Amount on Local Procurement

Procurement categories	2014 Procurement %	2015 Procurement %	2016 Procurement %
Domestic	32%	27%	31%
Foreign	68%	73%	69%

Sustainable Procurement: Social Responsibility Policies for Sustainable Development of Suppliers

As a global 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, in addition to fulfilling our own corporate social responsibility, EVA Air revised the internal procurement procedures with the enactment of "EVA Air: Supplier Partnership Social Responsibility Policy for Sustainable Development" by the President in 2015. The selection criteria of environment, human rights, labor practices and social impact were incorporated as the main items of consideration for selecting new suppliers. We hope that with the help of the procurement policies and practices, we can encourage our suppliers to make joint efforts to fulfill corporate social responsibility.

Selection Criteria for Selecting New Suppliers

Criteria Category	Management System
Environment	ISO14001 Environmental Management System
Human Rights	SA8000 CSR Management System
Labor Practices	SA8000 CSR Management System & OHSAS18001 Occupational Health and Safety Management System
Social Impact	SA8000 CSR Management System

Number of New Suppliers Selected Based on Sustainability Criteria

2015	2016
135	107

For existing suppliers, we request that they sign a letter of commitment to honor our business philosophy of human rights, environmental protection and sustainable development, in addition to creating economic growth together, facilitating the entire industry to face and fulfill social responsibility and embark on the journey of sustainable development.

EVA Air Supplier Partnership Social Responsibility Policies for Sustainable Development - Letter of Commitment

- Actively participate in EVA Air's service innovation-related action plans to jointly create social and economic growth.
- Join Eva Air in our efforts to improve flight service safety standards, and take actions to reduce flight safety risks.
- Adhere to honest and ethical management; never offer EVA Air employees and their relatives any rebates, bribes or other improper benefits.
- Strictly abide by laws and regulations; never offer products or services that do not comply with laws, regulations and safety requirements.
- Value staff development and occupational safety; never hire child laborers; provide minor employees (including work-study students, interns) with working conditions and environment that comply with the law.
- Pay attention to environmental protection, energy conservation and carbon reduction; give priority to local procurement, reduce energy resource wastes, recycle and reuse, reduce the amount of wastes generated, comply with environmental laws, and create environmentally sustainable businesses.
- Fulfill the obligation of secrecy for all EVA Air's trade secrets learned during the cooperation period, and jointly maintain the good reputation of both EVA Air and our supplier partners.

In 2015, the five companies under EVA Air: UNI Air, Evergreen Aviation Technologies Corp., Evergreen Airline Services Corp., Evergreen Sky Catering Corporation and Evergreen Air Cargo Service Corp. took the lead to sign the "EVA Air Supplier Partnership Social Responsibility Policy for Sustainable Development: Letter of Commitment." From January to June in 2016, the procurement department also sent the Letter of Commitment to over 400 existing suppliers in Taiwan for them to sign. From August, 2016 to December, 2017, the Letter of Commitment has been and will be sent to over 600 existing suppliers abroad for their signatures. To strengthen the sustainability risk management of the supply chain, EVA Air plans to conduct a questionnaire survey on the suppliers' CSR (environment, labor conditions, human rights, social impact) for self-evaluation.

EVA Air Supplier Partnership Social Responsibility Policies for Sustainable Development Number of Signatures on the Letter of Commitment

2015	2016	2017 Goal
195(20%)	300(30%), a total of 495 suppliers (50%).	60% of suppliers signed.

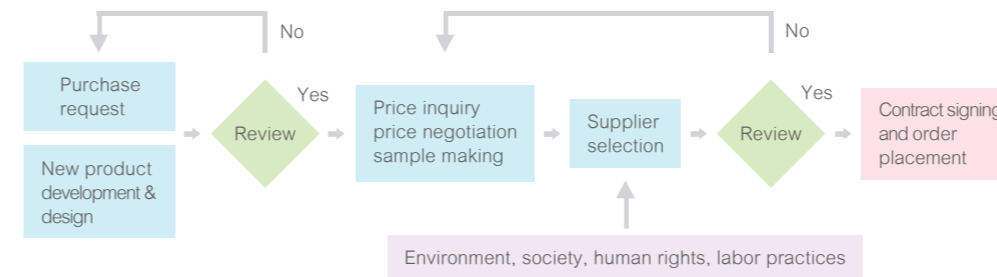
EVA Air Procurement Guidelines

EVA Air aims to satisfy our suppliers' expectations by offering the most appropriate prices during procurement, and to meet our customer needs with the best quality service. To accomplish this, we adhere to the 3 requirements of "Safety, Quality and Price", as well as to other relevant laws and regulations, and formulated "Procurement Operating Procedures" to clearly state the responsibilities of each business department and the procurement process, and allow the business departments to work out the details concerning the procurement operation to maximize the benefits in each procurement.

EVA Air draws up the annual supplier audit plan every year. The outsourced maintenance suppliers at each destination airport are to be audited at least once every 2 years in principle. Audit methods include on-site audit and desk audit. Different levels of audit are adopted according to flight safety. In case of major aircraft maintenance, major components (engine, landing gear) maintenance, major repair/modification and main components maintenance, suppliers are primarily audited through on-site audits, and supplemented by desk audits. The other suppliers are audited through desk audits. A list of qualified suppliers is prepared after audits have been completed. Suppliers that failed the audits are requested to complete the root cause analysis and to put forward corrective and preventive measures after receiving the noncompliant items. The original auditors will then review their improvement results.

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", 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.

Supplier Selection Flowchart



Sustainability Performance and Results

EVA Air Past Sustainability Performance

	2014	2015	2016
	Overall Performance		
Operating revenue (in thousands NTD)	Parent-Company-Only 116,921,858 Consolidated 133,090,008	Parent-Company-Only 115,892,656 Consolidated 137,168,544	Parent-Company-Only 115,495,819 Consolidated 144,679,665
Gross margin (%)	Parent-Company-Only 8.19% Consolidated 9.20%	Parent-Company-Only 14.97% Consolidated 14.76%	Parent-Company-Only 13.75% Consolidated 13.19%
Consolidated total assets (in thousands NTD)	167,560,200	195,406,312	217,663,404

	2014	2015	2016
	Passenger Transport Services		
Number of Passengers	8,902,005	10,064,855	11,243,505
Growth Rate of Passengers (%)	11.14%	13.06%	11.71%
Passenger Revenue (in thousands NTD)	77,959,069	81,871,572	85,752,230
Growth Rate of Passenger Revenue (%)	9.65%	5.02%	4.74%
Customer Satisfaction with Passenger Service	4.28	4.32	4.36
Growth Rate of Membership (%)	5.81%	6.70%	7.17%
Growth Rate of Passengers with Membership (%)	6.63%	11.68%	7.28%

	2014	2015	2016
	Cargo Services		
Cargo Volume (ton)	684,291	622,150	610,993
Growth Rate of Cargo Volume (%)	-4.13%	-9.08%	-1.79%
Cargo Revenue (in thousands NTD)	31,257,603	26,093,053	20,841,362
Growth Rate of Cargo Revenue (%)	-2.42%	-16.52%	-20.13%
Customer Satisfaction of Cargo Services	4.30	4.40	4.34
Cold Chain Service Points	N/A	18	28
	Electronic Services		
No. of EVA Mobile App downloads	134,242	169,513	306,567
No. of times EVA Mobile App is used	2,090,332	5,137,694	8,572,089
No. of EVA Sky Shop App downloads	26,951	33,217	86,268
No. of times EVA Sky Shop App is used	2,299	5,124	7,372
No. of EVA Air Home Delivery Shopping App downloads	18,149	17,520	17,317
No. of times EVA Air Home Delivery Shopping App is used	696	1,592	1,967
No. of visits for cargo tracking service	3,693,013	3,725,765	4,394,541
No. of EVA Cargo App downloads	6,003	7,924	10,663
No. of times EVA Cargo App is used	72,681	87,251	100,582

Sustainable Environment

EVA Air is the first airline in Taiwan to have followed the new standard of the ISO 14001:2015 environment management systems. In addition, EVA Air has obtained the certification of the ISO 50001 energy management system. In 2017, EVA Air conducted a self-inspection according to the ISO 14064-1 standard for quantification and reporting of greenhouse gas emissions and removal, and the results were better than what is stipulated in the national regulations.

Aviation Fuel Efficiency	16 Actions
Amount of Aviation Fuel Reduction Due to Fuel Efficiency Measures	17,017 ton
Aviation Fuel Efficiency Measures Reduces CO2 Emissions	53,603 ton CO2e
Ground Operations Energy-saving Actions	339,586 kWh
Ground Operations Energy-saving Actions Reduce CO2 Emissions	179.3 ton CO2e
Total Water recycled	4,600 ton
Waste Minimization	10 Actions
Total Weight of Recycled waste	142,131.1 kg

Sustainable Society

- EVA Air is the first airline in Taiwan's aviation industry to gain CAA approval to conduct the flight crew recurrent training using Evidence-based Training module.
- In 2016, Cheers magazine ranked EVA Air 2nd in the "Most Attractive Employers of the New Generation" and 1st in the transportation service industry category.
- EVA Air is the first airline in Taiwan to have been certified as a 5-star airline by SKYTRAX.
- EVA Air actively participates in charitable activities and efficiently helps people in needs via various channels. In 2016, EVA Air's cash sponsorship reached a total of NT\$83.73 million for the promotion of cultural and educational charitable projects, of which NT\$32.4 million went into helping young students from disadvantaged

families. Meanwhile, a total of NT\$30 million went into the promotion of artistic and cultural events, emergency aid, healthcare subsidies, disaster relief, and funeral/burial financial assistance. To support athletes to win glory for our country, NT\$ 2.1 million went into sponsoring sports events and providing funding for the athletes to join competitions abroad and receive trainings. Based on the concept of caring for Taiwan's local spirit, NT\$19.23 million was spent on actively integrating resources from the local governments and promoting Taiwan's tourism by holding a series of activities and festivals featuring local characteristics of each city or town, e.g. Christmasland in New Taipei City, 2016 Taiwan Lantern Festival (Taoyuan), Taiwan International Balloon Festival, and Autumn Harvest Festival in Chishang, Taitung, and the 2016 Colored Rice Festival of Pingtung County.

- EVA Air participates in academia-industry collaborations, organizing regular exchange programs of two universities in China and Taiwan, and assigning senior employees to give lectures in these universities, which will help to nurture aviation talents and facilitate academia-industry information exchanges.
- EVA Air promotes local tourism. We integrated local tourism authorities by organizing three tourism promotional events overseas and sponsoring local governments to hold five local featured tours so that more people can see the beauty of Taiwan.
- EVA Air continues to improve service quality and upgrade aircraft hardware. To make good use of the worn-out cabin seats, we donated 160 economy cabin seats and 90 elite cabin seats to universities in Taiwan for teaching purposes in 2016. Through the simulated aircraft environment, students are able to learn about professional aviation practices.

Sustainable Governance

Corporate Social Responsibility Policy

In order to fulfill corporate social responsibility and implement the concept of sustainable business development, the Board of Directors of EVA Air passed the "Corporate Social Responsibility Best Practice Principles" and the "Corporate Social Responsibility Policy," declaring to the public our expectations and commitment to economic, environmental and social issues. To further keep abreast of the trends in corporate sustainability, we invite external experts periodically 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, in the hope of promoting the philosophy of corporate sustainability through the influence of EVA Air.

Business Integrity: protecting shareholders' rights and interests
Create maximum benefits for investors with professional operation, good faith and risk control/management.

Service Innovation: exceeding customers' expectations
Offer innovative services, enhance brand value and touch the customers' hearts with the service spirit of "dedication, genuineness and enthusiasm".

Harmonious Teamwork: looking after employees' welfare
Show concern for employees' standard of living, assist them in their career development, protect their rights and interests, and establish a friendly and fair working environment.

Mutual Benefits: growing with our partners
Properly manage suppliers, and jointly comply with the environmental, safety and health regulations to create a sustainable business environment.

Energy Saving and Carbon Reduction: safeguarding the Mother Earth
Implement the Environmental Sustainability Development Policy in conjunction with environmental laws and regulations to maintain a green earth.

Care and Dedication, Contributions: promoting social welfare
Help underprivileged groups, fit in the lives of community residents, sponsor public welfare activities and actively contribute to society.

Fair Trade: saying no to corruption and bribery
Promote ethical education, abide by the laws and refuse bribery, corruption and illegal trading.

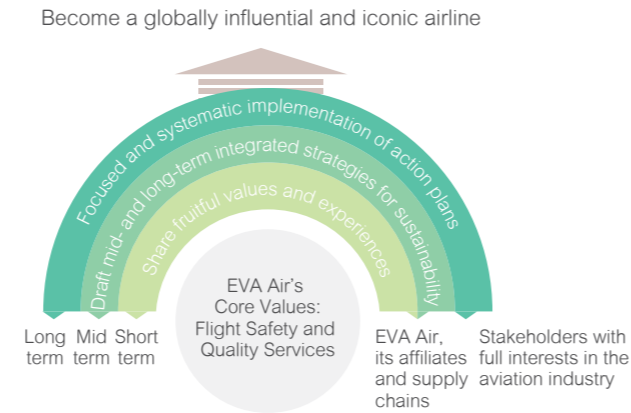
Sustainable Development Strategies and Blueprint

Sustainable Development Strategic Planning

EVA Air's vision of sustainability is built upon our commitment to establishing a new model of sustainable business management and service to provide safer flight measures, a greener environment and better customer service. We encourage 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.

EVA Air's sustainable development framework centers on our core value "flight safety, quality service." Based on this core value, we have developed short-, mid-, and long-term strategies. The short-term strategy is to share results, values, and experiences with our subsidiaries and suppliers, based on which we devise 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. We continue to work hard towards our ultimate goal of becoming an iconic airline with global influence.

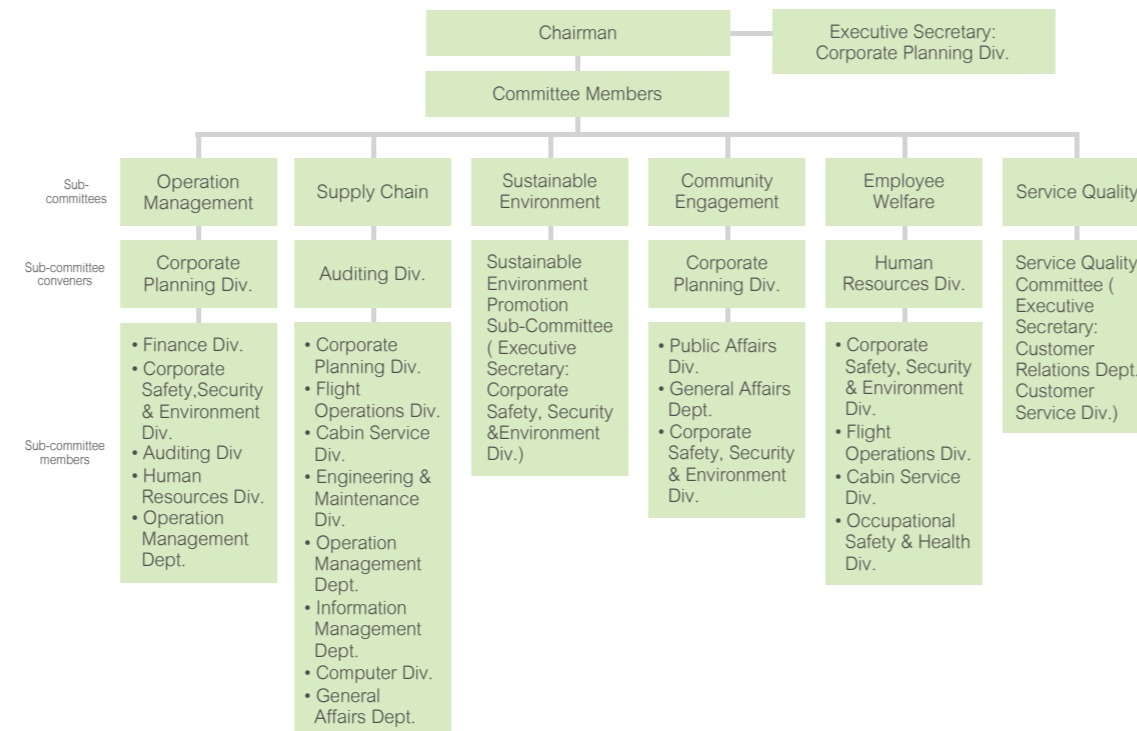
Blueprint for Sustainable Development Strategic Planning



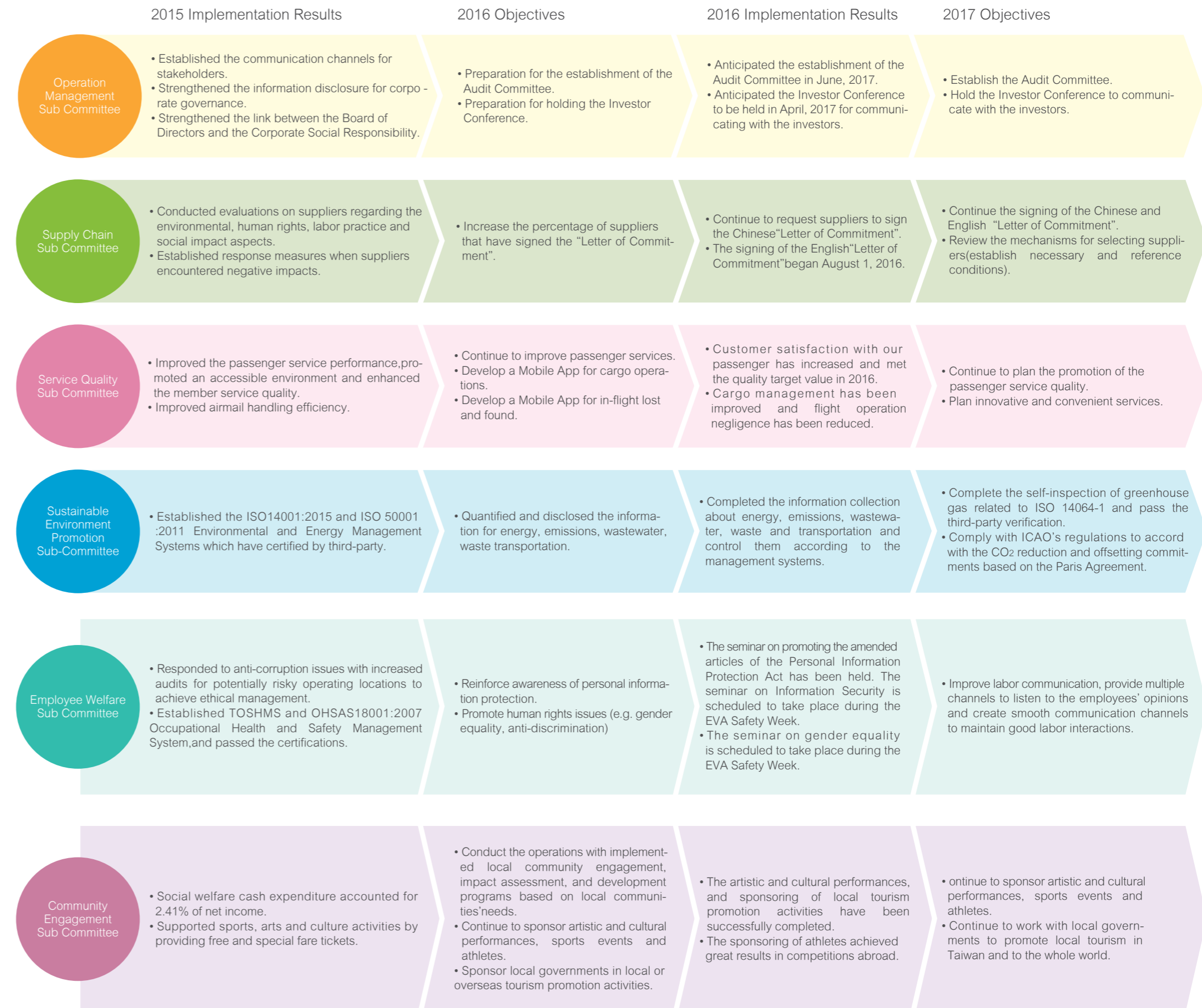
Organization of Sustainable Governance

Realizing the importance of corporate social responsibility, EVA Air especially established the "Corporate Social Responsibility Committee" (the "CSR Committee") in order to ingrain the philosophy of sustainable governance and effectively implement various sustainability-related actions. The President serves as the chair of the Committee, and is responsible for implementing the corporate social responsibility policies and specific plans for sustainable governance. The CSR Committee meeting is held once every six months to have general discussions on the aspects of economics, environment and society. After identifying the responsibilities of each division, a variety of issues are then passed on to each relevant authorized team, which communicates with the stakeholders via various channels, and sets annual goals for the improvement projects. The specific implementation results of each improvement project are tracked by the CSR Committee and reported to the Board of Directors every year.

EVA Air CSR Committee Organizational Chart



Implementation Results of the CSR Committee in the Previous Years



Short-, Mid- and Long-term Goals of CSR Committee



Participation in International Sustainability Initiative - 2016

Organization name	Managing Unit	Functions	Participating members	Description
International Air Transport Association (IATA)			●	IATA is a trade association of the world's airlines that coordinates and manages airline activities and issues such as flight operation, air cargo, safety, service and environmental protection for civil air transport. Joining IATA will help the Company keep abreast of the latest developments in the global airline industry, aviation law and regulations.
Association of Asia Pacific Airlines (AAPA)			●	AAPA comprises Security, Aeropolitical, Airline Service and Technical Committees, as well as various project task forces, which can help the Company keep abreast of the latest developments in the Asia-Pacific region, the global airline industry and aviation law and regulations.
Flight Safety Foundation (FSF)	Board of Governors International Advisory Committee and ICARUS (Think Tank) Committee member	Assists in Devising Agenda of Flight Safety Annual Meeting	●	FSF holds various kinds of flight safety seminars and releases the latest flight safety information.
Star Alliance	Alliance Management Board (AMB) Member	AMB is the main management body of Star Alliance, comprising representatives from the member airlines. Its function is to negotiate and formulate Star Alliance's global marketing and annual plans, and submit them to the Chief Executive Board for approval.	●	<ul style="list-style-type: none"> One of the organization members Expand aviation network Reinforce flight alliance cooperation Frequent flyer's mileage rewards program cooperation Sales promotions for ticket products and global corporate clients Alliance procurement, joint system development and resource sharing
International Society of Air Safety Investigators (ISASI)		Information Exchange	●	Exchanges of information on event investigation, so as to take preventive measures.
台北市航空運輸商業同業公會 (TAIPEI AIRLINES ASSOCIATION)	Taipei Airlines Association (TAA)	Chairperson	●	<ul style="list-style-type: none"> to serve as a bridge for communication between the government and the local civil aviation industry; to assist the government in implementing civil aviation policies and decrees; to coordinate with all members for mutual interests and benefits of the industry; to be entrusted by the government to provide relevant services. * EVA Air acts as the Chair of the 9th Board of Directors
Flight Safety Foundation - Taiwan	Committee convener	Assist the Aviation Safety Information Committee, Bird Strike Prevention Taskforce and Educational Training Committee	●	Provide various flight and ground safety-related courses and publish quarterly flight safety magazines.
Chinese Society of Civil Aviation	Board Director		●	Conduct civil aviation academic activities; promote civil aviation knowledge and integrate with modern technology to strengthen civil aviation technologies and exchanges of experience.
台灣企業永續研訓中心 (Center for Corporate Sustainability)	Council		●	<ul style="list-style-type: none"> Introduce the global ideological trend for corporate sustainability and create the vision of sustainable development for enterprises Encourage sustainable innovation and seek transparent governance. Demonstrate business integrity and build a prosperous society with economic sustainability. Respond to climate change and avoid any excessive use of resources. Reduce environmental impacts to ensure a living space with environmental sustainability. Devote efforts to social integration and improve the living standard to reduce income inequality and create the happy future of a sustainable society

01 Flight Safety



Chapter Highlights



7-STAR SAFEST

According to the safety ratings published in 2016 by the global professional airline rating website, AirlineRatings.com, EVA Air was again selected as one of "Top 20 Safest Airlines," and won 7-star full score for its safety performance.



WORLD'S TOP 10 SAFEST AIRLINES

Ranked 6th in the World's Top 10 Safest Airlines announced by the Jet Airliner Crash Data Evaluation Centre (JACDEC) in 2016.



Zero Findings

Passed the biennial IOSA certification for 6 consecutive times with "zero findings" and was the first airline to pass the certification in Taiwan.

✈ Responses to Major Events

- Pertaining to the fine of NTD 1.2 million imposed on EVA Air for violation of the regulations of the Civil Aviation Act during 2016 Typhoon Megi, the details are as follows:

Under the investigation by the Civil Aviation Authority, three BR flights concluded by the authority violating crew duty hour over regulation when Typhoon Maggie hit Taiwan on the 27th of September 2016.

After the event, EVA Air immediately convened review meetings to examine the monitoring mechanism of crew dispatch. For operations in the future when encountered similar adversary weather events, more comprehensive decision-making process with well-coordinated cross department support will be implemented internally to ensure the strict compliance on related crew fatigue/flight time regulation. Furthermore, EVA will adopt more conservative policy to increase operational safety margins on dispatch concerns, and ensure the safety and regulatory compliance of operations.

- Due to inappropriate instructions by air traffic control, Flight BR15 came too close to terrain after taking off from Los Angeles. The details are as follows:

At 2:19 am Pacific Standard Time (USA) on December 16, 2016, EVA Air's Boeing 777 flight BR15 took off from Los Angeles Airport to fly to Taipei. Due to erroneous air traffic control instructions, the aircraft came close to terrain. Upon investigation, it was confirmed that the crew followed the controller's guidance for departure, without having the situation of coming close to other aircraft in mid-air. However, due to the inappropriate left-turn instruction given by the controller, the crew hesitated about the direction as instructed, resulting in a near-terrain incident. Nevertheless, the crew made a climb to avoid the terrain immediately upon receiving the warning issued by the Ground Proximity Warning System (GPWS).

EVA Air has requested its entire flight crew to immediately enquire and seek confirmation when unsure about air traffic control instruction, so as to prevent similar incidents from happening again. The case is currently under investigation by the National Transportation Safety Board (NTSB) of the United States, and EVA Air will fully cooperate with the competent authority's follow-up investigation.

Flight safety is not only our commitment to our customers, 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 a proactive attitude and stringent self-discipline on policy-making, procedure establishment and job execution, we continue to maintain the predictive risk management system to improve flight safety.

Our persistent efforts in the past have led to a perfect safety record, repeatedly recognized as being among the world's top ten safest airlines by civil aviation authorities, independent certification companies and various professional airline reviews. However, to EVA Air, there is no limit to the pursuit of safety. Looking ahead, we shall uphold the philosophy of safety vision and continue to maintain the safety goal of "Zero Accidents" to ensure flight safety.

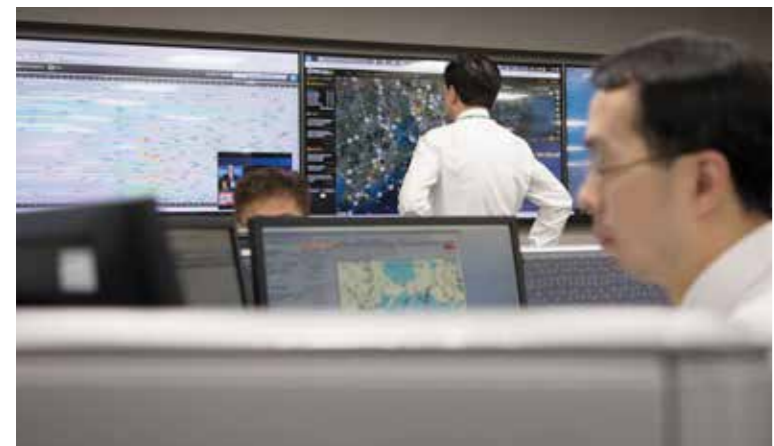
1-1 EVA Air Safety Management System

EVA Air has been known in the industry for its good safety record, and this is our commitment to our passengers, as well as the core value of the Company. We have established a comprehensive flight safety management framework, and the primary goal of the entire staff is flight safety. We strive to constantly improve flight safety through personnel training, maintenance quality, route planning, personnel management and the establishment and implementation of various safety management systems.



1-1-1 Safety Management Concept and Goal

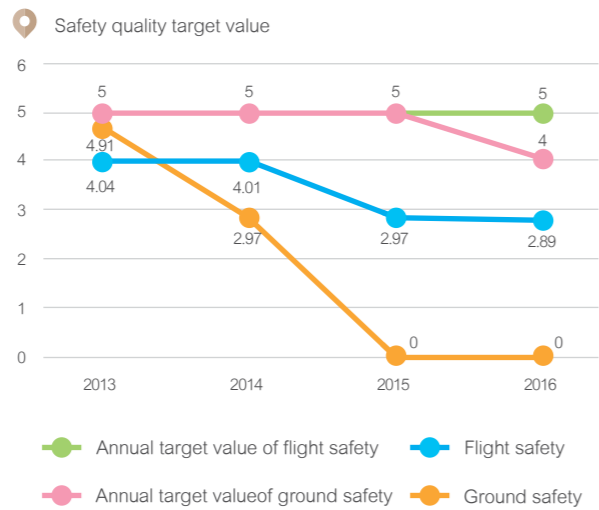
Through the declaration of safety policies by top management and the shaping of a safety culture, we aim to build the employees' values and identity regarding safety. It requires all employees to fulfill the requirements of Safety Guidelines with diligence, attentiveness and determination, "Use morals as the compass for developing teamwork in accuracy, diligence, consistency and creativity. We have to do things right the first time and aim for the greatest safety margin to secure passenger, crew and aircraft safety." Safety is a job that has a beginning but with no end, and is also something to be done right. It is the mission and responsibility of every member of EVA Air!



EVA Air compiles the achievement status of the previous year's safety quality objectives at the end of every January, sets the current year's safety quality target values, and has them reviewed every quarter, so as to fulfill and reinforce the Company's internal safety management system, thus increasing safety quality and providing passengers with safer and better quality service. The current year's safety quality objectives are set 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. With the continued effort of all employees, the trends continued to drop from 2013 to 2016, which proved that EVA Air's promotion of SMS has gradually shown concrete results.

EVA Air's Safety Quality Objectives & Actual Values

SPI (Safety Performance Indicators)	2016 target	2016 result	Achievement rate	2017 target
Flight safety: occurrence rate of irregular flight event for every one million flight hours accumulated over ten years.	≤ 5 cases	2.89	100%	≤ 4 cases
Ground safety: occurrence rate of aircraft suspension for repair due to damage resulting from improper ground operation or equipment failure for every 100,000 landing cycles.	≤ 4 cases	0	100%	≤ 3.8 cases



Note 1 : Definition of EVA Air's annual target value of safety quality
 Target value of flight safety quality: occurrence rate of irregular flight event for every one million flight hours ≤ 5 cases.
 Target value of ground safety quality: occurrence rate of aircraft suspension for repair due to damage resulting from improper ground operation or equipment failure for every 100,000 landing cycles ≤ 4 cases.
 Note 2 : Formula for calculating EVA Air's actual value of safety quality for the current year:

$$\text{Occurrence rate of irregular flight event} = \frac{\text{No. of incidents (accumulated over last 10 years)}}{\text{one million flight hours (accumulated over last 10 years)}} \leq 5 \text{ (cases/one million flight hours)}$$

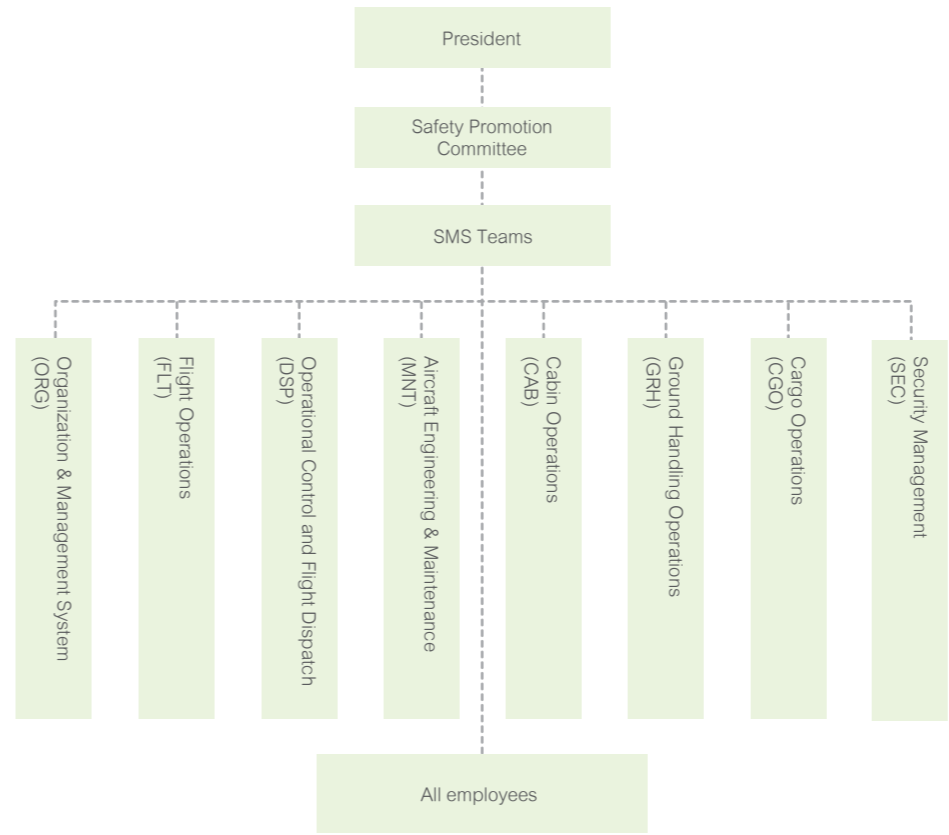
$$\text{Occurrence rate of aircraft suspension for repair of damage resulting from improper ground operation or equipment failure} = \frac{\text{No. of incidents (for last 100,000 landing cycles)}}{\text{every 100,000 landing cycles}} \leq 4 \text{ (cases/ every 100,000 landing cycles)}$$

Note 3: 2016 target value of ground safety in terms of occurrence rate decreased from 5 to 4 cases

1-1-2 Safety Organization

In order to establish a comprehensive safety organization to exert organizational function, EVA Air has set up the Safety Promotion Committee (SPC), which reports directly to the President and serves as the highest decision-making and supervisory unit of flight safety. A comprehensive safety framework has been established to provide organizational functions, and the top management's declaration on safety policies is adopted as the uppermost guideline to continuously strive for the goal of "zero accidents".

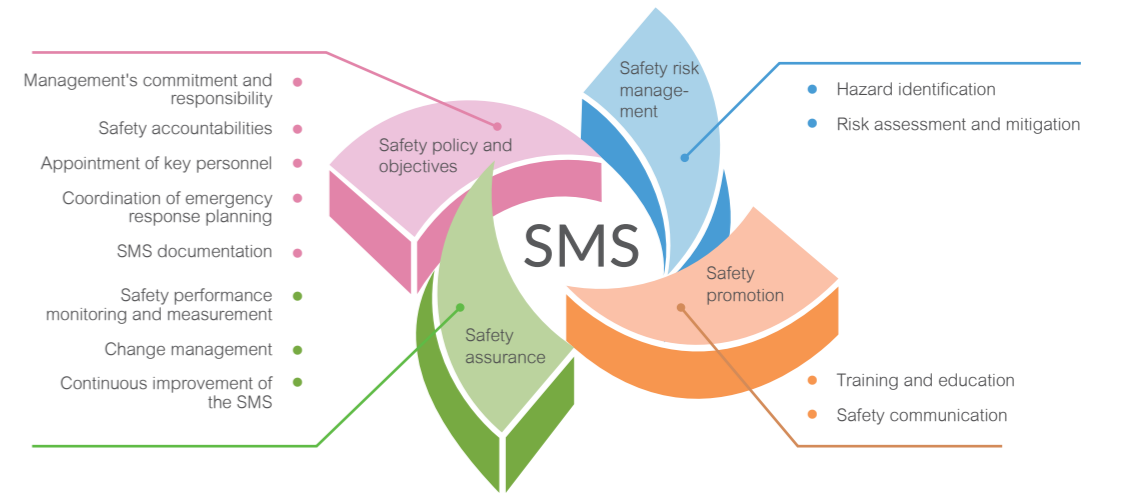
Safety Promotion Committee Organizational Chart



The Committee integrates the Safety Management System (SMS) teams, and its main mission includes: collecting safety information, grasping operational risks, formulating improvement measures, implementing improvement plans, etc. Related improvement plans and goals are provided for issues monitored specifically by the respective teams, and the reports are regularly submitted to the SPC for approval. Through such mechanism, we aim to reduce the risk of human and organizational errors. In 2016, the SPC, Safety Coordination Meeting (SCM) and SMS team meetings were held to address the issues of three major categories: flight operation, cabin and maintenance and complete improvements. A total of 16 meetings had been conducted and 11 improvement plans passed for SPC, 14 for SCM and 18 for SMS, which were all completed during the year.

1-1-3 Safety Management System (SMS)

EVA Air has been promoting SMS since 2006, and actively incorporating safety concepts into the management system, making safety part of the corporate culture. We incorporate the SMS's core element - "hazard identification and risk management" into the employees' thinking logic and allow it to work with strategic planning, procedure formulation and operation execution. Each department can use it to identify the various hazards present in the operating environment, and appropriately conduct risk management in a systematic manner for the impacts that may result from such hazards.



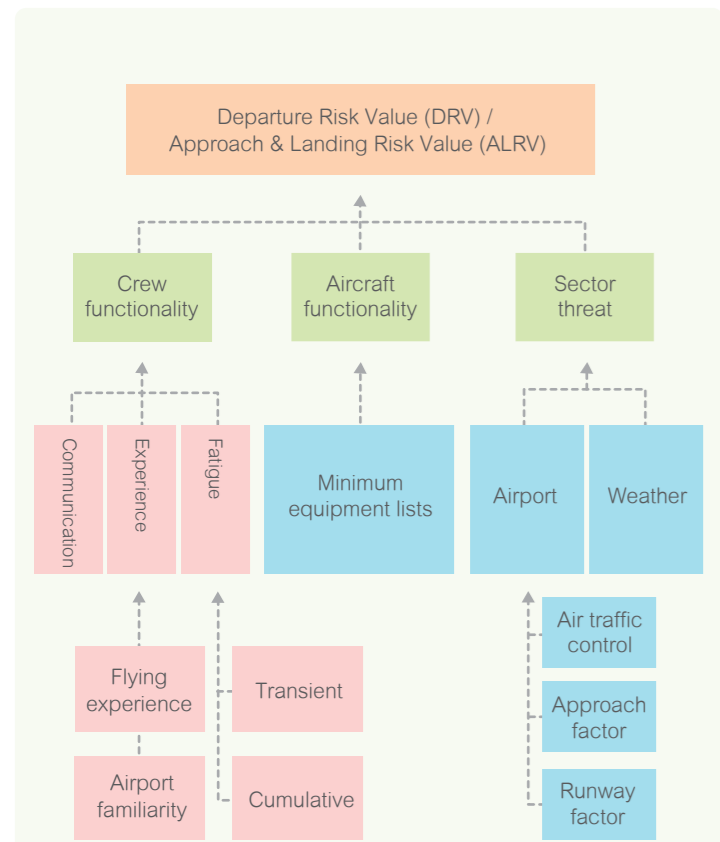
1-1-4 Safety Risk Management Measures

EVA Air applies risk management to flight operation to cultivate employees' keen observations and enhance information collection and application capabilities, further discovering 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.

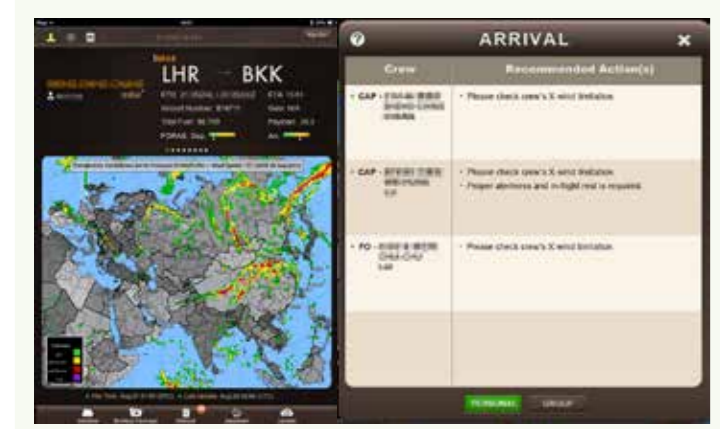


Proactive and Predictive Approach on Safety Risk Management

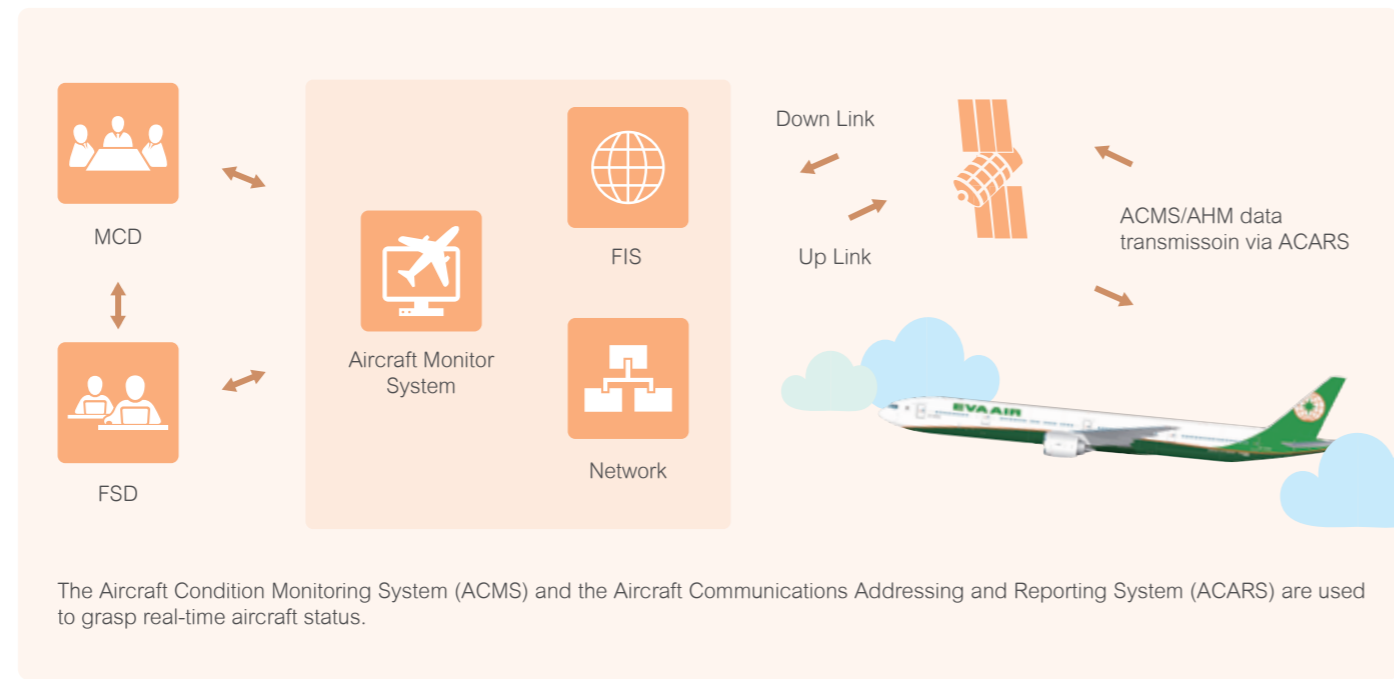
Before the Flight | Flight Operations Risk Assessment System FORAS



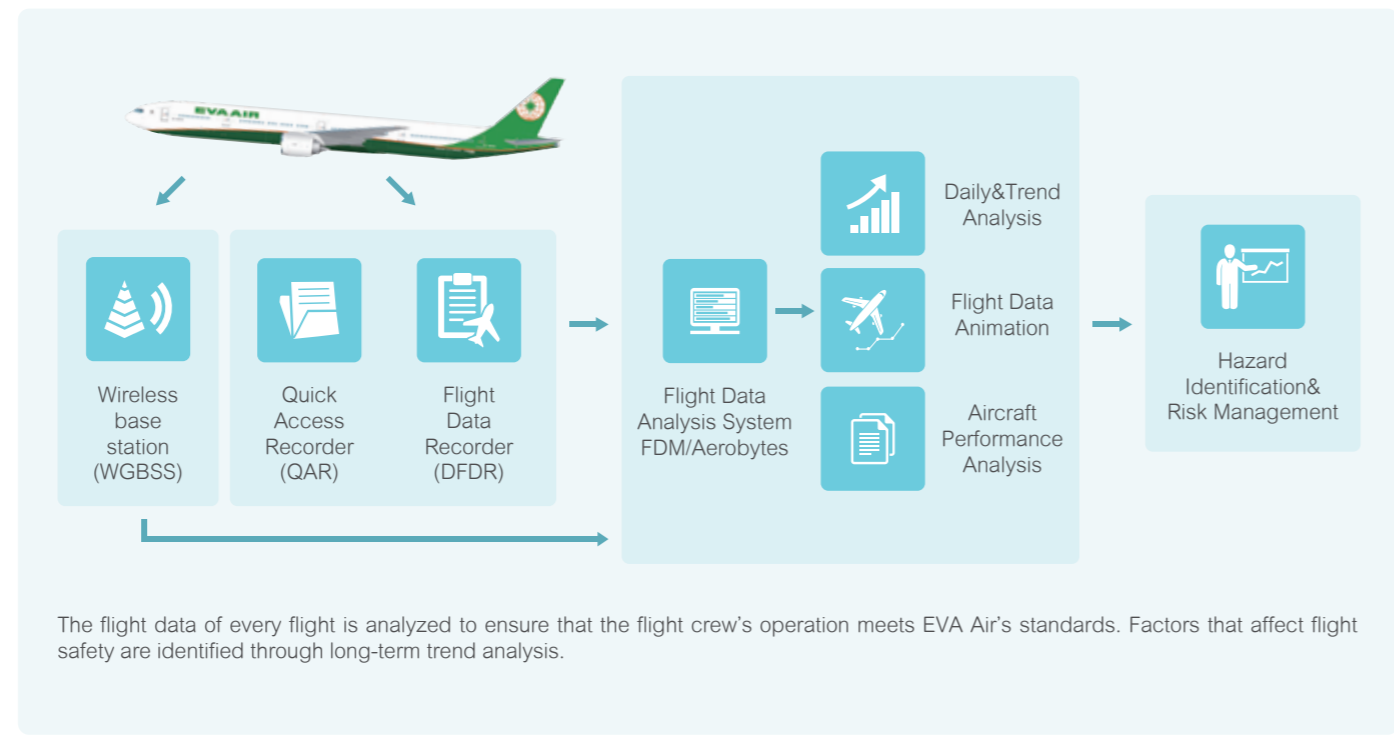
The Flight Operations Risk Assessment System (FORAS) provides departure and landing risk information and appropriate recommendations to the flight crews with iPad 2.5 hours before take-off. In 2016, the system added a new function of providing analysis 45 minutes before landing, in which the approach and landing risk is reassessed based on the landing station's latest weather report.



During the Flight | Real Time Aircraft Condition Monitoring ACMS/AHM/ACARS



After the Flight | Comprehensive Flight Data Analysis



1-1-5 Safety Management Information System (SMIS)

To integrate the various data sources for carrying out event analysis, action tracking and monitoring current operating status to reduce risk factors and enhance risk control, EVA Air had developed the Safety Management Information System (SMIS) in 2010. The SMIS is a management system including flight safety, ground safety, cabin safety, aviation security and dangerous goods events. The system integrates the five major categories of flight safety events into a single platform; it summarizes the cause, tracking and operating improvements of the incidents and proposes necessary risk mitigation plan.



1-1-6 Diligent and Attentive Safety Management; Setting an Industry Model

International certification

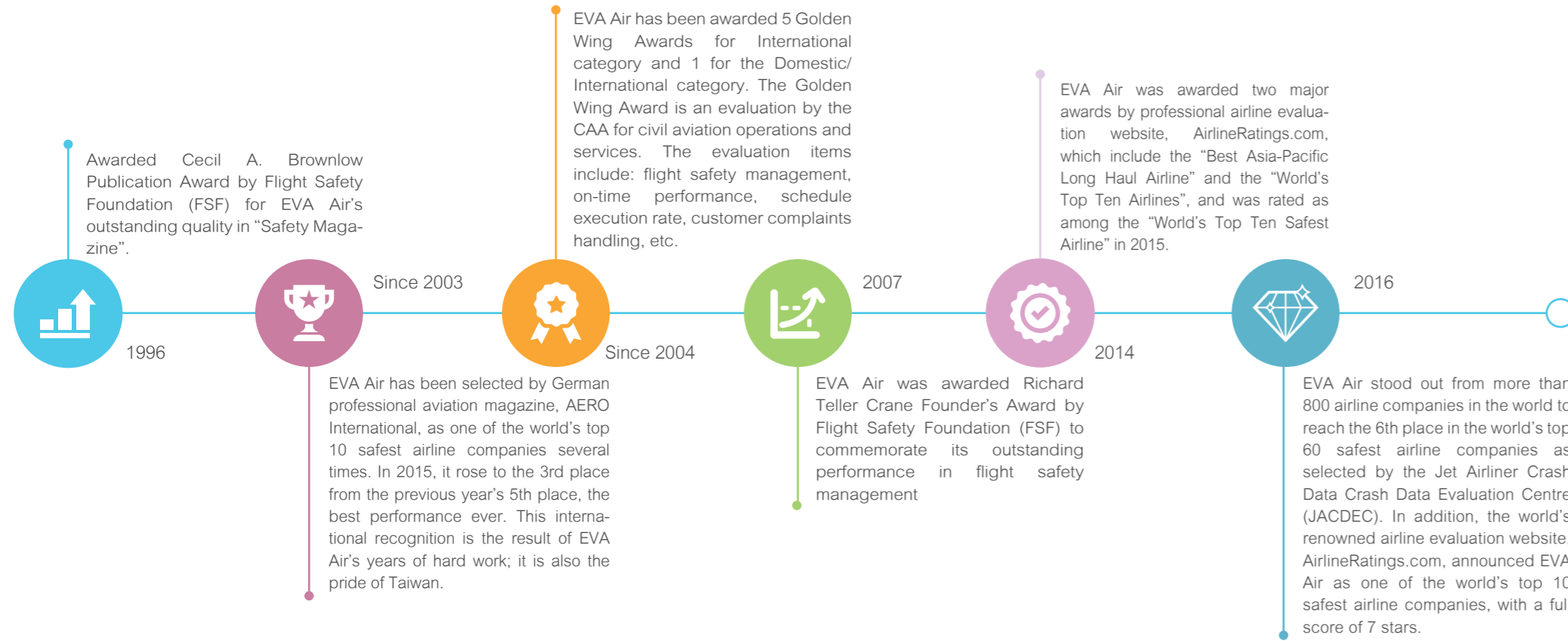
The IATA Operational Safety Audit (IOSA) is a safety evaluation system established by IATA, which allows the airline companies to inspect their own safety level and to be certified by IATA. It is an objective and credible safety check mechanism for airline companies.

Being Taiwan's first airline company to pass the certification, EVA Air has, since 2005, achieved the outstanding results of "zero findings" 6 consecutive times and passed the biennial IOSA certification. In January 2017, EVA Air again passed the IOSA certification. This certification not only proves that EVA Air's operating system complies with international safety standard, but also shows that EVA Air's outstanding flight safety has been recognized.



1-1-7 Honor and Recognition

Upholding the philosophy of Safety Vision, EVA Air continuously strives to improve fleet upgrading, staff training and service quality, and its safety performance has been recognized again. In 2016, EVA Air stood out among more than 800 airline companies in the world to receive the 6th place in the world's top 60 safest airline companies as selected by the Jet Airliner Crash Data Evaluation Centre (JACDEC). Also, the world's renowned airline companies' evaluation website, AirlineRatings.com, awarded EVA Air a full score of 7 stars, with recognition as one of the world's top 20 safest airline companies.



JACDEC ranking of world's top 60 safest airline companies									
Rank	Airline	Home Base	Year of foundation	Loss of aircrafts in last 30 years		Accident-free in last 30 years	Most serious loss of aircraft in last 30 years		Safety Index
				Numbers	Victims		Date	Victims	
01	Cathay Pacific Airways	Hongkong, VR China	1946	0	0	30+	-	-	0,005
02	Air New Zealand	Neuseeland	1940	0	0	30+	-	-	0,007
03	Hainan Airlines	China	1993	0	0	24	-	-	0,009
04	Qatar Airways	Katar	1994	0	0	23	-	-	0,009
05	KLM	Niederlande	1920	1	0	12	28.11.04	0	0,011
06	EVA Air	Taiwan	1991	0	0	26	-	-	0,012
07	Emirates	Vereingte Arab. Emirate	1985	1	0	0	03.08.16	0	0,013
08	Ethad Airways	Vereingte Arab. Emirate	2003	0	0	14	-	-	0,014
09	Qantas	Australien	1922	0	0	30+	-	-	0,015
10	Japan Airlines	Japan	1951	0	0	30+	-	-	0,015
11	All Nippon Airways	Japan	1954	0	0	30+	-	-	0,016
12	Lufthansa	Deutschland	1955	1	2	23	14.09.93	2	0,016
13	TAP Portugal	Portugal	1946	0	0	30+	-	-	0,017
14	Virgin Atlantic Airways	GroBbritannien	1984	0	0	30+	-	-	0,017
15	Delta Air Lines	USA	1929	3	14	1	31.08.88	14	0,018

Note: only the top 15 airline companies are listed

AirlineRatings.com rating website

World's safest airlines for 2017

AirlineRatings.com, the world's only safety and product rating website, which was launched in June 2013, has announced its top twenty safest airlines and top ten safest low-cost airlines for 2017 from the 425 it monitors.

Top of the list for the fourth year is Australia's Qantas, which has a fatality free record in the jet era – an extraordinary record. Making up the remainder of the top twenty in alphabetical order are: Air New Zealand, Alaska Airlines, All Nippon Airways, British Airways, Cathay Pacific Airways, Delta Air Lines, Ethad Airways, EVA Air, Finnair, Hawaiian Airlines, Japan Airlines, KLM, Lufthansa, Scandinavian Airline System, Singapore Airlines, Swiss, United Airlines, Virgin Atlantic and Virgin Australia

1-2 Flight Path Management and Maintenance

1-2-1 Flight Path Maintenance Optimization

EVA Air's Flight Control Department works around the clock for flight dispatch and control. The Company's Flight Information System (FIS) provides access to flight-related status, and tracks changes in the external environment (e.g. airport and weather) 24-7. Currently, the control center has 63 employees, including 54 dispatchers. 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 from the system, a safe, convenient and comfortable journey is made possible on every EVA Air flight.

Flight Dispatch Center

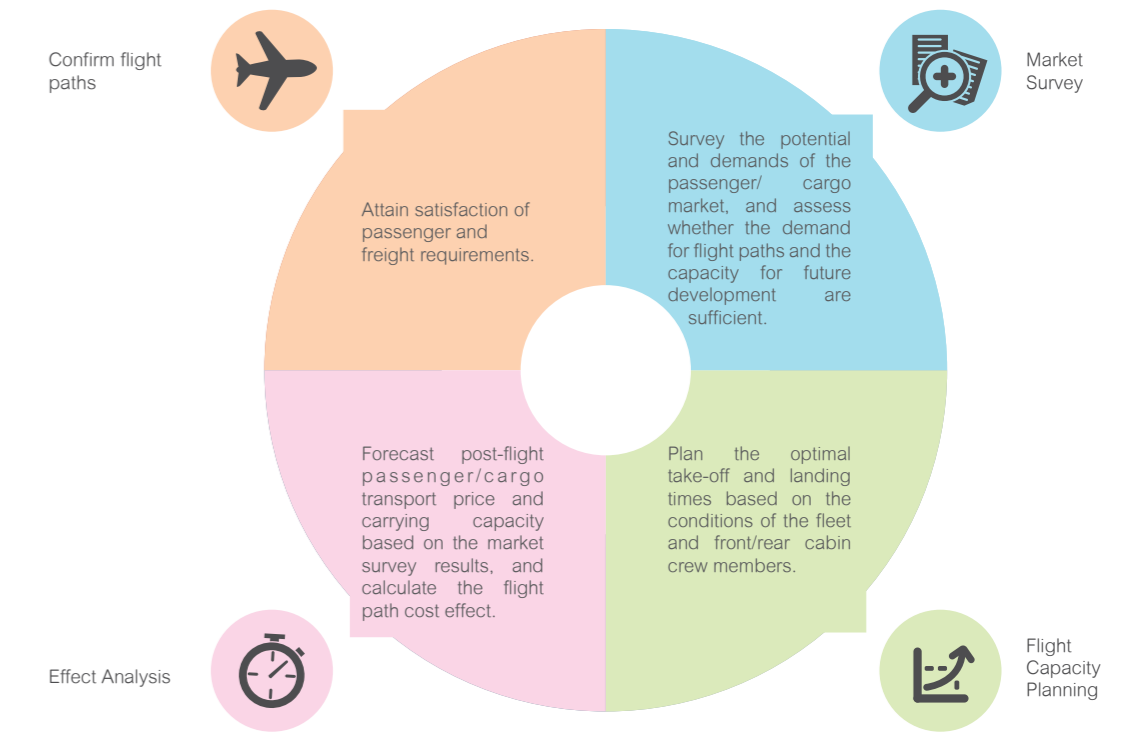


1-2-2 Maintenance Quality Management

Aircraft maintenance quality is an important basis of flight safety, and also the prerequisite for a safe arrival at the destination. Aircraft maintenance requires compliance with the manufacturers' technical specifications and regulatory requirements, ensuring that every single step is completed. Hence, the spirit of "strict discipline and zero negligence" is our rule of thumb for aircraft maintenance. To ensure maintenance quality, specific work items upon completion of maintenance shall undergo a second round of quality control inspection based on the requirements that set forth in the General Maintenance Manual, or test flight conducted to verify the maintenance result. Precision Measurement Equipment used for aircraft maintenance shall comply with the original manufacturer's specifications, and are regularly sent to the manufacturer or qualified calibration laboratory for inspection and tracing to the national calibration standards of National Institute of Standards and Technology (NIST) of the United States or equivalent standards, to ensure compliance with process requirements and to fulfill the mission of flight safety.

EVA Air always believes in preventive maintenance over subsequent correction, and insists on truly grasping the service life of every component. Important components have to be replaced before their stipulated service life to prevent possible risks from occurring.

Flight Path Setup Process



Reliability Control Program

Pertaining to irregular aircraft events, various irregular information and problems generated from routine aircraft operation are collected in accordance with the Reliability Control Program, and various types of alert standards are established. When the occurrence rate of irregular incidents exceeds the standards, the alert notice is sent to respective engineers for analysis. Improvement measures are established to be included into the aircraft maintenance program to maintain the reliability of various aircraft systems, thus increasing maintenance quality and improving flight safety.

In terms of implementation of Reliability Control Program, the "reliability control measures" are established as the basis for execution and management. For the various technical information and problem characteristics generated from routine aircraft operation, the reliability control system categorizes four major items for monitoring. Through monthly "Supporting Committees" and "Quality Review Board", monitoring and discussion for improvement are carried out for issues such as reliability of aircraft maintenance, technical corrective and preventive measures and human error.



➔ Modern Aircraft Maintenance Center

EVA Air's subsidiary, Evergreen Aviation Technologies Corp. [YouTube](#), owns the largest modern aircraft maintenance center in Taiwan; it boasts three hangars which can house seven jumbo wide-body aircrafts, and a thrust testing capacity of up to 120,000 pounds. The thrust of the engine Test Cell can be elevated to a maximum of 150,000 pounds as required, thereby satisfying the requirements for repair and maintenance of high-end fuselages of a variety of aircraft models. It has passed the certifications of civil aviation authorities from more than 10 countries, including Taiwan, the U.S., Japan and China, as well as the EU, and provides more than 30 airline companies worldwide with trustworthy maintenance services. It has also been rated as Asia's best MRO by U.S.-based Aviation Week and U.K.-based UBM Aviation, signifying international recognition of its maintenance ability and quality.

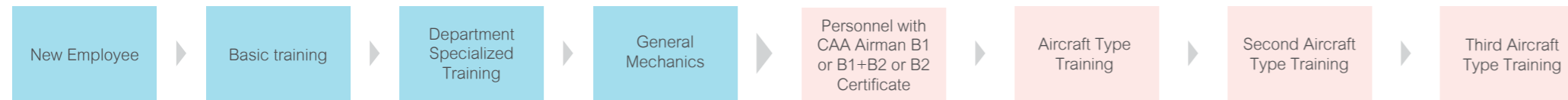
➔ Aircraft Maintenance Personnel

To cultivate aircraft maintenance personnel, training standards for various types of maintenance personnel have to be established in accordance with the civil aviation laws and regulations. Appropriate initial and recurrent training are conducted based on the balanced development of theory and practice, so as to cultivate maintenance personnel in compliance with the laws and regulations. Besides completing the aircraft model training course according to their area of expertise, maintenance release personnel also need to pass the examination and obtain the CAA's aircraft maintenance engineer certification. Finally, they are required to complete EVA Air's procedural training and qualification review before being authorized to sign and confirm the restoration of aircraft airworthiness. In addition, EVA Air implements regular and irregular audits on the maintenance agents to ensure the maintenance release personnel's qualifications and job scopes continue to comply with the regulations.

Maintenance Personnel Training

Course Category	Basic Training	Departmental Specialized training	Aircraft Type Training
Content	<ul style="list-style-type: none"> Safety Management System / human factor / Maintenance Specialty Training Basic Handskill Training Maintenance Document Training Civil Aviation Legislation Training 	<ul style="list-style-type: none"> Department Safety Regulations Work Order Studying Department Professional Training Department on-the-job training (OJT) 	<ul style="list-style-type: none"> A318/A319/A320/A321(CFM56) A330(GE CF6) ATR 72-600(PWC PW120) 737-600/700/800/900(CFM56) 747-400(GE CF6) 777-200/300(GE90)

Repair Station Training



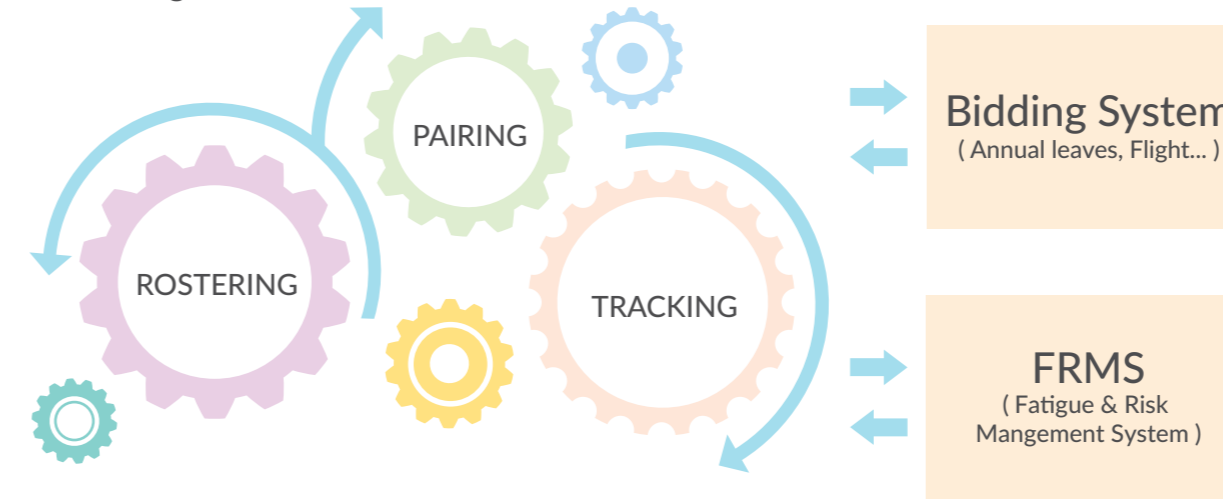
Maintenance training organization training



1-3 Flight Crew Safety Control

There is no limit to the pursuit of safety. We are always pursuing greater safety. Besides establishing the risk management system to cater to overall flight safety, EVA Air adopts the highest requirements for the maintenance of aircraft equipment and manages its flight crew. Not only are flight crews required to pay attention to flight safety at all times during their flight duties, but they also need to proactively relieve their psychological fatigue and stress in their daily lives to ensure that all flight duties are completed under safe conditions. Hence, besides managing the schedule of flight crews, we also manage the aspects of fatigue, stress and health, alcohol and drugs, etc., to ensure the flight crews are fully fit and prepared for their flight duties.

CMS Diagram



Schedule management

- In terms of flight crew manpower and scheduling management, advance preparation for sufficient flight crew manpower is made according to the established operation plan, as well as the seasonal (off-peak, peak) operation requirements to allow the crew members to make reasonable arrangements for rest days and regulate the well-being of their bodies and minds appropriately.
- In order to establish the crew schedule for a greater safety margin, efficiency and friendly crew member participation (Bidding) and Real Time Tracking, we utilized the Crew Management System (CMS), complementing the Flight Information System (FIS) and Crew Record Management.



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. Monthly FRMS meetings are held, where dispatch methods are reviewed and feasible improvement measures proposed to target the 5% crew with the lowest sobriety index, so as to improve flight safety.



Stress and health management

- To allow the flight crew to perform their flight duties with healthy body and mind, besides providing a friendly CMS/Bidding module for the flight crew to arrange their schedule and leave with greater ease, so as to regulate their body and mind and relieve stress, we also 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 far better than that stipulated by the Labor Standards Act.
- EVA Air also has an infirmary that offers the flight crew advice on health and stress management at all times.



Alcohol, drugs and activities which can affect flight safety

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

1-3-1 Personnel Training

Striving to be the safest airline, EVA Air requires every employee to bear the responsibility of "flight safety". Training is the cornerstone of safety assurance, and EVA Air requires all employees to participate in safety training. Since 1993, we have been promoting safety training to instill safety concepts into the heart of every employee, thereby eliminating the occurrence of human errors. The course covers flight safety, human factor, security training, Safety Management System (SMS), decision-making theory, emergency response, etc.

2016 Implementation Statistics of Safety Induction Workshop for Taiwan's New Recruits (Including Flight Safety / Security / Fire Safety Workshop / Occupational Safety and Health)

Total number of new recruits in 2016	578
Total number of hours for Safety Induction Workshop	2.6 hours
Completion rate	100%

2016 Implementation Statistics of Taiwan SMS Course (including SMS - Basic Course /SMS - Supervisory Course)

Total number of current employees in 2016 (Note)	3011
Total number of employees who have completed SMS course as in 2016 (Note)	1098
Completion rate	36%

Note: excluding current year's new recruits

2016 Implementation Statistics of Taiwan Aviation Safety Course

Total number of current employees in 2016 (Note)	3011
Total number of employees who have completed Aviation Safety Course as at 2016 (Note)	2572
Completion rate	85%

Note: exclude current year's new recruits



1-3-2 Safety Culture

Since 1996, EVA Air has conducted Safety Week activities every year; they include promotional materials competition, safety promotional video, seminar, 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 air- and ground crew, so as to shape a positive and active safety culture.

With extra prudence and attentiveness, we take the initiative to pay attention to every work detail to ensure passengers' safe flight environment. Such humanistic consciousness that progresses from "require me to be safe" to "I want to be safe", and a safety culture based on moral values, are the keys to EVA Air's success.



Themes of Past Safety Weeks

2016	25 years of cultivation, the sky is the limit	2005	Cultivation and perfection -- striding towards the future with quality cultivation and culture perfection
2015	New Sky, New Horizon, New Era!	2004	One person's negligence affects all, prudence reduces problems
2014	Sustainable growth requires creativity, flight safety relies on dedication	2003	Safe and heartwarming flight
2013	Across the globe with Star Alliance, EVA Air exhibits its strength	2002	Safe flight with EVA Air
2012	Devise strategies and make careful decisions, ensuring safe flights	2001	Response strategies the aviation industry should have towards the impact of the 911 attack
2011	20 years of flying experience promises and delivers flight safety	2000	Challenge e-generation, fly towards e-future
2010	Innovative service begins with the heart	1999	Happy employees, satisfied customers
2009	Survive and Re-initiation: break through adversity and shine again	1998	Implement standard operating procedures to increase service quality and reduce human error
2008	Think differently to break through adversity; safety and diligence are the keys	1997	Establish excellent service quality and safety culture
2007	Spare no effort, attain perfection	1996	Total Quality, Total Safety
2006	Think differently to overcome adversity, devise measures in times of problems		

2014 "Sustainable growth requires creativity, flight safety relies on dedication"

- The safety concept is internalized through Safety Week activities, and the safety expectation is applied through actions on job execution, so as to achieve the goal of "zero accidents" in flight safety.
- The activities include promotional material competition, safety promotional video, seminar, outstation safety workshop, Safety Week conference, etc.
- In order to raise the entire staff's awareness of the Safety Management System (SMS), the SMS team produced an animation and comic, "Flying with SMS" to present a mindset necessary for hazard identification and risk management in a humorous manner, in the hope of conveying the safety concept in written and electronic methods to every employee.

2015 "New Sky, New Horizon, New Era!"

- It emphasizes that in order to achieve one's best, it has to come from the "heart". "SMS - My Flying Partner" animated educational material was designed to convey safety concepts to every employee in a humorous manner.
- The activities include promotional material competition, safety promotional video, seminar, outstation safety workshop, Safety Week conference, etc. EVA Air continuously emphasizes the importance of flight safety to the Company's sustainability, ensures every employee is equipped with the concept, mindset and methods in terms of "hazard identification and risk management" at their workplace; it has the ability to adopt preventive measures in order to reduce or eliminate the occurrence of hazards.

2016 "25 years of cultivation, the sky is the limit"

- In its 25th year of its establishment, EVA Air needs to face the changing global aviation industry and challenges of innovation, continue the organization's momentum, and stride towards the next 25 years.
- Safety Week activities enhance employees' sense of identity towards overall safety, build employees' cohesiveness and nurture the Company's excellent safety culture.
- The activities include promotional material competition, safety promotional video, seminar, outstation safety workshop, sports day, family day, etc. EVA Air continuously emphasizes the importance of flight safety to business sustainability, ensures every employee is equipped with the concepts, mindset and methods of "hazard identification and risk management" at the workplace and has the ability to adopt preventive measures, so as to reduce or eliminate the occurrence of hazards.
- The theme of the 2016 safety promotional video is "Safety, because of me". Through the working day of a typical worker, it conveys to the employees that safety is accumulated over the days, requiring the cooperation of employees from all departments. Every small screw seems unimportant, but in fact plays a big role in ensuring safety.

Safety Week Sports Day (top row) / Safety Week Family Day (bottom row)



02 Customer Service



We have always aimed to become the best airline in the world. In order to provide a comfortable and safe journey for the passengers, the end of each service is a new start for creating the next opportunity. 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, benefit your neighbors in every corner of the world, share service with a no-boundary value. Be enthusiastic in offering hospitality, treat customers as family, and establish a warm, friendly relationship. EVA Air strives to treat all passengers as family with warmth and tremendous gratitude. We aim to welcome the future with a global view and expand our services to every corner of the world.

WORLD'S TOP 20 SAFEST AIRLINES

AirlineRatings.com: Identified the website regularly monitors and evaluates 425 airlines. From these carriers, it identified the world's 20 safest airlines. EVA Air was ranked as one of the top 20 airlines.



3rd PLACE
GLOBAL AIRLINE SAFETY INDEX #3

The German renowned airline magazine AERO International: selected EVA Air as one of the top 10 safest airlines in the 2015 airline safety ranking for the 10th year in a row.



2016 LEISURE LIFESTYLE AWARDS

The US-renowned travel magazine Global Traveler

PR AWARDS 2016

Gold Medal in Best PR Campaign – Lifestyle
Bronze Medal in Best Consumer PR Campaign



1st PLACE

Manager Today(monthly) : Civil Aviation Category, Asian Power Brands 2016



SKYTRAX 2016 WORLD AIRLINE AWARD



- The World's Best Airlines Top 100 (No. 8)
- Best Airline Transpacific (No. 1)
- Best Business Class Comfort Amenities (No. 1)

Ranked eighth place in "World's Best Airlines Top 100", first place in "Best Airline Transpacific" and first place in "Best Business Class Comfort Amenities" by SKYTRAX in 2016.



5-STAR AIRLINE SKYTRAX

SKYTRAX 5-STAR AIRLINE

The prestigious air transport rating organization Skytrax conferred the certificate on Eva Air in June, 2016, rendering Eva Air the world's 8th 5-star airline. Eva Air's 5-star services adopt the concept of divisional services and exclusive service staff. Using the customized service flow incorporated with "thoughtfulness, interaction, attention and focus," Eva Air builds an interactive relationship with the passengers to gain a better understanding of their needs during each stage of the flight, based on which the Company provides top services with "security, comfort, uniqueness and luxury."

1st PLACE

The 30 Magazine: "The Most Popular and Coveted Brands" category, Youngsters' Favorite Brands Survey 2016



Best AIRLINE

Common Wealth Magazine: Golden Service Awards 2016 in Airline category.

3rd PLACE

SKYTRAX: The Most Loved Airlines on Skytrax



EVA AIR

9th PLACE

AirlineRatings.com: 2017 World's Top 10 Airlines



1st PLACE

In Next Magazine's "Best Services Awards"

BEST AIRPORT STAFF/GATE AGENTS

The US-renowned travel magazine Global Traveler



1st PLACE in Best Airline Brand

Business Today (magazine) : The 9th Best Brand Award

BEST BUSINESS CLASS CELLAR-Gold Medal

The Business Traveller Cellars in the Sky 2016 Awards

BEST BUSINESS CLASS SPARKLING-Gold Medal

GREATER CHINA SUPER BRANDS AWARD 2016

East Week (magazine)

8th PLACE

The US-renowned travel magazine Travel + Leisure: The World's Best International Airlines

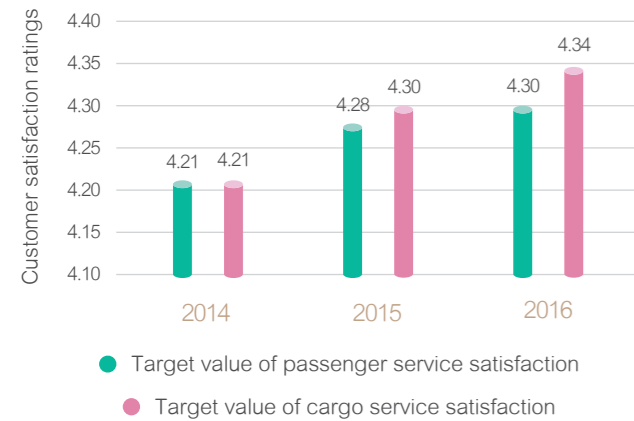




EVA Air's Commitment to Customers

- Initiate total implementation of our declaration of excellent service, giving our customers travel experiences that will assure their lifelong loyalty.
- Speak our customers' languages and think the way our customers think.
- Pay close attention to our customers' needs, making every effort to fulfill or surpass their expectations.
- Recognize our customers, provide value-added service to every customer.
- Conclude every service encounter with the goal of creating the next opportunity.

Past Performance and Goals



2-1 Attentive Services

Since its establishment in 1989, EVA Air has been working hard to improve its services. Upholding the spirit of innovation, EVA Air strives to provide the passengers with more diverse flight services. EVA Air sees flight safety as the core of its management and providing the passengers with attentive services as its ironclad duty. It means recognition and honor for EVA Air to have been ranked as one of the top 5-star airlines, which is also the beginning for EVA Air to face the challenge of protecting this honor. In the future, we will work incessantly to pursue better safety records and pay more attention to every detail of our services for the passengers, thereby offering the perfect flight experience for passengers around the world.

To provide more comfortable seats in Elite Class/Economy Class cabins, EVA Air began to upgrade the existing Elite/Economy seats of the Boeing 777-300ER fleet in July, 2015. The entertainment electronic control boxes underneath the old seats were removed, giving every passenger more room to stretch their legs. Also, the screens were increased from 9 inches to 11.1 inches.

In 2016, EVA Air completed the upgrading of the Elite Class/Economy Class cabin seats in 13 Boeing 777-300ER and installed Wi-Fi and Global Communication Suite (GCS) to upgrade the cabin services simultaneously.

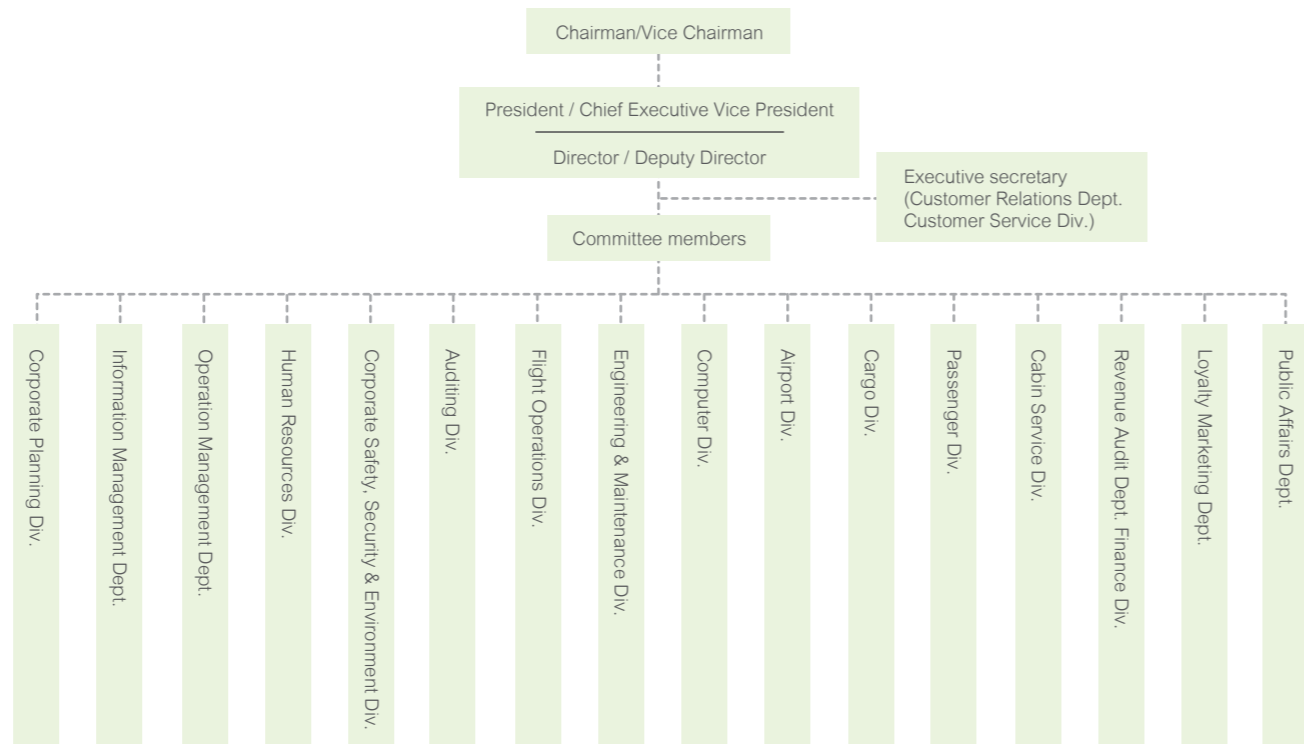


In order to provide a more comfortable flight experience for the passengers, EVA Air introduced the new A330-300 with upgraded horizontally reclining seats in Business Class cabin in November, 2015. The new Business Class seats allow passengers to lie completely flat and upgrade the audiovisual screens from 15 to 18 inches in combination with extra 4.1-inch surface capacitive touch screens to control audio and video, turning the screen remote controls into video game consoles. While the passengers are remotely controlling the screens, they are able to enjoy the pleasure of dual screens by watching movies on the big screen and playing games on the audio/video control.

2-1-1 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 once every quarter to conduct internal analysis and review to improve the Company's service quality through grasping customer satisfaction and customer opinions, and jointly examining the progress of the goals in each service area and the implementation of policies on quality. Each member has to report the implementation progress of each service item in the meeting, and the Chairperson/Vice Chairperson supervises the implementation results of the resolutions in order to execute improvement plans and provide better services for the passengers.

Service Quality Committee: Organizational Chart



2-1-2 Service Quality Management

In order to constantly improve our 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 that the customers value one by one (e.g. reservation /ticketing, official website, airport ground services, in-flight services, punctuality of flight departure and arrival). EVA Air listens carefully to the customers' advice and tries to identify the reasons behind each customer complaint and the subsequent response measures, implement plans, review the results, and take corrective and preventive measures. At the same time, the Company continues to track the status of customer satisfaction and requires relevant departments to immediately make improvements to meet the target values, ensuring the accomplishment of the highest service quality.

2-1-3 Reliable and Trustworthy

In order to provide the passengers with reliable and trustworthy service quality, EVA Air has set up the punctuality rate goal of 15 minutes (excluding uncontrollable factors such as weather and air control). In 2016, the punctuality rate of 15 minutes on all routes reached 95.6%, and the 2017 goal for the punctuality rate of 15 minutes on all routes is 95.0%.

Year	2015	2016	2017 (goal)
	94.9%	95.6%	95%

2-2 Innovative Services

EVA Air strives to enhance passenger's experience of flying through introducing a wide variety of in-flight services, from which we are sure our passengers will feel pampered and enjoy the journey.

2-2-1 Delicacies- In-flight Meal and Beverage

◆ In-flight Meals

Aiming for freshness and a healthy diet, EVA Air in-flight meals have always been carefully prepared with high quality ingredients and sauces, incorporating meticulous cooking techniques. A wide selection of eastern and western cuisines are presented with fine dining cutlery and served by our friendly flight attendants to satisfy all passengers. New menus are released periodically, including food from different cultures as well as a new line of spirits and beverages. We proudly cooperate with world renowned chefs to create a gastronomic delight of in-flight meals for our esteemed passengers.

After delivering the world-famous Din Tai Fung's XiaoLongBao (soup dumplings) and beef noodles, organic product of GREEN & SAFE (Yuen Foong Yu Group), artisan patisseries by SEASON, Ladurée's macarons, and last but not least, Yoku Moku's egg roll cigars from Tokyo, we are even more keen on broadening our passengers' experience of world cuisines by constantly infusing the latest diet trends into our menus. In accordance with the latest diet trends, EVA Air has put more effort into creating exquisite fine taste within the in-flight meal. Since September 2014, the French time-honored brand A L'Olivier's Olive Balsamique Vinaigrette has been served with salad or bread for the passengers of the Royal Laurel Class, Premium Laurel Class and Elite Class of the flights to/back from America, Canada, Europe, and Oceania.

◆ In-flight Beverages

EVA Air's received the Gold Medal for Best Business Class Cellar, along with Best Business Class Sparkling Wine from the Business Traveller Cellars in the Sky 2016 Awards, which recognize the best business and first class wines served by airlines worldwide in the last year. Our wine list is refined every year by the designated wine selection team, which carries out a blind tasting of more than 200 bottles of wine from various regions and vineyards all over the world. Apart from the professional opinions from our wine consultants, we also take into account the general public's intuitive response to the tastes and flavors. Based on the attributes of the passengers on different routes, in-flight meals, and the wine-producing regions, we discuss and select the in-flight wine that is tasty and favored by the passengers.

In addition, EVA Air provides special wines on different flight routes. The popular "Dassai" sake is available in the Business Class on the flights to Japan. In the Royal Laurel Class of the long-haul Hello Kitty Jet, KRUG Rosé Champagne is served. The champagne is not only pleasing to the eye, but also refreshingly tasty, and widely acclaimed by female passengers.

◆ Meal Quality

EVA Air is committed to provide meals of Michelin star quality during a 30,000 feet high journey. Starting from September 1, 2015, on the long-haul routes to/from Europe, USA and Canada, and Oceania, flight attendants would set the table with fine linen and cutlery prior to the first meal for passengers flying the Royal Laurel and Premium Laurel Classes to enrich the meal experience. On some flights departing from Taipei, a fine selection of bread is provided with Échiré Butter and extra virgin olive oil and vinegar vinaigrette.

Furthermore, canapés are served as the prelude accompanied by all sorts of beverages. We hope to create the ambience of being in the Avenue des Champs-Élysées and the Seine River.



Experience the Beauty of Taiwan

EVA Air is proud to be a Taiwanese owned and operated airline and aims to expand its route map globally. Experiencing the beauty of Taiwan has been set as its core value and we are taking a truly integrated approach to the definition. Qing-Yang Xiao, a renowned graphic designer, who's the first Taiwanese nominee of Grammy Awards for Best Record Packaging, was invited to collaborate on designing placemats, menus, and wine lists. Xiao's Story Island - Global collection is a continuation of Xiao's famous Grammy-nominated art Story Island, and came on board on March 1, 2015, featuring his paper-cutting designs together with portraits of Matrona cyanoptera (a species of dragonfly indigenous to Taiwan), Formosan sambar deer, butterflies and many native species. The complete collection is a testament to Taiwan's natural beauty and which we hope to share with the entire world!

In March 2016, Xiao teamed up again with EVA Air to enrich the layout of the in-flight menus for the year, expanding the design concept from his previous work. In line with the change of seasons, Xiao carefully incorporate symbolic elements and color schemes, such as leaf veins for the vitality of spring, blue ocean waves for cool summer, delicate feathers for peaceful autumn, and a starry sky for winter connecting to a new year. We sincerely hope all passengers can appreciate and enjoy the beauty and creativity blooming on the island of Taiwan.



In-flight Products



New Wine and Champagne Glasses

EVA Air has created custom-made mattresses for our lie-flat, herringbone-layout seats in Royal Laurel Class on routes to Europe and North America. The mattresses are made from 100% premium cotton and are soft and cozy. When you wish to sleep for an extended period during a long-haul flight, please ask the cabin attendants to make up your bed. You'll enjoy a deep slumber and arrive at your destination fresh and well rested.

Your thoughtful companion—New THANN multi-function overnight kit

The Rimowa overnight kits provided in the Royal Laurel Class of long-haul flights are well received by the passengers.

Meals designed by Michelin 3-star Chef Motokazu Nakamura

New Seat Covers for New A321 and A333 aircraft

The A321 aircraft introduced in March 2015 and A330-300 aircraft introduced in November the same year came with seat covers designed by the German ROHI. The design breaks the traditional mold of consistent and dull images by using a big piece of fabric printed with different patterns, which is cut randomly for the seats. Each seat is covered by the pieces of fabric sewn together to create different patterns and textures, providing an elegant and novel atmosphere for the passengers during the originally monotonous journey.

Collaboration with Michelin 3-star Chef

Since 2015, Mr Motokazu Nanamura, a 7-time Michelin 3-star master chef, has been working on creating the highest quality food services for EVA Air passengers. Such delicious exquisite meals are served in fine china by Narumi, the world-leading Japanese bone china manufacturer, exclusively for the Business Class on routes from Taoyuan and Songshan to Tokyo and Osaka. Each Narumi chinaware piece was specifically designed to meet Chef Nakamura's inspiration behind his Kyoto themed dishes and made with its traditional techniques. The combination of both brings the in-flight dining experience to a new level and all passengers would feel like they are on cloud nine.

Chihshang Rice

Upholding the corporate social responsibility and local environments, EVA Air provides meals with the award-winning "Premium Grade Rice" for Royal Laurel, Premium Laurel and Business Class of the flights departing from Taipei. Passengers from around the world can glimpse the beauty of Taiwan and the dedication of the farmers in Chihshang through a single full and pure grain of rice. We hope that this award-winning rice will make a favorable impression on each traveler we encounter.

2-2-2 Eat Safe: In-flight Meal and Airline Catering Management

EVA Air follows the World Food Safety Guidelines and HACCP to manage the in-flight meal safety control. All our cooperated airline catering companies are required to comply with related regulations, such as supplier management, personal hygiene, staff training, pest control, cleanliness and environmental hygiene. From the food source, delivery, storage and cooking to loading on board, all steps are under strict control to ensure the food safety and quality.

Availability of EVA Air Meals over Years

Item	2015		2016		2017 (goal)
	Availability Rate	Target Value	Availability Rate	Target Value	Target Value
Business Class	99.994%	99.992%	99.995%	99.992%	99.992%
Elite Class and Economy Class	99.998%	99.995%	99.999%	99.996%	99.996%

Execution Rate of Airline Catering Hygiene Inspection

Item	2015 Execution Rate	2016 Execution Rate	2017 Execution Rate
Airline Catering Hygiene Inspection	100%	100%	100% (EVA AIR will execute Hygiene Inspection to all cooperate catering partners)

Note 1: Meal availability (Actual % (Target %)): The quarterly meal availability was calculated based on meal irregularity cases reflected by our passengers (such as foreign articles and food spoilage.)

Note 2: Execution of airline catering hygiene inspection: Annual hygiene inspection will be conducted in accordance with the audit checklist which is based on the World Food Safety Guidelines.

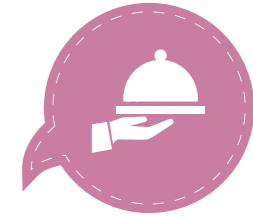
In 2016, there were 39 airline caterers providing in-flight meals for EVA Air. All caterers are qualified suppliers and acquired relevant certifications, including HACCP, ISO22000, ISO9001, ISO14001, OHSAS18001 and ISO50001. 34 out of 39 (87%) have obtained the international certifications for food safety HACCP or ISO22000. Also, in 2016, there was no violation of laws or voluntary standards by EVA Air which is related to food safety and health concerns.

Types of Certification for EVA Air's Airline Catering Worldwide

Types of Certification	HACCP	ISO 22000	ISO 9001	ISO 14001	OHSAS 18001	ISO 50001	HALAL
Description	HACCP	ISO22000	ISO9001	ISO14001	OHSAS18001	ISO50001	Halal Certification

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. Here are the 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.



Raw Materials Testing

All raw materials are procured according to the procurement standards. Upon receiving raw materials from the vendors, we check the package, expiry date, foreign objects, impurities and other potential contaminants to ensure that there is no sign of spoilage or unsafe food (e.g. taste, color and texture). Temperature measuring and random testing are conducted thereafter.)

Product Temperature Standards

Food Type	Food Product Temperature Standards
Chilled Food	≤ 5°C
Frozen Food	≤ -10°C Hard as rock and no sign of pre-thawing
Hot Food	> 60°C

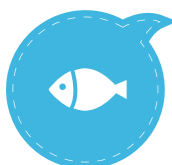




• Delivery Truck Management

All food delivery trucks must be clean, well-maintained and fully functional (i.e. no odor, trash, dirt, pest, rust or corrosion). The temperature control of the delivery trucks must be kept in the best condition to maintain the food quality.

Types of Food	Storage Temperature Standards for Delivery Trucks
Chilled Food	≤ 5°C
Frozen Food	≤ -18°C
Hot Food	>60°C



• Low-Temperature Preservation

The basic principle to handle the raw material is "First in, First out". Those raw materials will be separated and labeled by boxes, baskets, pallets and trucks. These processes are conducted from we purchase the items, then we unpack, storage, prepare and cook the food, until we dispatch them. All food preservation is followed the standard cold storage temperature control for chiller and freezer.

Chiller/Freezer Temperature Control Standards
1. Paperless records and tracking system and 24 -hour alarm for freezers and chillers are required .
2. Chiller Critical limit: 0 -5°C
3. Freezer Critical Limit: < -18°C



• Food and Tableware Cleaning

First, all ready-to-eat vegetables and fruits are washed to clean the surface, then soaked in water containing 50-100ppm of chlorine for 1 to 5 minutes for disinfection. Last, rinsed with drinking water (0 ppm of chlorine residual) till they are visually cleaned. The cookware and tableware cleaning should meet the sanitation and safety requirements. For example, the temperature of the cleaning machine should be higher than 82°C, use the heat-sensitive paper to check the surface temperatures of the equipment, temperature for utensils and tableware must reach at least 71°C. Random daily microorganisms tests must be conducted for water and ice cubes, including chlorine residual, turbidity, total hardness, plate count, Coliform bacteria and E. coli.



• Cooking Control

There are standard procedure guidelines for hot food cooking and temperature control:

- Hot food core temperature exceeds 75°C for at least 15 seconds.
To cool down the hot food safely, food core temperature should be reduced from 60°C to 21°C in two hours, and subsequently reduced from 21°C to 5°C in four hours. Or, the core temperature must be reduced from 60°C to 10°C in four hours.
- Potentially hazardous food safety control: Surface temperature doesn't exceed 15°C and meal preparation time doesn't exceed 45 minutes.



• Meal Quality Control

We keep close tabs on the daily cooked food to make sure the meal quality, the control procedures including:

- Using X-ray, foil detectors and metal /weight detectors to prevent foreign articles.
To protect food safety and quality, the internal shelf life standard for food is established. Maximum 24 hours for cold food, 48 hours for hot food from preparation to scheduled departure time.
- Daily microorganisms tests include plate count, Coliform bacteria, E. coli, Salmonella, Staphylococcus aureus, Listeria, Bacillus cereus, Clostridium perfringens, Campylobacter, Vibrio parahaemolyticus, mold and yeast.
- Chef will arrange daily in-flight meal check to assure all meal process is stable.



• Temperature Control of Aircraft Loading

We follow the standard rules made by Quality & Safety Alliance for In-flight Services (QSAI), Food Processing Safety Standards (FPS), Food Processing Quality Standards (FPQ) and IFSA/AEA World Food Safety Guidelines to monitor and control the temperature of loading meals to the aircraft. For instance , the surface temperature of potentially hazardous food does not exceed 5°C; maximum 3 hours for meals taking out from the chillers to scheduled departure time.

Food Testing Items and Frequency

Product Item	Testing Item	Frequency
Rice	Pesticide residues, Mycotoxin	Monthly
Poultry	Animal drug residues (Antibiotics, Sulfonamides, Tetracyclines, Ractopamine, Chloramphenicol, Malachite green, Nitrofurans, Histamine, etc.)	Daily
Meat	Animal drug residues (Antibiotics, Sulfonamides, Tetracyclines, Ractopamine, Chloramphenicol, Malachite green, Nitrofurans, Histamine, etc.)	Weekly
Seafood	Animal drug residues (Antibiotics, Sulfonamides, Tetracyclines, Ractopamine, Chloramphenicol, Malachite green, Nitrofurans, Histamine, etc.)	Weekly
Eggs	Animal drug residues (Antibiotics, Sulfonamides, Tetracyclines, etc.)	Weekly
Dairy Products	Animal Drug Residues (Antibiotics, Sulfonamides, Tetracyclines, etc.) Micro-organism testing, including Total Plate Count, Coliform Bacteria, E. coli, Salmonella, Staphylococcus aureus, Listeria	Weekly
Fresh Fruits and Vegetables	Pesticide residues	Daily
Dry food and Groceries	Preservatives, sweeteners, illegal colorings, melamine, plasticizer	Monthly
Oils	Copper chlorophyll Attach the testing report on animal drug residues, pesticide residues, heavy metal, acid values, Total Polar Materials, Benzopyrene .	Monthly
Ready-to-eat Food	Micro-organism testing, including Total Plate Count, Coliform Bacteria, E. coli, Salmonella, Staphylococcus aureus, Listeria, Bacillus cereus, Clostridium perfringens, Campylobacter, Vibrio parahaemolyticus, mold and yeast	Daily
Paper Package	Fluorescent Test	Every Batch
Food Contact Package	Attach the report on the materials and leaching test.	Annually
Vegetarian Food	Qualitative test on animal -derived ingredients in food	Monthly
Gadiformes	Identification test on Gadiformes	Monthly
Imported Food from Japan	Verify the origin of production to the prefecture county	Every Batch

2-2-3 Cabin Cleanliness

Cabin cleanliness management is important to EVA Air. Before departure, the seats, tabletops, TV screens, aisles, toilets, overhead and front storage compartments are carefully cleaned. During the flight, our cabin crew will check and clean the cabin from time to time to maintain a clean and comfortable cabin environment. Our airport staff or supervisory management unit will assign staff to conduct re-checks from time to time to ensure the cabin cleanliness quality.

In recent years, EVA Air has been ranked in the top 3 in the Best Airline Cabin Cleanliness time and again by the renowned airline rating organization, Skytrax, proving that EVA Air's service quality has been recognized internationally.

2-2-4 Care for Passengers' Rights and Health

In order to protect the passengers' rights and health, all the 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 laws and regulations and approved by the Civil Aeronautics Administration (CAA). All the passenger transport products and services provided by EVA Air have complied with the statutory laws and regulations, so our passengers' interests are protected by an excellent governance system and specific rules. No significant law or relevant voluntary codes violation has been observed during the marketing and advertising, promotion and sponsorship processes of the passenger transport products and services. All EVA Air's in-flight products for cabin service conform to the laws and regulations. The tender invitation 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. For example, food containers must comply with the Sanitation Standards for Food Utensils, Containers and Packages stipulated by the Ministry of Health and Welfare, Executive Yuan. In 2016, 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.

In-flight Products for Cabin Service Comply with Laws and Procurement Standards

Product category / Procurement standards	% of Compliance	Total Number of Items				
		2012	2013	2014	2015	2016
Children's toys (ST safety toy inspection mark is required)	100%	15	17	18	15	12
Plastic tableware (Certificate of inspection is required)	100%	39	66	67	45	50
Food (Certificate of inspection is required)	100%	61	51	56	33	37

2-2-5 Automated Services

Self Check-in

To help passengers save time spent waiting in queue to check in at the airport counter, EVA Air launched the self check-in service in 2009. Currently, the departure halls at the following airports offer the self check-in service: Taoyuan International, Taipei Songshan, Taichung, Kaohsiung, London, Bangkok, Hong Kong, Amsterdam and Los Angeles. Simply follow the instructions and print out the boarding pass to complete the self check-in procedure. This service shall be progressively made available at other airports around the world.

EVA Air's self check-in service counter offers the following functions:

- Intuitive interactive touch screen: For quick check-in to save the time spent waiting in queue.
- Cabin seating plan: For passengers to choose their desired seats.
- Instant collection of boarding pass.
- Available in Traditional Chinese, Simplified Chinese, English and Japanese.



EVA Mobile App

EVA Mobile App provides passengers with several online services to keep them abreast of the latest flight status updates, and allows them to access their membership and booking information, even while they are on their way to the airport or in the middle of a business trip. EVA Mobile App was downloaded 306,567 times in 2016.



EVA Mobile App's functions include:

Services	Brief Description
Flight Status	Check scheduled flight dates, verify the actual flight arrival and departure time, or register for SMS reminders of the estimated arrival and departure time.
Book a Flight	Search and purchase ticket for your desired flight via the mobile app.
Check-in	Check in via the mobile app and print out your electronic boarding pass. If you have no checked baggage, simply reach the boarding gate 30 minutes before departure.
My Trip	Consolidates check-in, seat selection and booking inquiry services for the convenience of passengers.
Infinity MileageLands	Members can check their accrued mileage, register for SMS reminders of the flight departure time, check for exclusive member promotions, and download the electronic membership card.
Contact Us	Provides contact information for EVA Air offices around the world. Click to call.

EVA Mobile App Interface



EVA Mobile App "Infinity MileageLands" Digital Membership Card



EVA Sky Shop App

EVA Sky Shop App is a convenient option for passengers to purchase in-flight duty free goods. EVA Air passengers may pre-order our exclusive in-flight duty free goods before their flight and collect the goods on board; getting great gifts for family and friends is now made easy! EVA Sky Shop App was downloaded 86,268 times in 2016.



EVA Sky Shop App Interface



EVA Air Home Delivery Shopping App

"EVA Air Home Delivery Shopping" is a new online shopping mall launched by EVA Air in 2014; it offers fast and convenient shopping through the use of mobile app. Just a few simple swipes on the phone, and passengers can purchase exclusive EVA Air goods and other premium products, and have them delivered to the doorstep for free (home delivery is limited to the Taiwan region only). The mobile app functions allow passengers to shop anytime and anywhere, while at the same time supporting the eco-friendly concept of a green earth. "EVA Air Home Delivery Shopping" was downloaded 17,317 times in 2016.



Interface of EVA Air e-Shopping App



EVA Air Automated Services	Self Check-in		EVA Mobile App		EVA Sky Shop App		EVA Air E-shopping App	
	Number of Usage	Percentage	Number of Downloads	Number of Usage	Number of Downloads	Number of Usage	Number of Downloads	Number of Usage
2014	880,304	8.86%	134,242	2,090,332	26,951	2,299 (Number of Transactions)	18,149	696 (Number of Transactions)
2015	1,145,793	10.46%	169,513	5,137,694	33,217	5,124 (Number of Transactions)	17,520	1,592 (Number of Transactions)
2016	1,828,705	15.02%	306,567	8,572,089	86,268	7,372 (Number of Transactions)	17,317	1,967 (Number of Transactions)

Web Accessibility Design

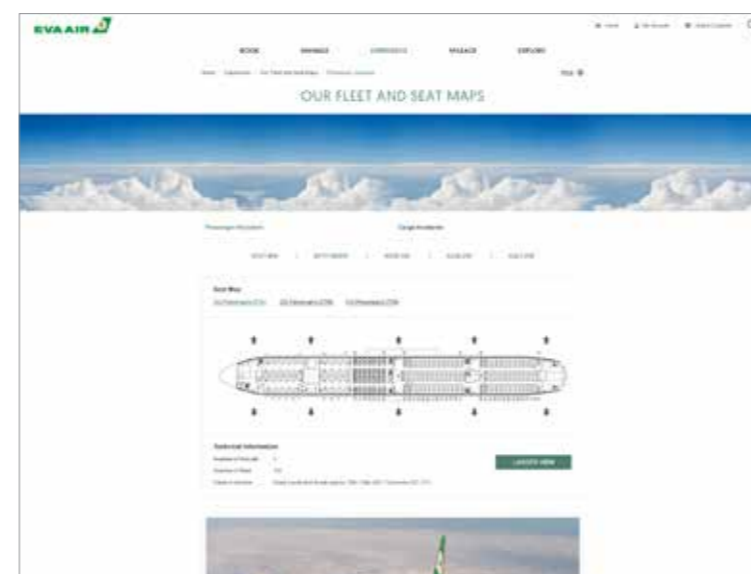
The U.S. Department of Transportation (DOT) requires all airline companies with flights to the U.S. to have their websites that are targeted at the U.S. market meet the "Web Content Accessibility Guidelines (WCAG) 2.0 Level AA" established by the World Wide Web Consortium (W3C). Therefore, the American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

For instance, color blind users cannot distinguish between colors so the website design cannot rely solely on colors to transmit information. Certain colors may stand out to some people but appear inconspicuous to others. Hence, EVA Air's website uses images to convey information, and avoids the utilization of colors to categorize information. For example, the cabin seating plan uses icons to indicate the classes and services.



WCAG

Web Accessibility Example



Brand New VIP Room Services

• Taoyuan Airport VIP Room "The Garden"

Equipped with a pool of flowing green, the Garden VIP Room allows travelers to get away from their busy schedules and enter a modern utopia to enjoy some worry-free rest. Made into a wide space with a high ceiling that soaks in the warm light emitted naturally from the sky while combining the spirit of Zen of oriental gardens and the geometrical concepts of western gardens, the VIP room constructs the poetic feeling of a modern garden with a contrast of virtuality and reality. Under the British Bone China fish lamps symbolizing a bountiful harvest and perfection that move as if they were swimming with the ocean currents, you can find the food counter providing all sorts of beverages, fresh-made coffee, delicious eastern and western delicacies, and snacks. In addition, many kinds of fresh-made traditional Taiwanese noodles are served here to satisfy the travelers' stomachs and warm their hearts. Travelers can rest peacefully in the Zen zone composed of the Wind Lanterns that sway with the breeze, work or read in the independent personal deck seat, or lean on the smooth, top quality stone-made bar in the modernized bar zone and have drinks especially made for them. Wi-Fi is available throughout the room, so travelers can keep track of firsthand business opportunities. The spacious and bright bathrooms and shower rooms are constructed with different kinds of materials to create garden-like scenarios such as Morning Drizzle, King's Power, and Geometrical Jungle, rendering showering and bathing an enjoyable experience.

• Kaohsiung International Airport VIP Room

The EVA Air VIP Room at Kaohsiung International Airport adopted the concept of "flying in the clouds" and combined vintage airplane models and contemporary design aesthetics to create an artistic aviation temple exclusive to Siaogang. Guests can rest in the elegant and comfortable atmosphere with peace and enjoy all sorts of beverages, fresh-made coffee, and delicious eastern and western delicacies, and snacks. Wi-Fi is available throughout the room, so you can efficiently keep track of firsthand business opportunities.



• Suvarnabhumi Airport VIP Room

EVA Air VIP Room in Bangkok features a unique perspective as well as light effects to create a blurry and dreamy space for rest. The brand new, modernized, and thoughtful facilities satisfy passengers' needs during their busy business travels. Wi-Fi is available throughout the room. A socket can be found next to each seat. The room is equipped with a business center, buffet Bar, Drink Bar, two shower rooms, and two seating areas. Eastern and western delicacies and Thai specialty food are served, enabling passengers to rest and have a bite to eat during their busy travels.



◆ Creative Aircraft Livery

Infused with creativity, the aviation industry is no longer just a transportation industry. In 2005 and 2011 respectively, EVA Air launched the world's one and only Hello Kitty Jets together with Japan's Sanrio. With a themed design, 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, allowing passengers to immerse themselves in a happy journey of fantasy right at the moment they board the airplane.

To this day, EVA Air's Hello Kitty Jets have been internationally lauded. The creative design and ingenuity was reviewed as the "Best Aircraft Liveries" by the British magazine Wallpaper in 2007. In 2016, Daily Mail selected the jet as the "World's Top 8 Plane Liveries" and the US professional travel magazine, Global Traveler, awarded the jet for its Outstanding Customized Service.

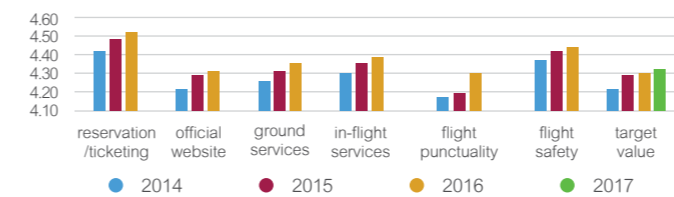


2-3 Customer Relationship

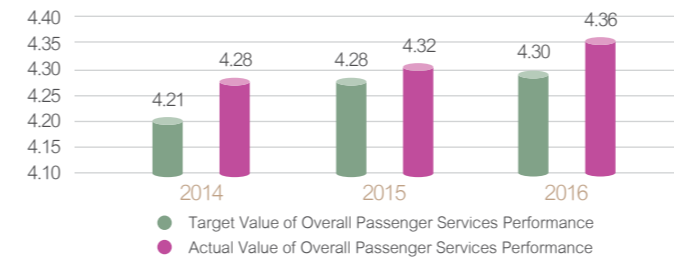
2-3-1 Customer Satisfaction Survey

Customer opinion is essential to our improvements in service quality. To gain deeper insight into customer satisfaction, we inspect the questionnaire every year to meet actual requirements. We actively send the "EVA Air Online Customer Satisfaction Survey" to members after travelling and invite them to evaluate their flight experience. The scope of the survey includes ground services and in-flight services items. By tracing the fulfillment status of customer satisfaction, EVA Air continues to improve and be innovative, offering services that fulfill customers' needs. In 2016, 364,141 questionnaires were sent to our members and 66,519 responses were mailed back to us; the response rate was 18.27%. The statistics showed that the overall passenger satisfaction level for 2016 was 4.36 (5-point Likert Scale), which exceeded the target value of 4.30.

Customer Satisfaction with Main Service Items of Passenger Transport



Overall Customer Satisfaction with Passenger Transport Services



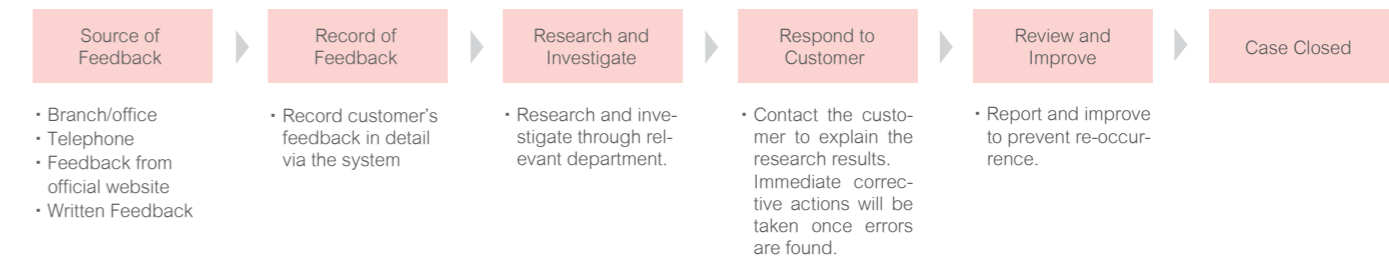
For services which have not reached the target satisfaction value, the related divisions of the respective services shall hold a service review meeting every month. Also, a service quality committee meetings will be held every quarter to report the results of the review and analysis on the operations and the description of the improvements in order to improve the service quality.

2-3-2 Listen to Customers' Opinions and Communicate

EVA Air attaches great importance to customers' feelings and listen to their needs attentively. We respond to those needs earnestly and deal with their opinions with a discrete and focused attitude in order to provide services that meet the customers' needs. When there is any abnormality in our services, we immediately fix the problems. We instantly grasp the "turning point of services" at the critical moment as authorized, in order to win the trust and support of our customers.

To constantly improve our service quality, we hold regular meetings to jointly examine the status of the services, identify the causes of abnormal operations, and devise response measures. In addition, through conducting internal service quality audits on service quality, executing plans, examining the results of operations and taking corrective and preventive measures, we can effectively manage our service quality.

Handling Process of Customer Feedback



In 2016, there were 21,132 entries of customer feedbacks, equivalent to 188 entries per 100 thousand people. The customer opinions primarily involved the airport services (50.0%), flight attendant services (20.6%), changes in flight time (6.4%), baggage services (3.7%) and ticketing services (3.1%), which accounted for 83.7% of the total entries of customer feedbacks.

Webpage for Product Customer Support

Contact us

If you have any question regarding the products or services we provide, please contact us via the following ways:

Service hours : Monday to Friday 09:00 a.m. to 12:00 noon
Monday to Friday 14:00 p.m. to 17:00 p.m.

Product Customer Support Number : 0800-535678, 03-351-5936

E-mail : shopping@evaair.com

Customer Service Fax Number : 03-351-0018

◆ Product Service Hotline

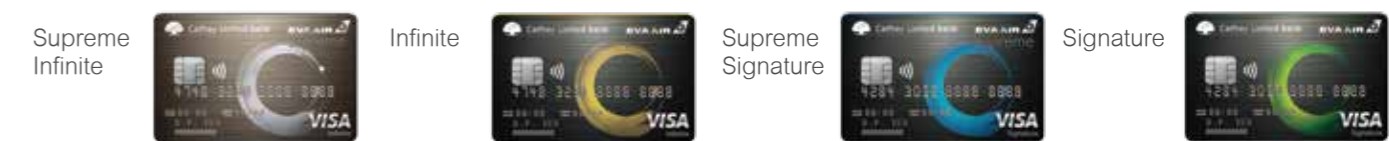
In order to improve the service quality of all EVA Air's shopping platforms, in the event of any questions, customers may call our product service hotline for personnel assistance regarding tax-free products bought on the airplane or EVA Air's exclusive website. The product service hotline had received a total of 15,641 calls as of the end of December 2016. The calls consisted mainly of enquiries about the products, discounts or replacements and refunds.

2-3-3 Membership Services

EVA Air holds various flight mileage activities from time to time to help members upgrade their membership cards tier quickly and enjoy the exclusive promotions that designed for higher membership levels. For example, from March to June 2016, the members who registered and held applicable tickets for designated flights from EVA Air or UNI Air could earn up to 30% additional miles on top of their original accumulated miles. These extra miles can serve as the basis for upgrading membership or renewing membership. Also, specific green card members were invited to join the "Time-limited upgrade to silver card tier special offer program" from September 2016 to February 2017. Compared with 2015, the number of members increased by 7.17%, and the number of members taking our flights increased by 7.28% in 2016. At the same time, to provide members with exclusive privileges, EVA Air works with many excellent suppliers to present various special offers, additional miles promotion, and all sorts of commodity redemptions. In 2016, 11 companies were made with Infinity MileageLands as non-air partners. Compared with 2015, total accumulated miles for the members increased by 8.15% and the number of members who used their accumulated miles to redeem awards increased by 39.31% in 2016 (excluding Miles & Cash redemption). EVA Air realizes that some members often unable to redeem award tickets or upgrade their seats due to the shortage of a few miles; in order to encourage our members to use their miles more efficiently, we allow members to make up the deficit by purchasing miles to upgrade their seats or redeem award tickets. In 2016, the number of members who enjoyed the awards by purchasing part of the miles was approximately 5.9% of the members who redeemed the awards.

In order to let members collect miles in daily life make it easier for members to enjoy the added value and convenience of accumulating miles in daily purchases, we started working with different companies that running royalty points in 2016: we started working with 7-Eleven in April 2016 to allow members to redeem i-Coupon and OPENPOINT points with their miles. Members can also use OPENPOINT points to redeem EVA Air's miles. From May 2016 onwards, we started working with Ponta in May, with UUPON in July, and with HAPPY GO in November, through which we offer our members to earn miles and redemptions so that members will use their miles more efficiently.

To continuously expand the development of the co-branded cards and allow our customers to have a stronger connection with EVA Air during travel or daily life, we started to collaborate with Cathay United Bank since September 2016 to launch the brand new EVA Air co-branded card. Our members' daily purchases can be directly converted into miles, bringing flying closer to daily life. In addition, from December 2016 onwards, in-flight Wi-Fi service as one of the item can be redeemed with miles so that passengers can still stay in touch with the world during their flight.



2-3-4 Customer Information and Privacy 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. No major complaints were received in 2016 for the violation of customers' privacy rights or the loss of customer information.

EVA Air provides our members with relevant services, and at the same time makes every effort to protect their information, privacy and interests. Information on personal information collection and application, and the privacy protection and security statements are clearly stated in the "Privacy & Security Statement" on EVA Air's corporate website.

When joining us as members, they must read and agree with EVA Air's Privacy Protection Terms and Conditions, and complete the application process either by checking the box on the website or signing on the paper application form. When we collect information for marketing, members may choose to "Accept" or "Reject", and the relevant department shall proceed with marketing accordingly. 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 logged.

2-3-5 Online Security Management

GeoTrust has verified the legal identity of the server digital certificate applicant's company for both EVA Air's official global website (www.evaair.com) and mobile website (m.evaair.com), and confirmed that the website addresses of the registered websites come with website security seals.

EVA Air adopts comprehensive information security maintenance and management measures, to protect the security of member particulars in all aspects. It includes measures like masking the customer information in the application, data encryption during transmission, password authentication, access management of confidential and sensitive information, as well as maintenance, operation and monitoring of IT equipment and network, various backup mechanisms and regular verification exercises. Private information provided through transactions on the official websites are protected by high-tech encrypted transmission; the industry's standard 256-bit SSL (Secure Sockets Layer) encryption technology is adopted to encrypt data before transmission across the network to prevent data from being intercepted and misused.

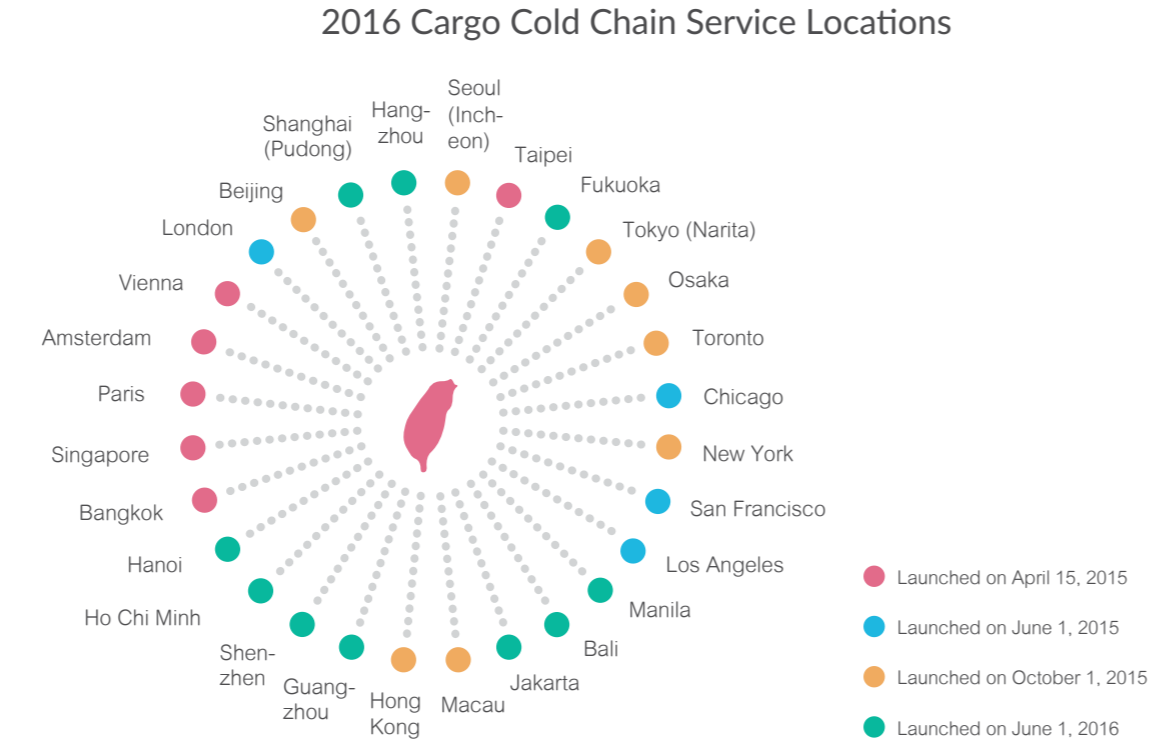
EVA Air will continue to observe the laws and regulations relevant to information management that are established in the countries where our branch offices are located.

2-4 Cargo Service

With an outstanding flight safety records and professional capability in the air cargo industry, EVA Air once again won the 2016 Air Cargo Excellence Award. The results were announced on the Air Cargo World official website (www.aircargoworld.com). In response to the demand of market growth, EVA Air launched the cold chain service and cold chain network, reinforced staff training, and optimized the process control and emergency response mechanisms. In consideration of both mid- and long-term development strategies, EVA Air cargo service continuously boosts its market competitiveness and operating efficiency to improve our business performance.

2-4-1 Temperature-controlled Cold Chain Service

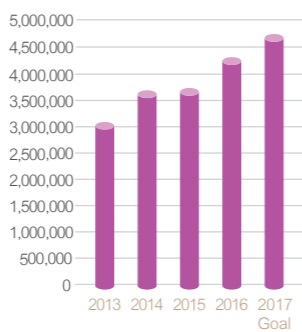
For high-value goods such as biotechnology products, drugs, vaccines, high-end foods and semiconductor wafers, EVA Air offers cold chain service that uses temperature-controlled containers to keep the temperature within specifications during the transport process. Since the launch of the cold-chain service in 2015, EVA Air has been expanding the number of service locations. Currently, there are 28 airports around the world that offer our cargo cold chain service.



2-4-2 Cargo Transport E-Commerce

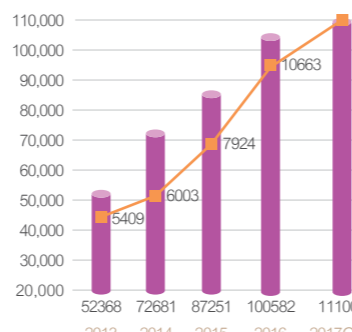
In response to the global trend of automation, EVA Air provides the Cargo e-Commerce online inquiry system and Cargo App mobile device inquiry system, allowing customers to keep track of the status of their cargo and flight updates anywhere and anytime. We also actively devote ourselves to the "e-freight" 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 conservation and carbon reduction.

Usage Status of Cargo e-Commerce



● Number of Visits for Cargo Status Inquiry

Usage Status of Cargo APP



● Number of Visits for Cargo Status Inquiry
 ■ Number of Cargo APP Downloads

Number of Issued e-AWB

Number of Bills of Lading	
2013	2,966
2014	30,194
2015	43,148
2016	183,548
2017Goal	275,000

2-4-3 Customs AEO Certification

EVA Air worked in conjunction with the Customs Administration, Ministry of Finance of Taiwan, to extend the AEO certification, and has established the supply chain security protection mechanism for trade security and convenience to ensure logistic safety. The Company was awarded the Customs AEO Certification on November 18, 2011. As the certification must be renewed every three years, we passed the certification again in 2014. This certification means that EVA Air has gained the customs' trust and is able to provide a safe air cargo supply chain environment and ensure the safe transport of cargo.

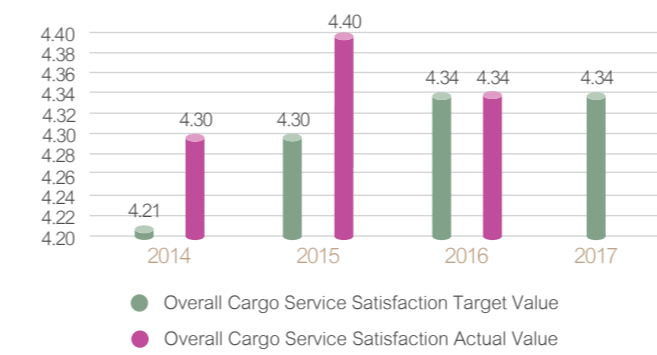
AEO Certificate



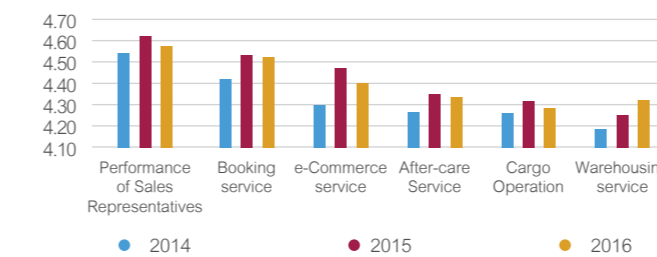
2-4-4 Cargo Customer Satisfaction Survey

EVA Air attaches equal importance to customers using our cargo transport services and insists on providing excellent service quality. We constantly track the customer satisfaction level, service requirements and other suggestions for improvements regarding the cargo service we provide. Every year, we conduct a cargo customer satisfaction survey on our main freight forwarders, which comprises 6 major assessment categories: "Performance of sales representatives", "Booking service", "e-Commerce service", "After-care service", "Cargo service" and "Warehousing service."

Overall Cargo Service Satisfaction



Survey on Customer Satisfaction with Main Cargo Service Items



In 2016, the main factors that influenced customer satisfaction with warehousing service and e-commerce service were the service quality of truck transport, the waiting time for truck import/export, the level of convenience when exports enter the warehouse, the pallet operation quality for exports, the instant updates of flight information on the website, etc. We have made improvements for relevant issues.

Improvement Measures for Warehousing Service and E-Commerce

Service Item	Improvement Measures
Service quality of truck transport	The improvements at the stations were made as follows : • The truck drivers must tally the goods accurately and sign after confirmation. • The fork lift truck drivers must confirm the goods and send them to the correct trucks. • Airport personnel may supervise the truck loading operations when there is enough manpower. Operation Management Dept. will constantly monitor and periodically inspect to ensure the effects of the improvements.
Waiting time for truck import/export	If the freight forwarder has any urgent goods, s/he may apply for priority handling to the warehouse. The warehouse will allow the goods to leave the warehouse or enter the warehouse based on the truck arrival time of the freight forwarder in order to save the proprietor's truck waiting time.
Level of convenience when exports enter the warehouse	The station will hold meetings to discuss the improvement measures case by case with the ground handling provider or warehouse. The Operation Management Dept. will review the improvement and preventive measures according to the minutes of the meetings with the ground handling provider and continue to supervise its performance.
Pallet operations quality for exports	The Operation Management Dept. will strengthen the quality of the loading of goods on pallets by the warehouse staff through regular monthly inspection. The current operations head of Cargo Div. will visit the warehouse periodically to check the pallet operations for the aircraft units.
Instant updates of flight information on website	The issue has been confirmed to be a set -up issue of the flight system on the website. Now the related parameters have been set.



03 Human Resources Development

EVA Air values every employee and aims to create a safe and inspiring environment for the employees. In addition to comprehensive wage and benefit packages, educational training, and promotion channels, we also hope to cultivate the employees' professional attitude and employment competence. In the aviation industry, every professional category is like a different industry. We provide our employees with opportunities to change their job fields. Through job rotation and overseas dispatch, employees are able to accumulate their experience and become versatile international talent. Meanwhile, EVA Air has been constantly investing more resources in creating a more well-rounded work environment, allowing employees to balance work and family life, and obtain security and happiness. In so doing, employees will continue to work hand in hand with EVA Air to advance towards a better future.



Chapter Highlights



1ST AIRLINE WITH EVIDENCE-BASED TRAINING

The first airline in Taiwan's aviation industry to have obtained the approval of Civil Aeronautics Administration to conduct recurrent training for the flight crew in the evidence-based training mode



1ST PLACE TOSHMS

The first airline in Taiwan's aviation industry to have obtained the TOSHMS certification



2ND PLACE

Cheers Magazine: 2016 "Top 100 Most Attractive Employers of the New Generation-Transportation Category"

Response to Major Event

The labor-management negotiation with "Taoyuan Flight Attendants Union" is laid out as follows: We have long dedicated ourselves to creating a win-win situation for employee development and the Company's sustainable management, as well as building a safe and healthy work environment. We care for our employees and their families, and strive to create an enterprise of happiness together with them.

Ever since the strike called by "Taoyuan Flight Attendants Union" which mainly comprised the flight attendants of China Airlines took place in June, 2016, the Union has been actively recruiting EVA Air's flight attendants. We are open to, and respectful of, our employees' joining the Union since we aim at promoting channels for collective bargaining, listening to employees' opinions, and maintaining good labor-management relations. Meanwhile, we have also been actively examining the feasibility of improving labor conditions.

EVA Air's flight attendants who are also members of "Taoyuan Flight Attendants Union" have put forward their personal suggestions in various communication channels. However, part of their opinions that clashed with those of the Company, or some misunderstandings, led to gatherings convened in June and March, 2017 respectively to unite the members and demonstrate the strength of the Union. In the end, the "Department of Labor, Taoyuan" helped negotiate and achieve confirmation. Since over half of the Company's flight attendants had joined the "Taoyuan Flight Attendants Union", the Union gained the right to negotiate with the Company and enter into a collective agreement.

Based on the principle of impartiality, we have also presented to "Taoyuan Flight Attendants Union" the clause of prohibition of discrimination as our appeal for negotiating the collective agreement. We have declared that the pertaining labor conditions and benefits would be applicable for all flight attendants. Also, we requested the Union to restrain its members from conducting personal attacks, or illegal or improper infringement against our employees.

Since April 20, 2017, we have been negotiating with the "Taoyuan Flight Attendants Union" regarding the collective agreement. We have promised to communicate with the utmost sincerity based on the principle of management sustainability and impartiality, and aim to create a win-win situation for both parties based on mutual trust.

3-1 Appointment and Retention of Talent

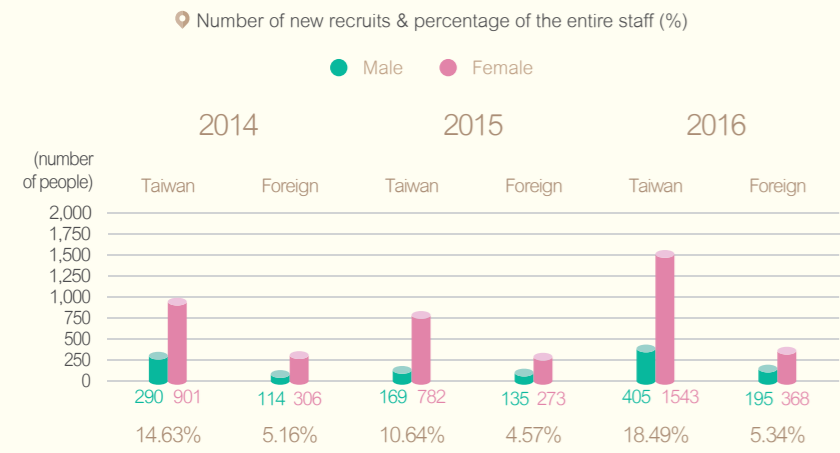
3-1-1 Recruitment

The aviation industry is an extremely attractive dream industry. In addition to providing basic passenger and cargo transport services, the service quality has currently become increasingly important in this fiercely competitive market. Therefore, we have relied more on our employees' passion and devotion. To attract more passionate and ambitious young people to come work in the aviation industry, we have recruited via all sorts of public channels and provide a comprehensive work environment as well as attractive wages and benefits to attract talents from all fields. After hiring, we actively train the employees' professional skills and conduct adaptive career planning so that they can prosper in the right roles and grow stronger with us.

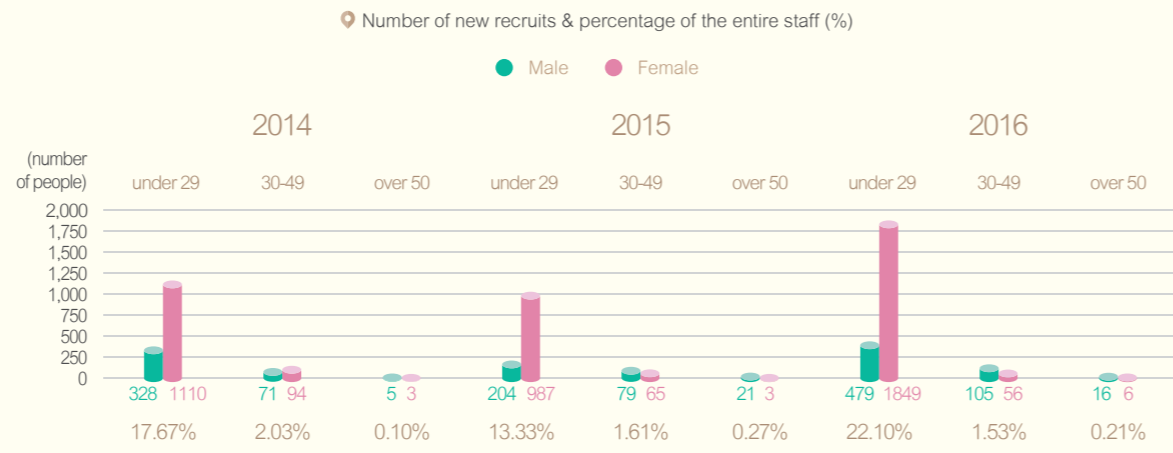
Our employees are mainly divided into two categories: "Inflight Service" and "Ground Service". Inflight service personnel include flight crew and cabin crew, while ground service personnel include the staff of airport transportation, passenger and cargo transport operations/booking/ticketing, aircraft maintenance and flight dispatch, as well as other administrative personnel. In response to the growing business, flight route adjustment, and safety regulations, the number of hired employees increased by more than 5% in 2016, compared with the previous two years. By substantially increasing manpower, we have improved the service quality of our flights and safety at the same time. In 2016, there were 2,511 new recruits, whereas 977 employees resigned, including 416 new recruits and 558 general employees. In 2016, the main reasons that the general employees left the Company were in the order of personal career plan, family factors, and health issues. Based on sustainable management, we will continue to examine the policies of remuneration, benefits, and training to improve the work environment so that the employees' health and safety can be protected. In this way, the turnover rate will be even lower, with outstanding talents more willing to stay.



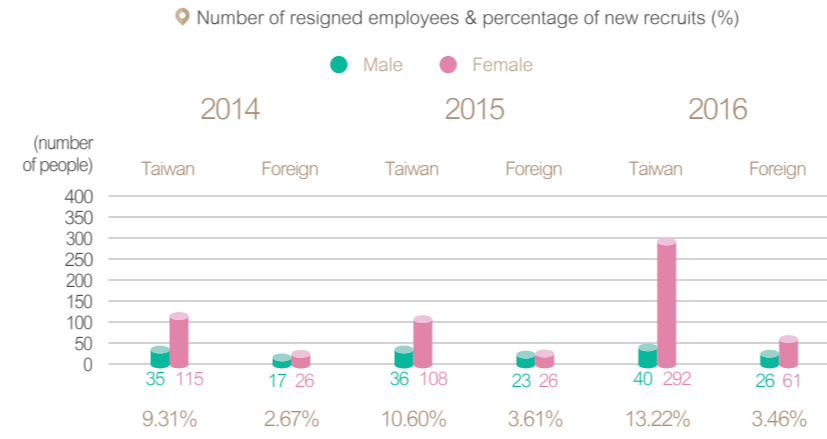
Statistics on new recruits worldwide (by nationality)



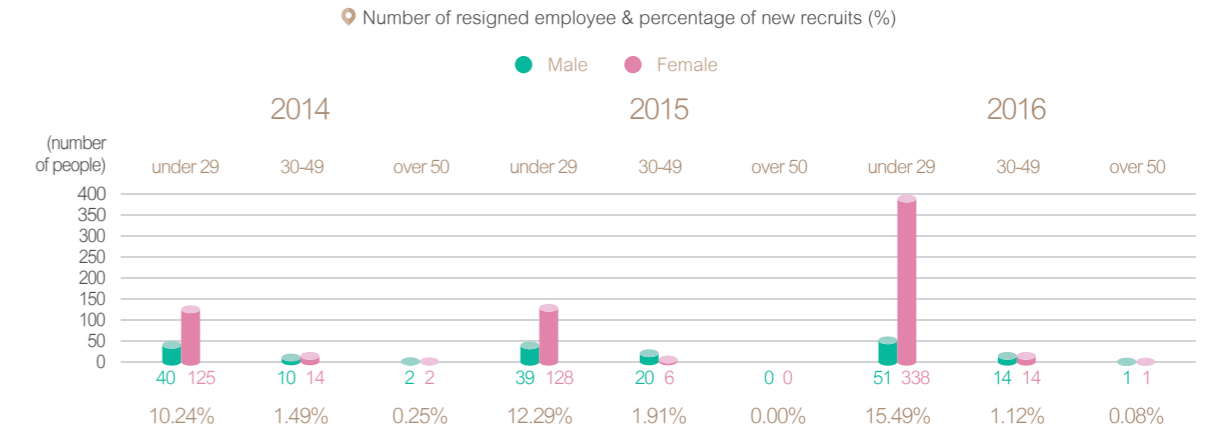
Statistics on new recruits worldwide (by age)



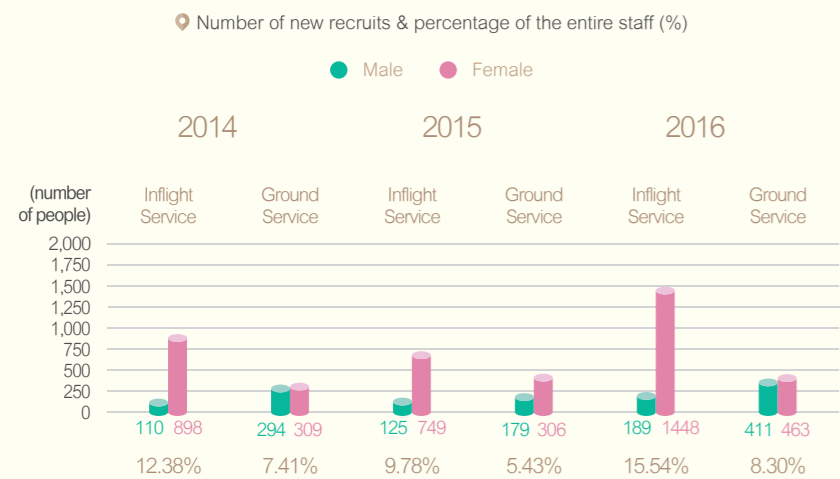
Statistics on resigned new recruits worldwide (by nationality)



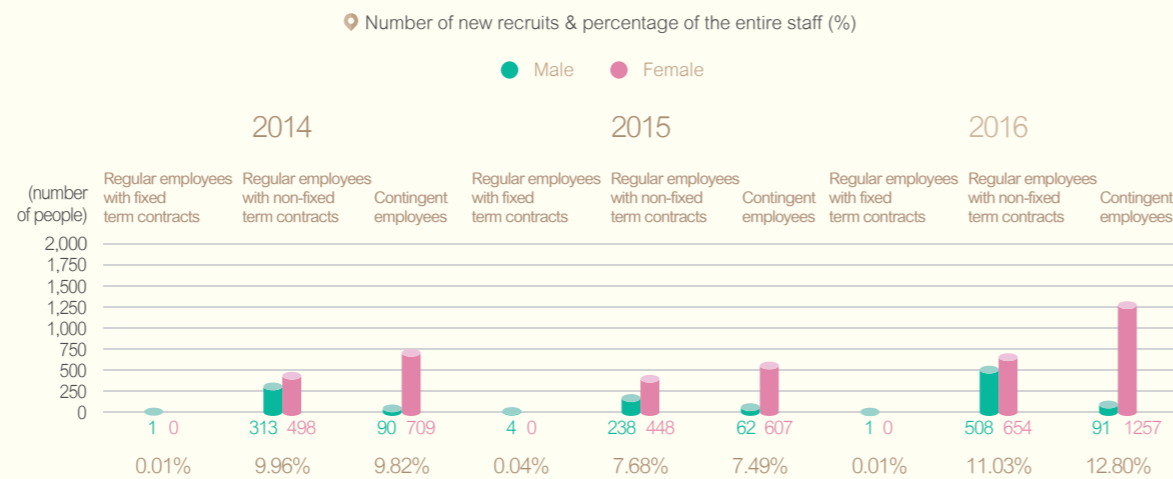
Statistics on resigned new recruits worldwide (by age)



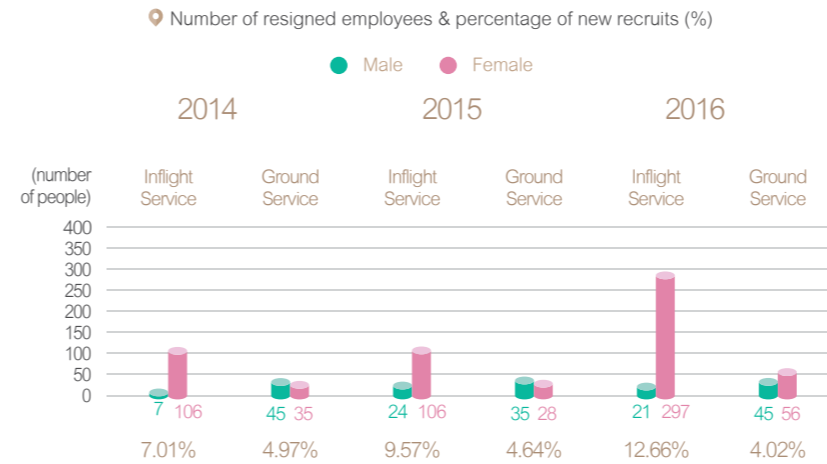
Statistics on new recruits worldwide (by category)



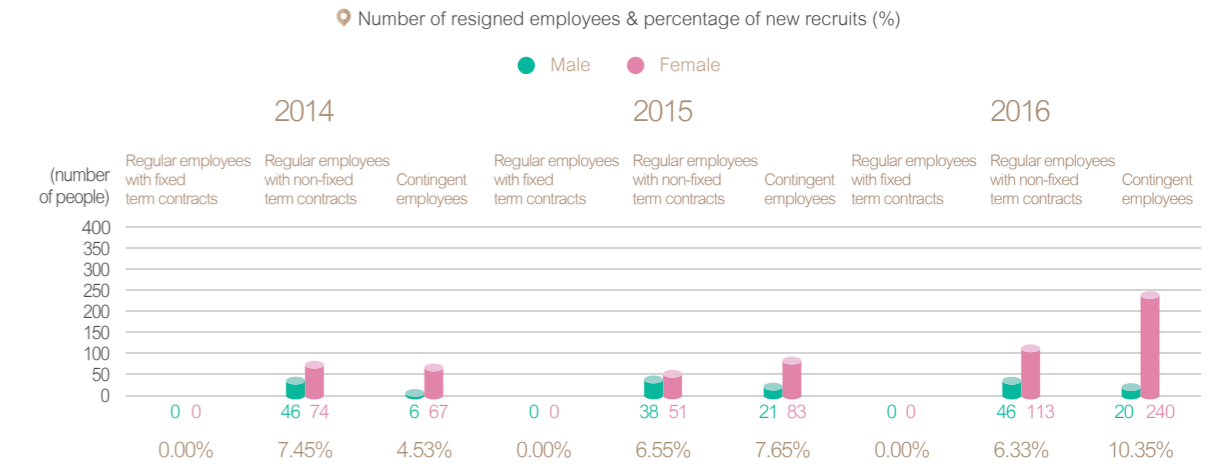
Statistics on new recruits worldwide (by contract)



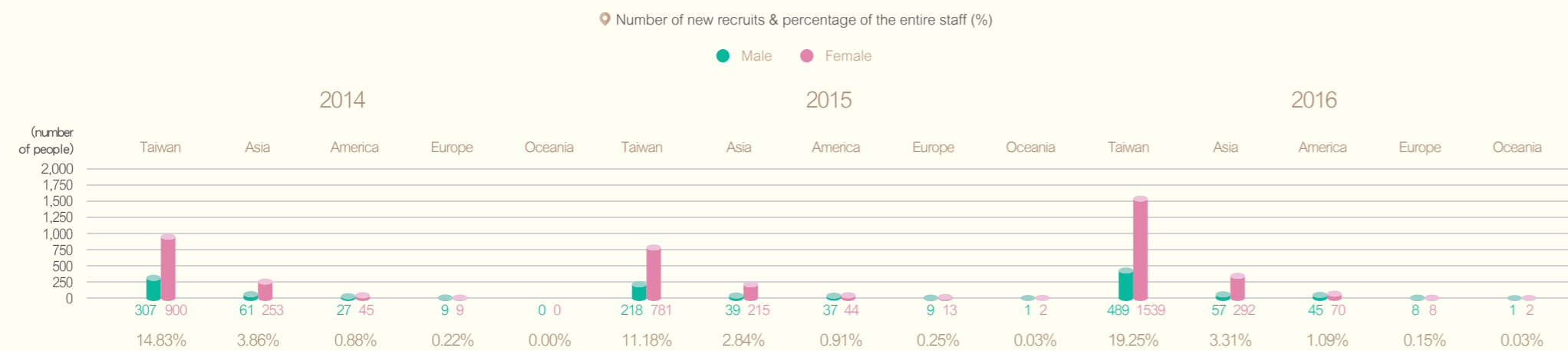
Statistics on resigned new recruits worldwide (by category)



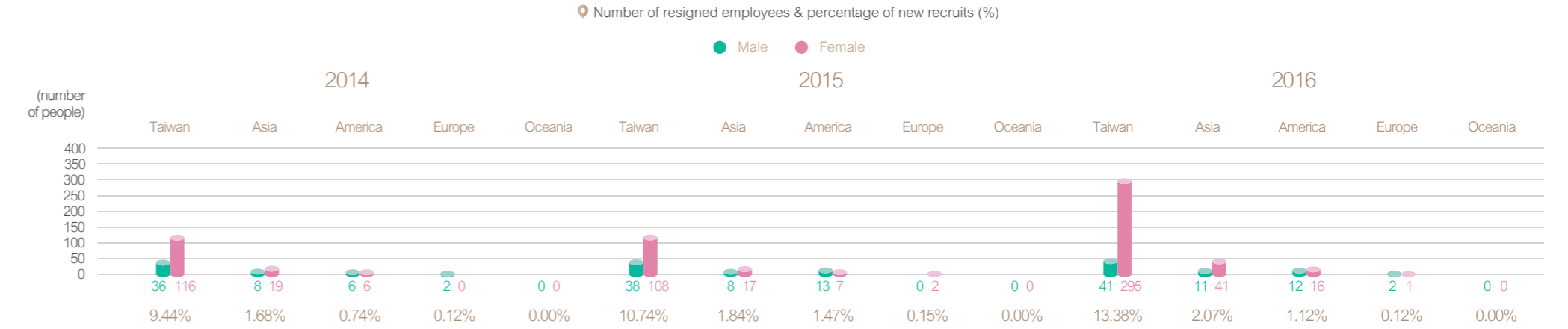
Statistics on resigned new recruits worldwide (by contract)



Statistics on new recruits worldwide (by region)



Statistics on resigned new recruits worldwide (by region)



Note 1: Regular employees with fixed term contracts include doctors and flight training consultants. The remaining regular employees are those with non-fixed term contracts. Contingent employees include trainees, excluding the interns from the cooperative education system.

Note 2: The percentage of the entire staff (%) equals the number of new recruits / the number of employees at the end of the particular year.

Note 3: In response to the adjustment of basis of calculation, the data on 2014 to 2015 should be based on the disclosure in this version.

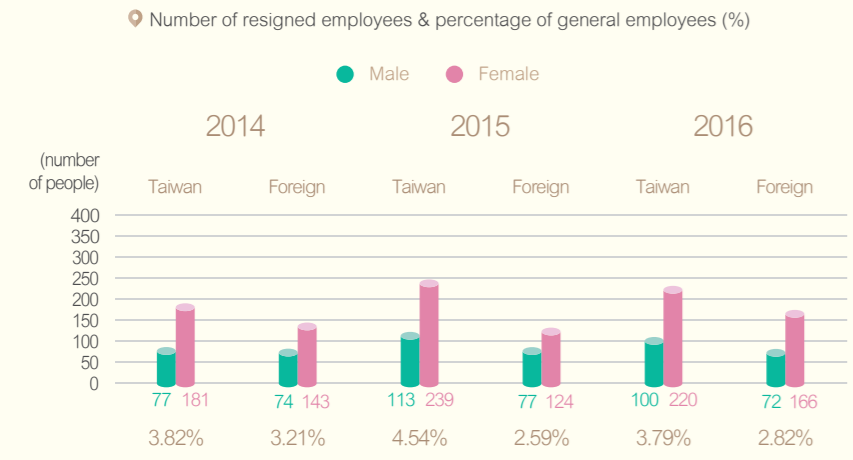
Note 1: This list includes those who left the Company within three months after being hired.

Note 2: Regular employees with fixed term contracts include doctors and flight training consultants. The remaining regular employees are those with non-fixed term contracts. Contingent employees include trainees, excluding the interns from the cooperative education system.

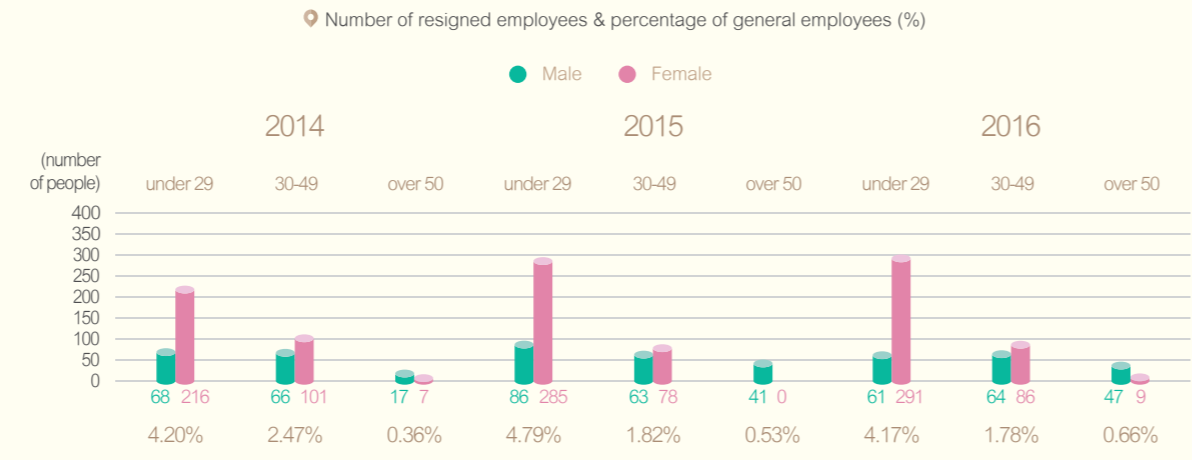
Note 3: The percentage of new recruits (%) equals the number of resigned employees / the number of new recruits in the particular year.

Note 4: In response to the adjustment of basis of calculation, the data on 2014 to 2015 should be based on the disclosure in this version.

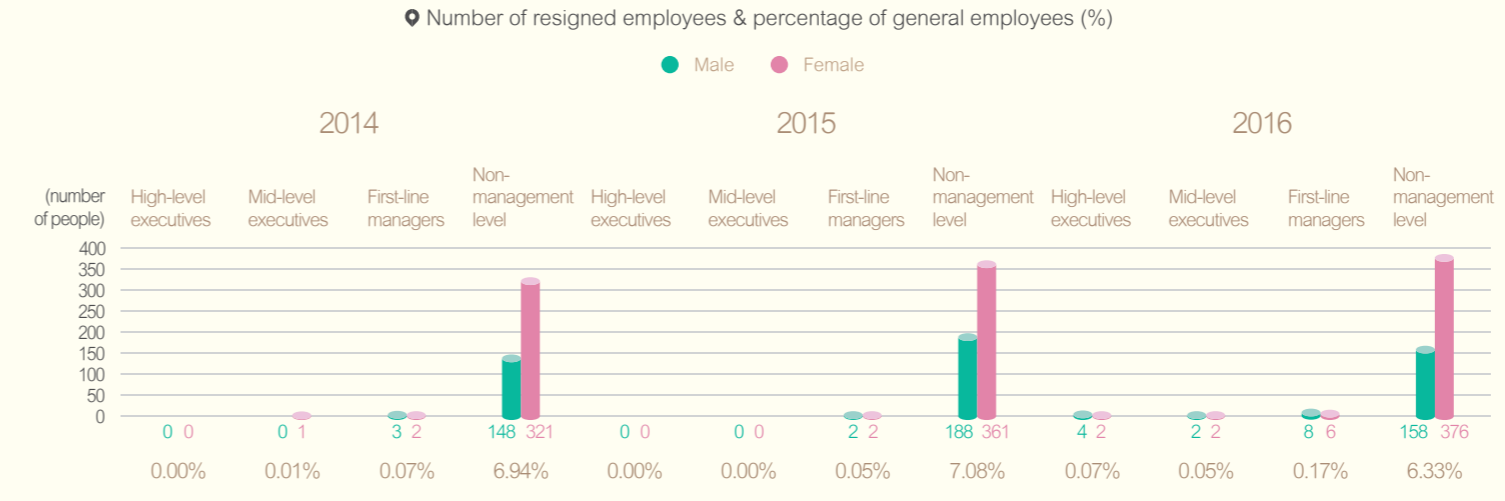
Statistics on resigned general employees worldwide (by nationality)



Statistics on resigned general employees worldwide (by age)

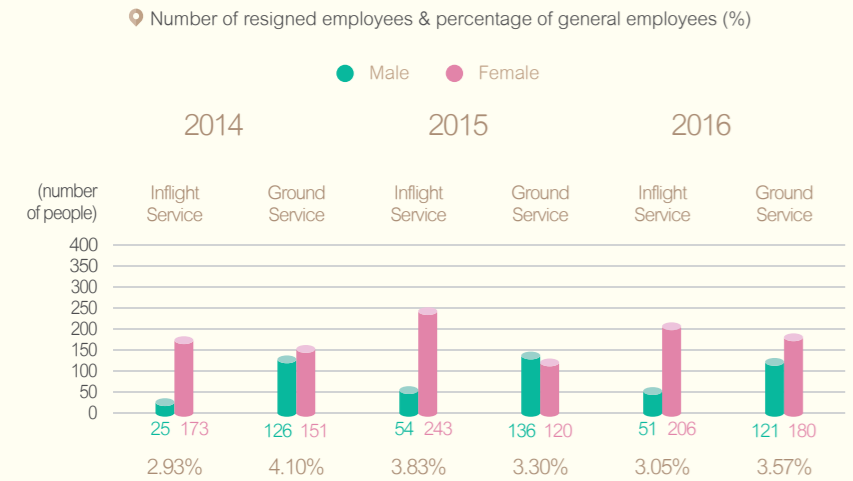


Statistics on resigned general employees worldwide (by position)

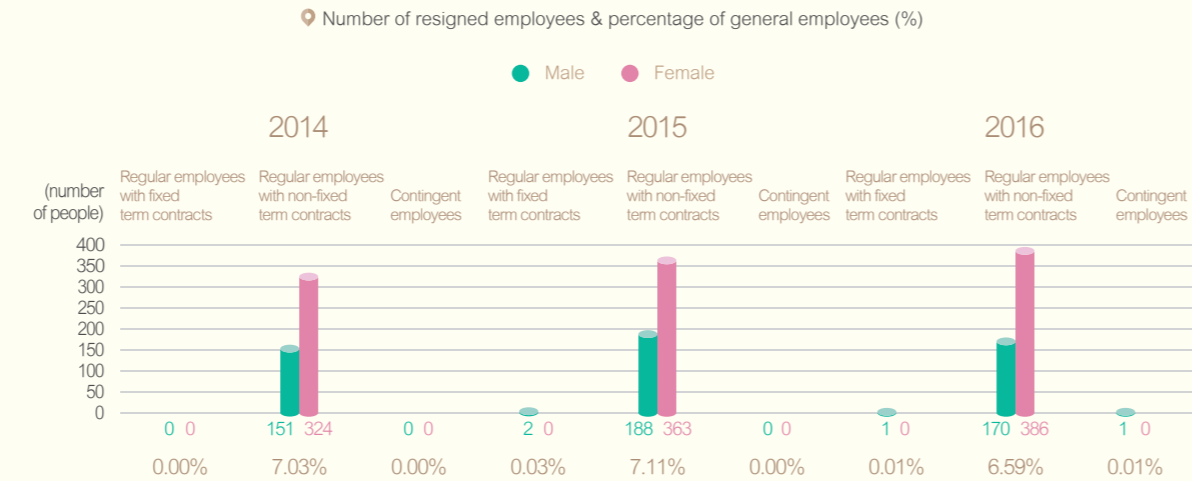


- Note 1: This list excludes those who left the Company within three months after being hired.
- Note 2: Regular employees with fixed term contracts include doctors and flight training consultants. The remaining regular employees are those with non-fixed term contracts. Contingent employees include trainees, excluding the interns from the cooperative education system.
- Note 3: The position refers to ground service supervisory employees, including high-level executives (rank of deputy senior vice president and above), mid-level executives (rank of deputy junior vice president and junior vice president) and first-line managers (rank of deputy manager and manager); non-management level comprises ground service non-supervisory employees and inflight service personnel.
- Note 4: The percentage of general employees (%) equals the number of resigned employees / the number of employees at the end of the particular year excluding new recruits.
- Note 5: In response to the adjustment of basis of calculation, the data on 2014 to 2015 should be based on the disclosure in this version.

Statistics on resigned general employees worldwide (by category)



Statistics on resigned general employees worldwide (by contract)

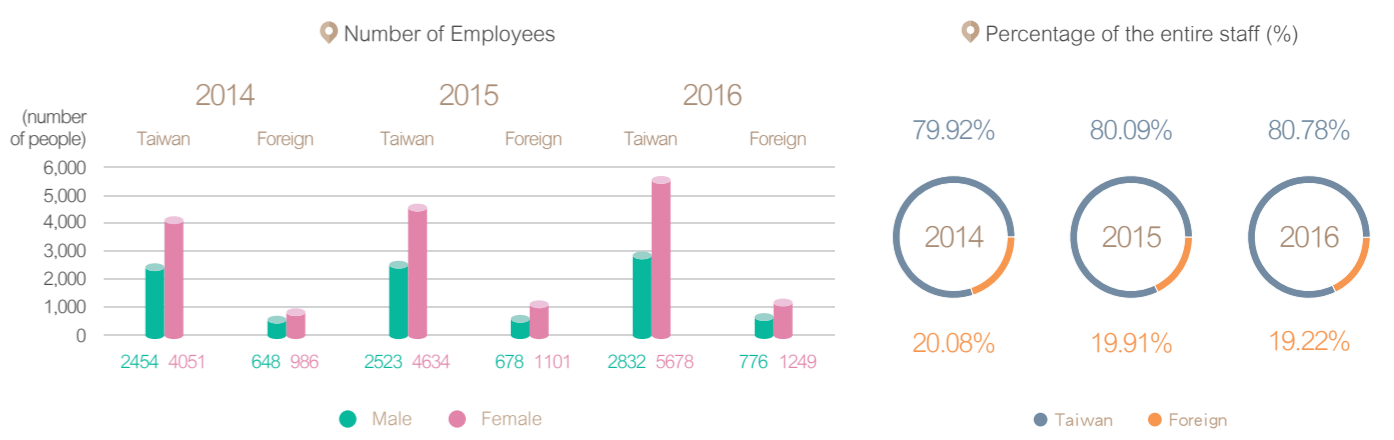


3-1-2 Employee Composition

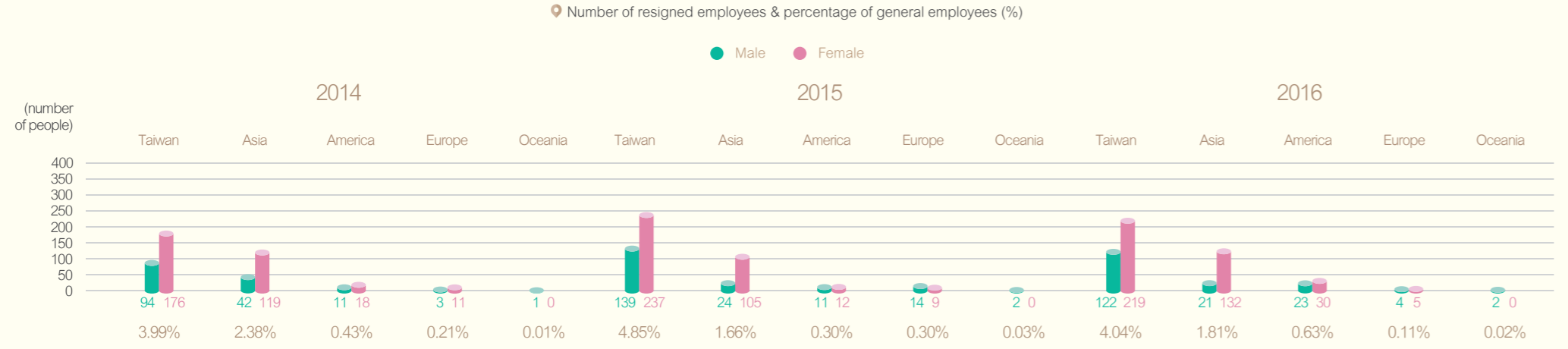
Employee Distribution

In 2016, there were 10,535 employees worldwide, of which 6,927 were female, accounting for 65.75%. The number of male employees was 3,608, accounting for 34.25%. The number of regular employees was 10,053, including 12 with fixed term contracts. The number of contingent employees was 482, including 75 interns and 407 inflight trainees. In the internationalized aviation industry, foreign employees accounted for 19.22% of all employees, higher than other industries. Meanwhile, a majority of employees were under 30 years old, accounting for 51.29%. The hiring of employees at all operating locations worldwide complies with the local regulation of labor, and no child labor was hired.

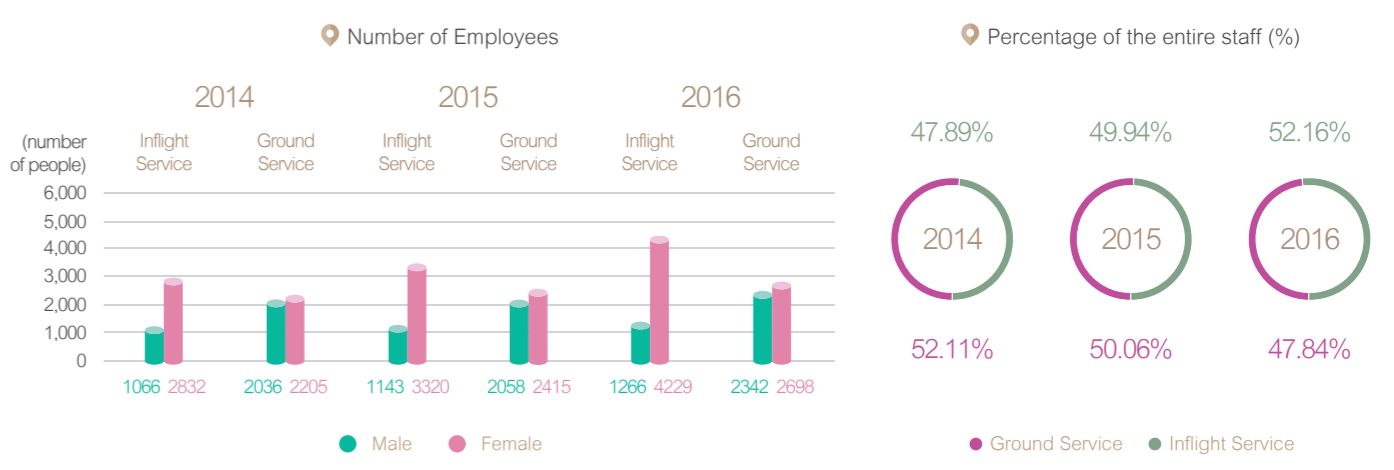
Employee composition (by nationality)



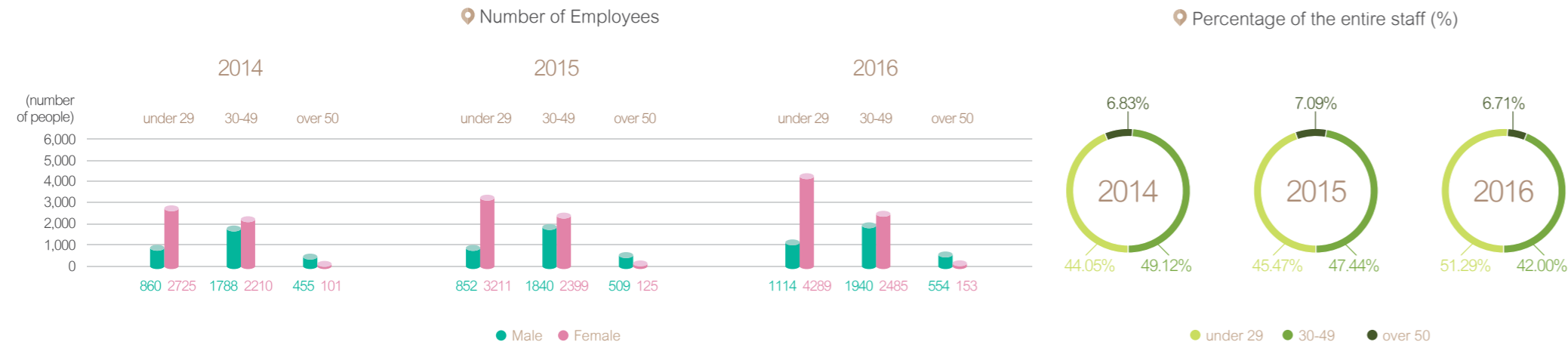
Statistics on resigned general employees worldwide (by region)



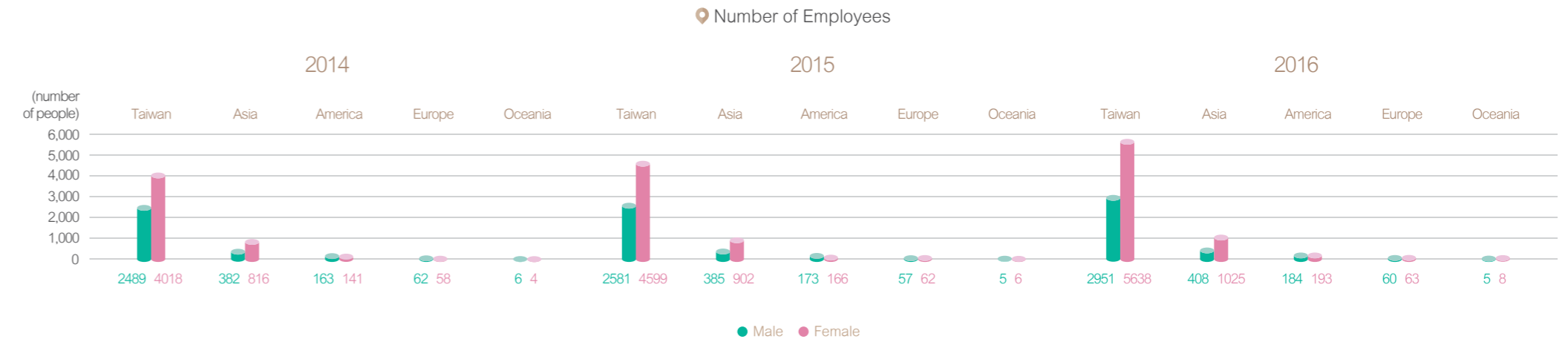
Employee composition (by category)



Employee composition (by age)



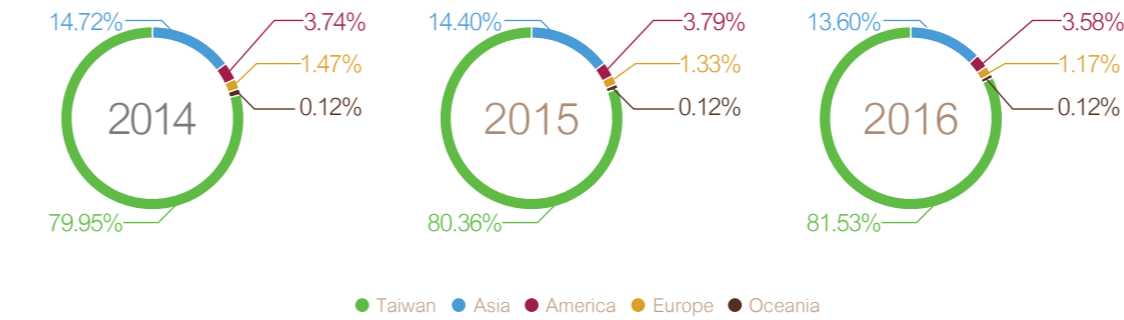
Employee composition (by region)



Employee composition (by contract)



Percentage of the entire staff (%)

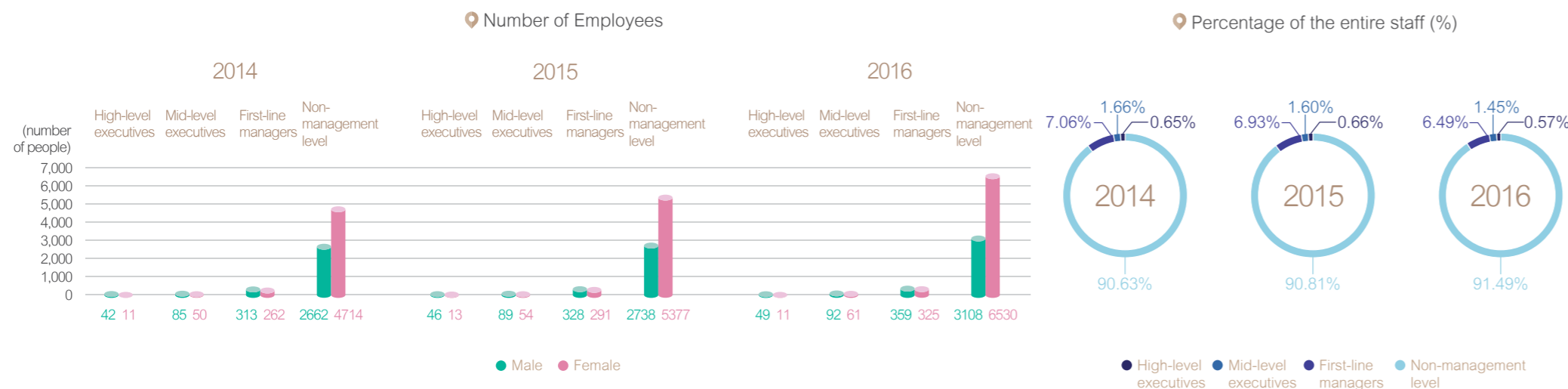


Note 1: Regular employees with fixed term contracts include doctors and flight training consultants. The remaining regular employees are those with non-fixed term contracts. Contingent employees include trainees and interns.

Note 2: The position refers to ground service supervisory employees, including high-level executives (rank of deputy senior vice president and above), mid-level executives (rank of deputy junior vice president and junior vice president) and first-line managers (rank of deputy manager and manager); non-management level comprises ground service non-supervisory employees and inflight service personnel.



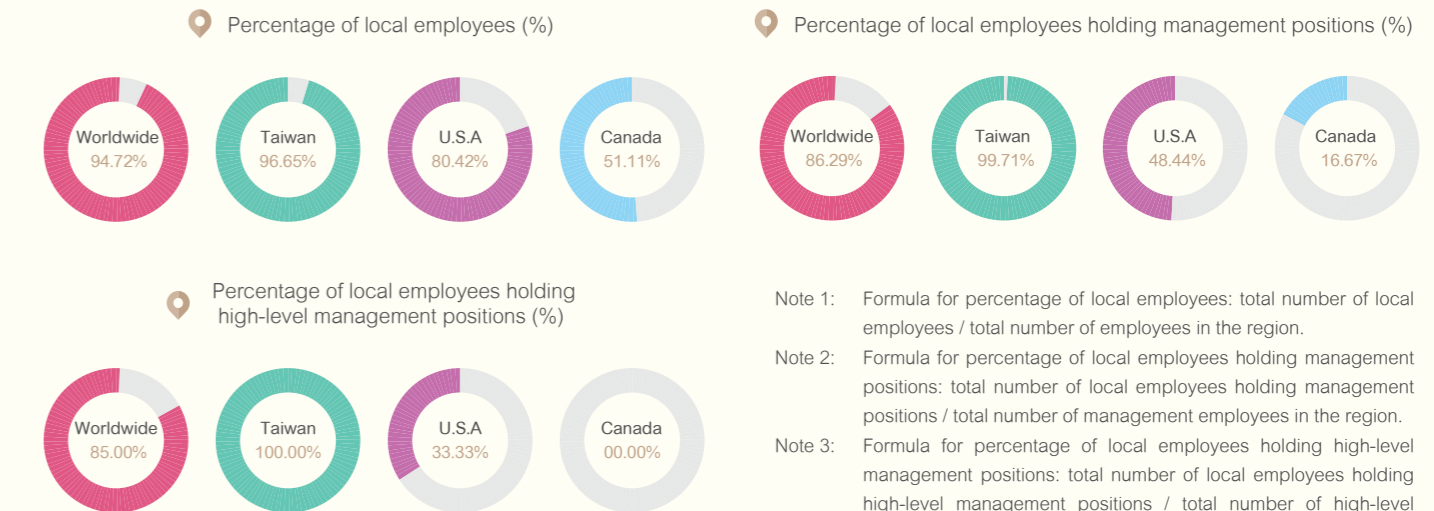
Employee composition (by position)



Diverse and Equal Work Environment

EVA Air's operating locations are distributed throughout the world. Our employee composition is diverse and 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. We provide a friendly and equal work environment for all employees around the world. Up till the end of 2016, the local employees in Taiwan accounted for 96.65% of the entire staff, while the local management-level personnel accounted for 99.71%. The percentage of hired local employees worldwide accounted for 94.72% of all employees. At the major operating locations overseas in the U.S. and Canada, the local employees accounted for 80.42% and 51.11%, respectively, while the local management-level personnel totaled 48.44% and 16.67%, respectively. Either in Taiwan or other countries, EVA Air provides many job opportunities for the local residents, benefiting local employment and economic growth.

Percentage of hiring local employees worldwide and at major operating locations in 2016



Note 1: Formula for percentage of local employees: total number of local employees / total number of employees in the region.

Note 2: Formula for percentage of local employees holding management positions: total number of local employees holding management positions / total number of management employees in the region.

Note 3: Formula for percentage of local employees holding high-level management positions: total number of local employees holding high-level management positions / total number of high-level management employees in the region.

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

EVA Air takes the initiative to support the employment rights of the disabled by periodically publishing vacancies at the Employment Service Center of Workforce Development Agency, Ministry of Labor. In the meantime, considering the conditions of the disabled, we have evaluated the content of some administrative positions and redesigned the roles. We also arranged for other employees to offer assistance to the employees with disabilities in a bid to create a friendly work environment, thereby increasing their willingness to work and stay employed. The statutory number of employees with disabilities in 2016 was 85, whereas EVA Air employed 76 people with disabilities. The reason why we did not meet the requirements of regulations was because there were overall more people hired in 2016. In the future, EVA Air will continue to work on fulfilling the goals of corporate social responsibility and play an active role in the employment of people with disabilities.

Number and percentage of employees with disabilities in Taiwan (%)

	2012	2013	2014	2015	2016
Number of employees	19	25	48	55	54
Weighted number of employees	23	31	68	78	76
Total number of employees	5107	5700	6595	7197	8537
Percentage (%)	0.45%	0.54%	1.03%	1.08%	0.89%
Note:	Total number of employees: the number of employees who took out labor insurance on December 1 st in the particular year.				
Note:	Percentage (%): weighted number of employees / total number of employees; statutory percentage is 1%.				

3-1-3 Labor-Management Communication and Interaction

Communication and Complaint

EVA Air holds labor-management meetings according to the Regulations for Implementing Labor-Management Meeting. The term of each labor-management meeting's representatives is four years and can be extended by election. The management comprises the superiors, including (Vice) Associate or above. In 2015, the term of the labor-management meeting representatives came to an end and another election was held. The Meeting was then composed of five representatives from the management side and five from the labor side (two males and three females). Apart from the Meeting, there are also all kinds of channels, such as interviews, interactional meetings, and the Employee Welfare Committee, which allow the Company to communicate and interact with employees in terms of different topics. Employees can also voice their problems at work via diverse communication channels.



Labor-management channels/ frequency and main content

Communication Channel	Frequency	Main Content
Labor-management meeting	Quarterly	Complaints, coordination, communication and agreement regarding labor-management issues.
Departmental Meeting	Monthly	Convey the Company's future development, operation strategy, and significant information and measures so that employees can better understand and give their feedback and opinions.
Interview with Employees	Irregularly	Caring about the career development of employees
Interactional Meeting	Monthly	Convey the Company's internal and external information, promote service and exchange of ideas and conduct two-way communication with related departments.
Cabin Crew Meeting	Monthly	
Purser Meeting	Monthly	
Flight Crew Seminar	Quarterly	Convey the Company's internal and external information and latest news on international air transportation, and exchange ideas
Employee Welfare Committee	Thrice a year	Planning, coordination, and application of employee benefits
Occupational Safety and Health Committee	Quarterly	Review, coordinate, and provide suggestions on issues regarding safety and health
Performance Evaluation and Interview	Annually	Through performance interviews, employees can voice their problems at work. We can, in turn, convey our requirements and expectations clearly and provide timely guidance and assistance.

To protect employees' rights, EVA Air has established guidelines for dealing with employees' complaints. Employees can file their complaints via official channels. We will then communicate and negotiate with the employees in a proper manner to achieve a mutual agreement between the labor and management sides. From 2014 to 2016, there were 17 cases of complaints about practical labor issues submitted via the official complaint mechanism. The new cases of complaints were about the controversies over the amount of compensation for the training and pension calculation method. In the future, we will strengthen labor-management communication regarding the terms of employment to prevent such controversies from happening again. As for the current complaints, we will try to resolve the problems in a rational and peaceful manner.

Statistics of Employee Complaints

	2013	2014	2015	2016
Total number of complaints regarding labor practice issues submitted through the official complaint mechanism (for the current year)	9	11	3	3
Number of complaints resolved (incl. the preceding year)	9	16	8	4
Number of complaints handled (incl. the preceding year)	4	6	5	2
Number of complaints in process (unresolved)	5	5	1	2

Note 1 : The official complaint channel refers to the mechanism whereby an impartial third party unit intervenes to handle the complaint that employees filed with an external mediation unit or the court, which effectively protects the rights of both labor and management. EVA Air will take actions according to the handling results.
 Note 2 : In the past, the number of complaints is calculated based on the formal complaints filed during the year. However, considering that there are unresolved cases from previous years that still require further communication and negotiation, the principle of calculation of the number of complaints handled and resolved was adjusted in 2015 to "the number of complaints handled and resolved during the reporting period, including complaints filed during the current year and preceding year". For statistical consistency, the data for 2013 and 2014 were adjusted according to this new principle.
 Note 3 : The number of complaints in progress (unresolved) refers to the number of formal complaints filed during the current year which have not been resolved.

Due to the characteristics of the aviation industry, the employees' working hours are often not in keeping with the schedule because of the weather and air traffic control factors. 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, the employees can take days off afterwards according to Paragraph 3 of Article 32 in Labor Standards Act.

Sexual Harassment Prevention and Gender Equality

To ensure gender equality in employment, eliminate sexual discrimination, and prevent sexual harassment incidents, EVA Air published the "Advocacy of Sexual Harassment Prevention in the Workplace" on the Company's internal website. In 2016, we continued the course "Gender Diversity and Human Rights Education," and the number and percentage of participants has increased every year. We will carry on raising the awareness of human rights issues such as gender equality and sexual harassment prevention. If employees encounter sexual discrimination or sexual harassment, they may file a complaint in accordance with the "Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at the Workplace" by informing the head of the Human Resources Division via the complaint hotline 03-351-5032, or email calvinwu@evaair.com. EVA Air will reach a resolution within one month from the day the complaint is received. In 2016, there were zero cases of complaint in relation to human rights issues such as sexual harassment or sexual discrimination filed via the formal complaint channel.

Course Implementation on Gender Equality and Human Rights Education

	2012	2013	2014	2015	2016
Total number of course attendees (persons)	1,768	2,263	2,348	2,923	3,567
Total training hours (hours)	885	1,132	1,174	1,558	1,883
Ratio of the number of course attendees to the total number of employees	28.9%	33.4%	29.8%	34.0%	35.6%
Note 1 : The duration of gender equality -related training is 0.5 hour. A 2 -hour seminar on "Gender Diversity and Human Rights Education" was held during the flight safety week. Note 2 : Formula = Total number of employees who took the course / Total number of regular employees at the end of the year.					

Sexual Harassment Complaint Procedure

- 1 Sexual harassment complaint filed**
 Accept the complaint, confirm the details and sign or affix seal on the complaint form.
- 2 Set up a "sexual harassment investigation team" within 7 days from the date the complaint was filed.**
 The team comprises 3 to 7 members, among whom the number of female representatives must not be less than half of the total number of team members.
- 3 A resolution must be reached within one month from the date the complaint is received (may extend by 10 days when necessary; the maximum number of extensions is 2 times and the party involved must be notified)**
 The complainant and respondent may file an appeal in writing within 20 days from the day after the written notification is received if either party is not satisfied with the resolution.

3-1-4 Salary and Benefits

Fair and Motivating Salary System

In the labor-intensive aviation industry, EVA Air has established a well-rounded performance evaluation system. Every year, evaluations take place according to the standards for performance evaluation in each job category; pay raises are then given according to the evaluation results together with the overall wage system. Every year, 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 to work hard. In this way, hard work is associated with higher salaries, which will motivate the talents of the industry to stay with the Company. EVA Air adheres to the local labor laws of each country regardless of gender. We provide competitive salaries in an effort to attract talents from around the world to contribute to the Company.

Male/Female Average Wage Ratio- Employee

ITEM		2012	2013	2014	2015	2016	
Basic Pay Ratio (Male/Female)	Flight crew members	1.46	1.33	1.38	1.38	1.60	
	Cabin crew members	-	-	-	0.74	0.67	
	Ground staff	1.12	1.11	1.10	1.14	1.11	
Remuneration Ratio (Male/female)	Flight crew members	1.51	1.37	1.42	1.36	1.56	
	Cabin crew members	-	-	-	0.86	1.16	
	Ground staff	1.10	1.09	1.13	1.16	1.11	
Basic Pay Ratio at Major Operating Locations (Male/Female)	Taiwan	2.41	2.27	2.34	2.36	2.57	
	America	U.S.	1.12	1.09	1.11	1.13	1.18
		Canada	1.21	1.19	1.18	1.18	1.09
Pay Ratio at Major Operating Locations (Male/Female)	Taiwan	1.9	1.93	1.92	1.70	1.91	
	America	U.S.	1.08	1.06	1.08	1.07	1.13
		Canada	1.18	1.17	1.17	1.10	1.09

Note 1 : Basic salary is defined as base salary + duty allowance+ overtime pay; remuneration is defined as basic pay + bonuses included in supplementary premium of health insurance (employee reward and year -end bonus)
 Note 2 : Formula to calculate remuneration ratio: male average remuneration / female average remuneration.
 Note 3 : Employment of male cabin crew members started in 2015; the standard for calculating the salary of flight crew members and cabin crew members will not differ due to gender differences.
 Note 4 : For the categories of male/female minimum salary and remuneration ratio according to operating locations, employees in the Taiwan region include inflight crew members. Therefore, the male/female pay ratios are higher.
 Note 5 : Since 2015, considering the fact that different countries have different price levels, America, one of our major operating locations, is subdivided into the U.S. and Canada.

Male/Female Average Salary Ratio-Management Level

Level	2012	2013	2014	2015	2016
High-level Executives (Male : Female)	1.064	1.119	1.110	1.075	1.111
Mid-level Executives (Male : Female)	1.015	1.016	1.030	1.054	1.046
First-line Managers (Male : Female)	1.024	1.024	1.020	1.020	1.020

Note: Average salary of male executives (base pay + duty allowance) / Average salary of female executives. (base pay + duty allowance)



Male/Female Average Remuneration Ratio-Management Level

Level	2012	2013	2014	2015	2016
High-level Executives (Male : Female)	1.072	1.477	1.255	1.191	1.101
Mid-level Executives (Male : Female)	0.974	0.987	1.004	0.942	0.988
First-line Managers (Male : Female)	1.022	1.004	1.011	0.995	0.982

Note: Management-level average remuneration is defined as base salary+ duty allowance+ bonuses included in supplementary premium of health insurance (employee reward and year -end bonus)

Ratio of Standard Salary of First-line Personnel to Local Minimum Salary at Major Operating Locations

Gender	Region	2012	2013	2014	2015	2016	
Female	Taiwan	1.864	1.838	1.816	1.749	1.749	
	America	U.S.	1.135	1.139	1.153	1.139	1.089
		Canada	1.184	1.213	1.156	1.131	1.116
Male	Taiwan	1.864	1.838	1.816	1.749	1.749	
	America	U.S.	1.135	1.139	1.153	1.139	1.089
		Canada	1.184	1.213	1.156	1.131	1.116

Note 1: The starting rate of pay of female (male) first -line personnel / Local statutory minimum wage.

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

Note 3: Since 2015, considering the fact that different countries have different price levels, America, one of our major operating locations, is subdivided into the U.S. and Canada.

Note 4: EVA Air's number of employees in Los Angeles accounts for more than one -third of the total number of employees in America. Hence, the basis of calculation for statutory minimum salary in America follows that of Los Angeles.

Note 5: In Canada, as the number of employees does not vary much among the various branches; the highest statutory hourly wage (Toronto) is used as the basis of calculation.

Note 6: Previously, the 2015 local statutory minimum salary in the US and Canada adopted the data at the beginning of the year. However, the data at the end of the year were used instead because the local statutory minimum salaries in Los Angeles (US) and Toronto (Canada) were adjusted in July 1, 2015 and Oct. 1, 2015, respectively, thus changing the ratio.

Ratio of Average Salary of Executives at Major Operating Locations to Average Salary of All Employees

Gender	Region	2012	2013	2014	2015	2016	
Female	Taiwan	1.64	1.68	1.66	1.68	1.69	
	America	U.S.	1.64	1.64	1.66	1.64	1.67
		Canada	-	-	-	-	2.03
Male	Taiwan	1.74	1.77	1.69	1.68	1.78	
	America	U.S.	1.41	1.38	1.38	1.41	1.40
		Canada	1.57	1.56	1.57	1.60	1.58

Note 1: Average salary of female (male) management executives / Average salary of all female (male) employees, excluding aircrew (executives include those with the position of Deputy Section Manager (included) and above.)

Note 2: America, one of our major operating locations, is divided into the U.S. and Canada; there were no female management executives in Canada before 2015.

Sufficient Workers' Retirement Reserve Funds

With respect to employee retirement, EVA Air engages external accountants every year to calculate if there are sufficient workers' retirement reserve funds. The money contributed to the retirement reserve funds now accounts for 11.9%, 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 on December 31, 2016, the balance of EVA Air's Labor Retirement Reserve Fund Account with the Bank of Taiwan was NTD 3,812,016,712. As the balance increases every year, it is sufficient to meet the requirements of the employees eligible for retirement.

Personnel Costs (UNIT : NTD thousand) Percentage of Amount (%)

Item	2012	2013	2014	2015	2016
Salaries	6,962,668 (73%)	7,644,331 (73%)	8,747,24 (73%)	10,122,946 (72%)	11,993,169 (72%)
Labor & health insurance premiums	382,307 (4%)	423,136 (4%)	488,250 (4%)	552,671 (4%)	603,078 (4%)
Employee welfare	1,880,968 (20%)	2,036,443 (19%)	2,329,422 (19%)	2,703,703 (20%)	3,480,019 (21%)
Total Pension expenses	373,724 (3%)	401,338 (4%)	446,677 (4%)	510,493 (4%)	546,112 (3%)

Balance of Labor Retirement Reserve Fund Account (UNIT : NTD thousand)

Item	2012	2013	2014	2015	2016
Balance	3,031,707	3,276,976	3,635,149	3,720,280	3,812,016

Employee benefits

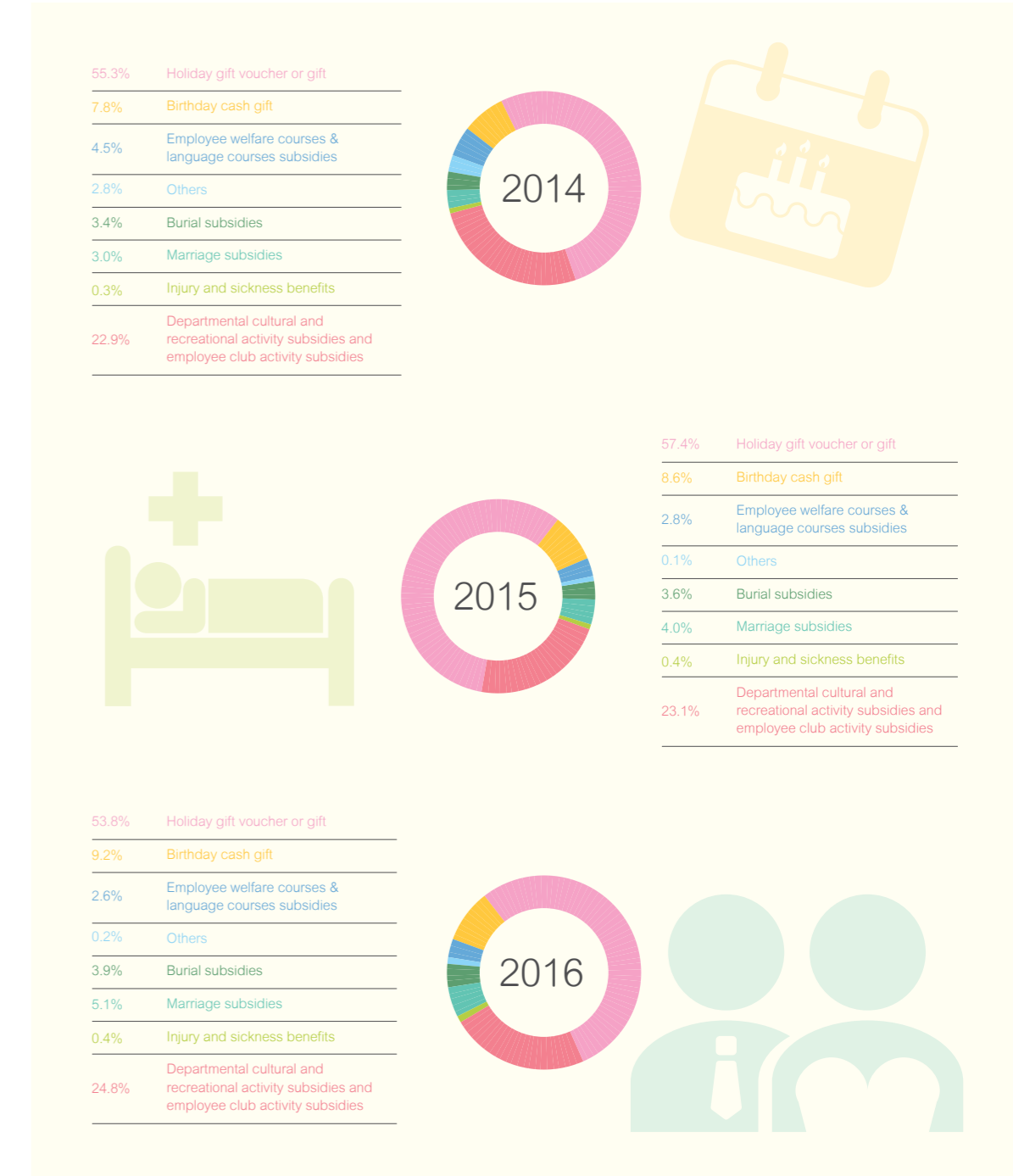
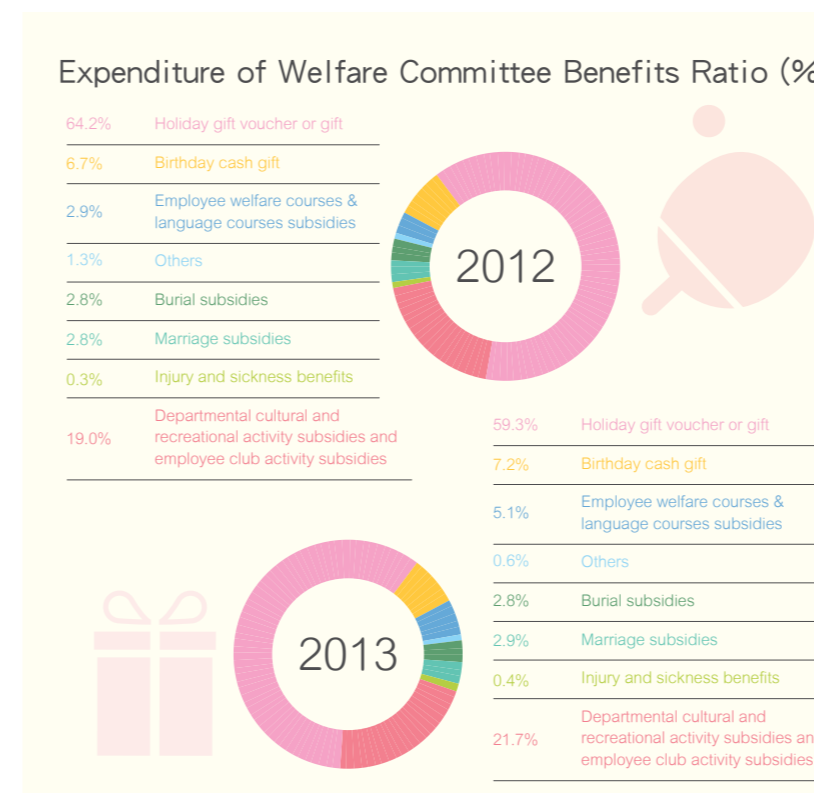
With the same spirit of serving our customers, EVA Air provides employees with a 5-star work environment and wholehearted care. In addition to an employee leave system in accordance with the law, we also provide many benefits, such as a wedding cash gift, burial subsidies, injury or sickness benefits, 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 to maintain their mental and physical balance and health.

Taiwan / Regular Employees / Indefinite-term Contract-based Employees	Taiwan / Regular Employees / Fixed-term Contract-based Employees
<ul style="list-style-type: none"> ✓ Marriage subsidy ✓ Funeral subsidy ✓ Injury and sickness consolation cash benefit ✓ Annual leave ✓ Parental leave applied pursuant to laws ✓ Retirement system in compliance with the Labor Standards Act ✓ Overseas medical insurance for inflight service personnel / expatriates ✓ Group accident insurance, hospitalization and injury medical insurance for employees on overseas business trips ✓ Group term life insurance preferential premium rate ✓ Year-end Bonuses ✓ Employee health check ✓ Rebate Tickets 	<ul style="list-style-type: none"> ✓ Marriage subsidy ✓ Funeral subsidy ✓ Injury and sickness consolation cash benefit ✓ Annual leave ✓ Parental leave applied pursuant to laws ✓ 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 Bonuses ✓ Employee health check ✓ Rebate Tickets

America / Regular Employees	Employee Benefits
<ul style="list-style-type: none"> ✓ Marriage subsidy ✓ Funeral subsidy ✓ Meal allowance ✓ Annual leave ✓ Insurance (health/dental/vision/life insurance) ✓ Year-end Bonus ✓ Rebate Tickets ✓ Parental leave (Note) ✓ Retirement benefits (401(k), discounted tickets for retired employees) 	<p>Note 1: America comprises the U.S. and Canada.</p> <p>Note 2: Parental leave: America 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.</p>

Employee Welfare Committee

The "Employee Welfare Committee" is responsible for matters regarding employee benefits, including various subsidies, allowances, and special mortgage rate for young employees. We also support our employees in attending language courses, and provide them with special prices and subsidies for taking language courses. Meanwhile, we offer the funds and subsidies for each department to hold cultural and recreational activities twice a year in a bid to improve the interactions between the employees and to elevate team cohesion. In order to ensure the employees' mental and psychological balance, we have established all kinds of sports and recreational clubs, so that the employees can maintain their exercise habits and health. The clubs include badminton, softball, cycling, sports and hiking, enabling the employees to enjoy other activities after work to relieve the stress from work and improve their work efficiency.



Care for Female Employees and Families

EVA Air understands the hardships endured during pregnancy. Therefore, the female members of the aircrew may apply for transfer to ground services and undertake relatively less stressful administrative tasks during pregnancy. Male and female employees can both apply for unpaid parental leave, and will be given priority to be reinstated to their former department when they return to work. For nursing female employees, EVA Air is equipped with nursing rooms, providing the space and time for the nursing employees to breastfeed. The Company also signed agreements with excellent childcare facilities nearby to offer discounted services, which will support the employees in their child care. In 2016, the number of female aircrew members temporarily transferred to ground staff was 84. Meanwhile, the number of aircrew members applying for unpaid paternal leave was 185; males accounted for 2.2%, whereas the majority was female, accounting for 97.8%; 33.6% of employees who were eligible applied for unpaid parental leave, and all applications were approved. All applicants (100%) returned to their workplace after their leaves. This demonstrates that we provide an excellent and sound work environment which motivates our employees to return to work.

Statistics of Employee Unpaid Parental Leave in Taiwan

	Female	Male	Total
2016 Number of people eligible for unpaid parental leave	298	2	300
2016 Number of people applying for unpaid parental leave	181	4	185
2106 Number of people who should be reinstated after unpaid parental leave (A)	161	2	163
2016 Number of people applying to be reinstated (B)	141	2	143
Reinstatement rate (B/A)	88%	100%	88%
2015 Number of people reinstated (C)	128	2	130
2015 Number of people applying to be reinstated and serving for more than 1 year (D)	128	2	130
Retention rate (D/C)	100%	100%	100%

Note 1: Formula of reinstatement rate: number of people applying to be reinstated/ number of people who should be reinstated
 Note 2: Formula of retention rate: number of people who still stay employed by the end of the next year after reinstatement/ number of people reinstated in the previous year

3-1-5 Employee Evaluation and Career Planning

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 2016, the implementation rate of performance assessment 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. Then, we help to formulate improvement plans to improve their professional skills and work efficiency, so that they can achieve standard work performance.

Our sound promotion channels are the key to attracting professional talents. Starting from training for new recruits, EVA Air puts the right people in the right roles. The direct supervisor of each department will rotate employees according to the performance evaluation results, 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. We also regularly hold evaluations for promotion, providing the outstanding employees with the opportunities and means to be promoted. In so doing, we are able to keep our professional talents, creating a win-win situation for the Company and its employees.

Performance Evaluation and Personal Interview

Ground staff	We conduct two performance evaluations each year. For those who score lower in the evaluation, the departmental executive and the employee will have a preliminary evaluation interview, followed by a second interview to assess the progress of the employee's improvement.
Flight crew	Each year, there is an annual examination and two evaluations of administrative management. For those who score lower in the evaluation, the departmental executive will have an evaluation interview to inform the employee what should be improved and to listen to the employee's ideas.
Cabin crew	The frequency and methods of performance evaluation vary according to the position. Every month, the scores of the evaluations and comments will be analyzed and organized. The cabin crew can check their scores and levels on the flight attendants' website as a reference for their motivation and improvement. For those who score lower, we provide guidance and a competence examination, or implement the "vigorous service program," in which the flight purser will comment on the details of the cabin crew's performance. The crew can check their service performance based on the evaluation comments and give feedback and improve themselves accordingly.

3-2 Employee Education and Training

Cultivating talents is the foundation of the corporate sustainable development and an imperative task to enhance service level. EVA Air has established a training center, in which resources have been invested in the attempt to implement latest training mythology in the aviation industry. Also, in response to 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, thereby boosting the Company's competitiveness. In 2016, every employee received an average of 38.4 training hours, 38.0 hours for female employees and 39.0 hours for male employees. The reason why the training hours in 2016 were lower than in 2015 is explained as follows:

1. The total training hours of all employee in 2016 increased by 3.5%, compared with 2015. The number of regular employees in 2016 also increased by 16.6% compared with 2015. Thus, 2016 saw the biggest increase in the number of employees in five years, which led to the slight decrease in average training hours in 2016.
2. In addition, the average training hours for flight crew decreased more obviously because the two courses, CPL and MPL, were categorized into the training for flight cadets in 2016. Therefore, the training hours in 2016 did not include the 34,320 hours spent on these two courses.

Training Hours of All Job Categories

Unit : hour

Subject	2012	2013	2014	2015	2016	
Average hours of training for each employee	36.1	61.5	35.2	41.8	38.4	
Average hours of training for each female employee	35.8	58.1	34.1	40.3	38.0	
Average hours of training for each male employee	36.5	66.7	37.0	44.5	39.0	
Average hours of training for each employee category	Flight Crew	72.6	84.9	69.5	84.4	70.0
	Cabin Crew	50.4	55.7	43.1	51.8	47.0
	Ground Staff	20.7	58.7	22.4	24.7	24.1

Note 1: In June 2013, EVA Air joined the Star Alliance, which required the entire staff to complete the e-learning training. Therefore, the average hours of training for that year were higher.

Note 2: The table above shows the average hours of training for regular employees, and excludes those of contingent employees : about 23 months for the training period of flight cadets (average training hours for each cadet were 1,274 hours) and 2.5 months for cabin crew trainees (average training hours for each trainee were 464 hours).

Note 3: The average training hours of employees = the total training hours that year/ the total number of regular employees at the end of that year.

Note 4: The training records are gender-neutral, so the average hours of male and female employees were estimated based on the gender ratio of the Company's employees in each job category.

3-2-1 Flight Crew

Flight safety and flight crew performance are closely related in providing passengers with a safe flight service. In addition to our flight training academy in the U.S. to train new ab-initio pilots, EVA Air has also purchased the highest certified level Full 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 in the operation of the aircraft complies with the Company's standards. In 2015, the average rate for additional training of our fleets was between 4% to 6%. To fulfill EVA Air's safety mission statement, "We aim to assure your safety whenever you are airborne. We never compromise safety in the air or on the ground," we have implemented a new training program. EVA Air is the first airline in Taiwan to be approved by the Civil Aeronautics Administration (CAA) to conduct recurrent flight crew training using Evidence-Based Training (EBT).

The EVA Flight Training Academy was established in the U.S. in May 2013. It currently houses 8 single-engine and 1 twin-engine aircraft trainers. It has been certified by the local civil aviation authority to provide Private Pilot License (PPL), Commercial Pilot License (CPL) and Multi-crew Pilot License (MPL) flight training. Through nurturing our own cadet, EVA Air can not only improve the quality of basic flight training, but also ensure compliance with the Company's high flight safety standards. As of end of 2016, the academy has completed training for 66 cadets, and with plans to accommodate 80 students per year in the future, once expansion plans are complete.



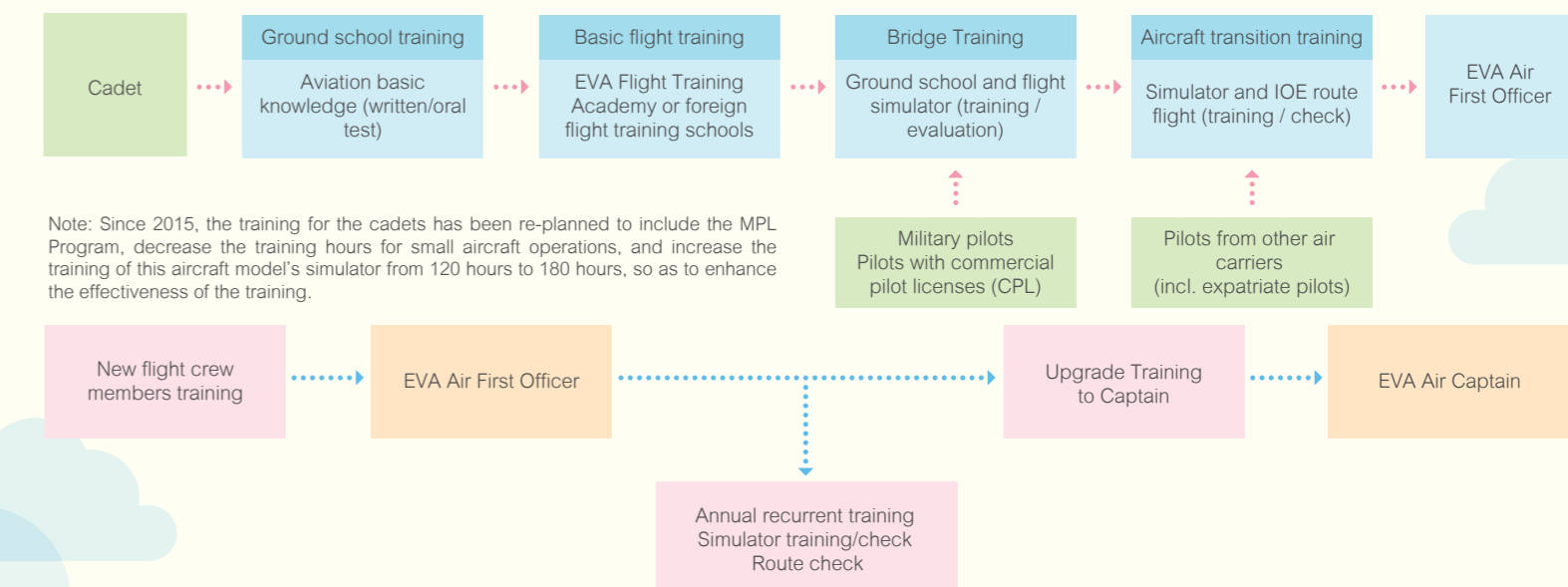
Aviation Glossary

Evidence-based training is conducted against the backdrop of the data collection and analysis of the pilot's routine aircraft operations and requirements of policies. Different scenarios are applied to the training (e.g. single-engine failure, low visibility landing, etc.). Through the exercises, the parts that need the most improvement can be found and strengthened. In other words, the traditional "one method for all students" is transformed into "teaching students in accordance with their aptitude." Differing from the traditional operational training and challenges that focused on familiarity, the evidence-based training places more importance on the occupational competence. Through flight simulation, the flight crew can cope with various unexpected conditions. In this way, the flight crew's operational skills can be assessed and their abilities strengthened to handle in-flight abnormality. The essential skills gained from evidence-based training will enable the flight crew to cope with all potential hazardous situations during flight operations. The International Civil Aviation Organization (ICAO) and aviation authorities throughout the world have been actively promoting this new type of training.



Training Program Flowchart for New Flight Crew Members

(4 phases over approximately 23 months)



3-2-2 Cabin Crew

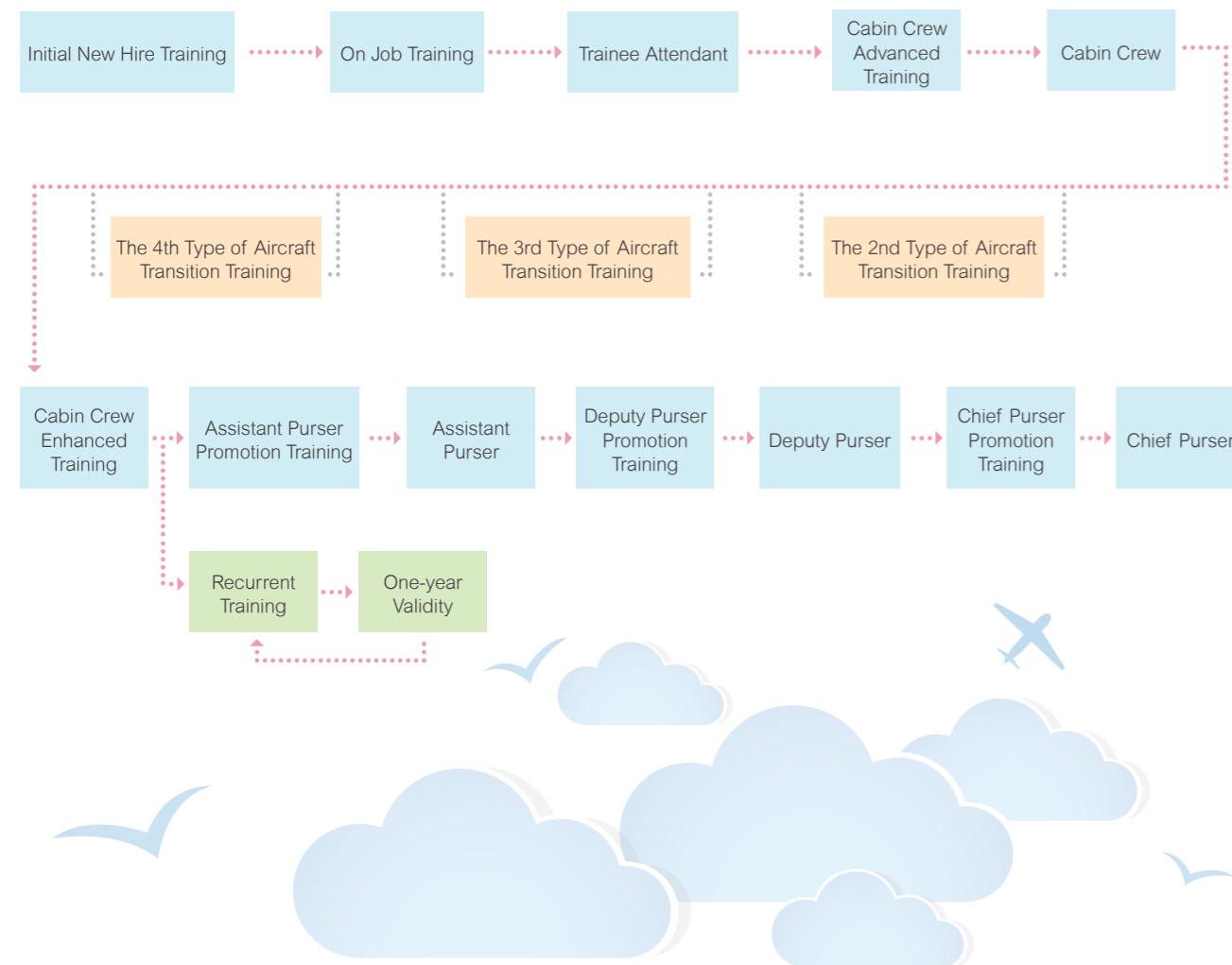
In order to enhance the service quality in cabin and cultivate the team spirit, EVA Air has stipulated that new cabin crew should stay in the dormitory during the training to increase the time spent together and establish a good rapport and service team spirit. Meanwhile, through the comprehensive training process, cabin crew will be able to provide more excellent in-flight service. All the service and safety training courses of EVA Air are conducted in simulators and follow SOPs. The training courses include the practice on how to operate all emergency equipment and facilities, simulating emergency situations and responses, and gaining expertise regarding all aspects of services. Only when the cabin crew pass the examination can they take on their flight duty to provide the best services and the best quality that satisfies the customers' needs and expectations.

EVA Air's 5-star in-flight services are offered by exclusive crew on an area-based concept. With customized service procedures that emphasize on "consideration, interaction, attention and focus" to provide table setting service, table cloth and tableware setting are served as the prelude to our meal service. The cabin crew members then serve each course from the galley with the select wines. Besides, the flight attendants would provide personal wine tasting service, which creates the ambience of a luxurious restaurant. In the meantime, to ensure our passengers on long haul flight a sufficient rest, the Royal Laurel Class cabin not only provides fully lie-flat seats, pajamas, duvets, and Rimowa amenity kits, but also turn-down service, in which the flight attendants will convert the seats into cozy beds with 100% cotton sheets so that the passengers can have a good night's sleep during the flight and arrive at the destination with ample energy.

In addition to keeping safety and service SOPs in mind, flight attendants shall also know the information about all service items, including the names of the meals and beverages served to passengers, as well as the amenities that will make passengers more comfortable during the flight. In the past, flight attendants had to look up information about their flight duty from different sources and systems, and this time-consuming process reduced their willingness to check the information. To provide the flight attendants with a friendlier query system and assist them to quickly grasp the key points when preparing for their flight duty, we launched the "Duty All in One" online in August, 2016. The system incorporates the common information that the cabin crew members need into a single query system. Cabin crew members only need to enter the date and flight number to obtain all the information for their duty needs, such as the notices regarding safety, service working method, introduction of the in-flight meals and wines. It is fast and easy to operate the system, through which crew members can prepare for their duty efficiently and improve service quality.

When irregularities occur during the flight, they can also immediately look up the "Cabin Operations Quick Reference for the handling procedures and instantly perform what they have to do. This enhances the efficiency of protecting the cabin safety and ensures the safety of the aircraft and passengers.

Training Flowchart for Cabin Crew

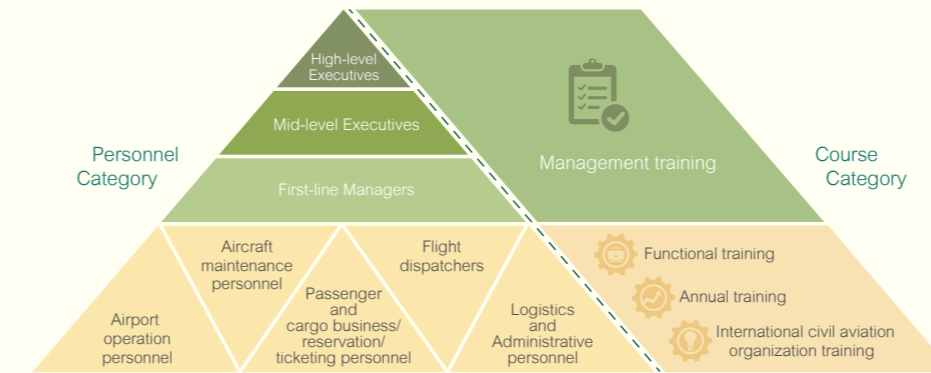


Course Category	Contents	Number of trainees	Training completion rate (%)
Initial New Hire Training	<ul style="list-style-type: none"> Safety Training Course Service Training Course First Aid / CPR & AED Training Other Training Courses On Job Training 	1115	100%
Recurrent Training	<ul style="list-style-type: none"> Safety/ Security Training Course Crew Resource Management Emergency Simulation Training Operation of Aircraft Doors, and Emergency Equipment Job Task Skill Performance Review and Case Studies Service Concept Course E-Learning Course 	2967	100%
Transition Training	<ul style="list-style-type: none"> Aircraft System Course Safety Training Course Inflight Entertainment Course Other training courses 	1943	100%
Promotion Training	<ul style="list-style-type: none"> Job Task Course Leadership Course Public Announcement Course Service Simulation Course 	Number of trainees: 732 Number of trainees who have completed: 665	90.8%

3-2-3 Ground Staff

Ground staff training is divided into three categories: functional training, annual training and international civil aviation organization training. Training programs for the following year are planned at the end of each year. 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.

Ground Staff Training Structure



Ground Staff Training Course

Course Category	Content	Number of trainees	Training completion rate (%)
Functional training	<ul style="list-style-type: none"> Management Training Departmental Functional Training General Training New Employee Orientation On-the-Job Training 	Number of trainees: 12,245	99.97%
Annual Training	<ul style="list-style-type: none"> Reservation & Ticketing Course Passenger and Cargo Service Course Load & Balance Course Baggage Course Dangerous Goods Course 	Number of the people who have completed the training: 12,241	
International Civil Aviation Organization Training	<ul style="list-style-type: none"> IATA Training Star Alliance Training Aircraft Manufacturer Training 		

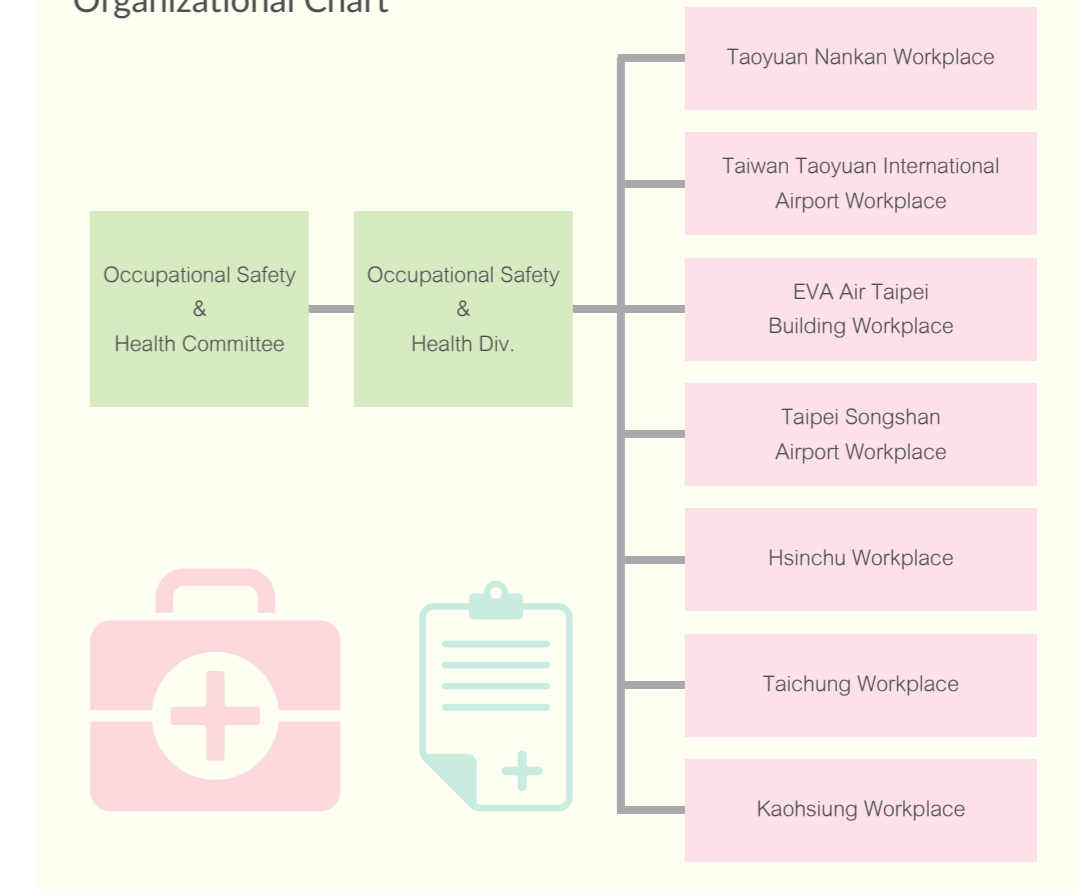
Note 1: IATA: International Aviation Transportation Association
 Note 2: Part of the personnel failed to meet the standards set for the courses, so the training completion rate did not reach 100%. If the training involves the effectiveness of relevant certifications for business implementation, those who did not complete the training will be scheduled to join another training again or have their jobs adjusted.

3-3 Workplace Safety

3-3-1 Management System and Goal

EVA Air has established the "Occupational Safety & Health Committee," responsible for reviewing, coordinating and making recommendations for health and safety matters. The chairperson position of the Committee is served by the Company's President, and under him are 1 executive secretary, 4 occupational safety and health administrators, 1 department head, 1 occupational safety and health-related site supervisor, 2 medical personnel and 8 labor representatives. The ratio of labor representatives is 44%, far exceeding the statutory requirement (1/3). 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.

EVA Air Occupational Safety and Health Management Organizational Chart

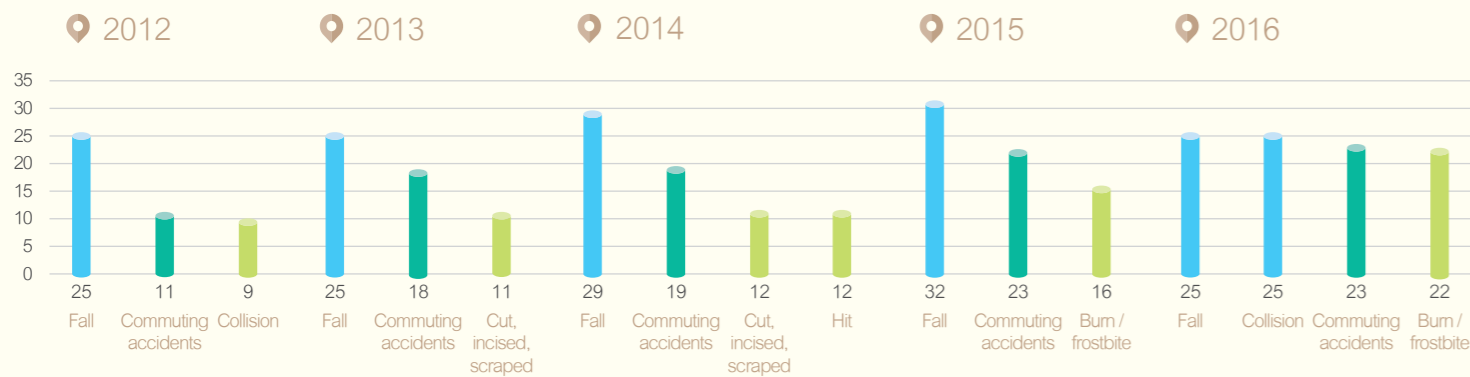


To provide a safer work environment, EVA Air has been striving for the same zero-accident goal of occupational safety and health. In March 2015, EVA Air started introducing the national standards "Taiwan Occupational Safety and Health Management System (TOSHMS)", and the international standards "Occupational Health and Safety Management System (OHSAS 18001)", and became the first in Taiwan's aviation industry to obtain the TOSHMS certification. The establishment of the TOSHMS helps reduce the occurrence of occupational accidents, achieve better compliance with the relevant laws and regulations, and strengthen staff involvement, occupational accident prevention, change management, procurement management, contractor management, emergency response management, etc., thus boosting the performance of occupational health and safety management. EVA Air will continue to make improvements through the management system, and carry out regular reviews to achieve the goal of occupational safety and health.

Goal and Major Measures of Occupational Safety and Health

Goal	Employee Safety, Zero Occurrence Regulatory Compliance, Zero Violation Environmental Health, Zero Hazard.
Response Measures	Safety Management Tasks <ul style="list-style-type: none"> Implement safety and health inspections of workplace Statistical analysis of occupational accidents and promotional campaign using case study Automatic inspection and examination of equipment and vehicles Hazard identification, risk evaluation and control in the workplace Prevention of Unlawful Workplace Violations and Environmental Health Risk Assessment on Maternal Health Protection.
	Health Management Tasks <ul style="list-style-type: none"> Free influenza vaccines for crew members, frontline employees, and influenza vaccines for employees' families dependents at their own expense Free hepatitis A vaccines for Culinary Section personnel Periodically publish information and preventive measures of occupational diseases and high risk diseases such as Zika virus, measles, and other infectious diseases Set up AED in main office premises and buildings, and conduct first aid and AED trainings. Prevention of long working hours, repetitive tasks and illegal violations, and maternal health protection program
	Emergency disaster drills <ul style="list-style-type: none"> Two self-defense and firefighting team trainings and drills are conducted each year. The fire and disaster prevention seminar and the commuter bus evacuation drill were conducted during the second half of 2016 Hold emergency disaster drill review meetings to review deficiencies and recommend future improvements

Number of Top 3 Workplace Injuries



- First
- Second
- Third

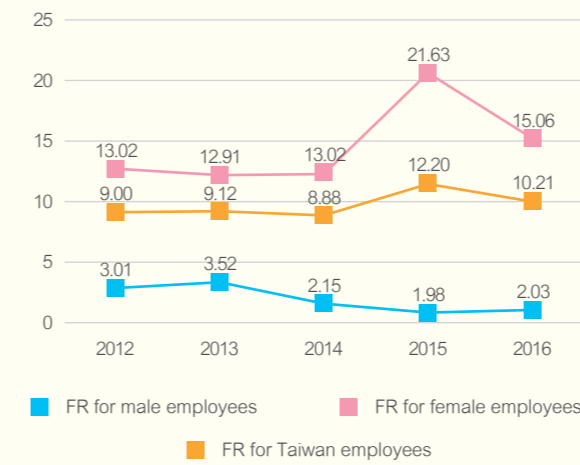
Note: Most workplace injuries of the Company happen in the cabin mainly because the cabin is small and narrow so movements are rather restricted. Personal behaviors were the main reason why cabin crew members suffered from workplace injuries (e.g. violating the rules, not paying attention to the surroundings, nor alerted). Commuting accidents were caused by the other party violating the traffic rules or the employees injuring themselves when avoiding animals suddenly appearing.

3-3-2 Prevention of Occupational Accidents and Health Protection

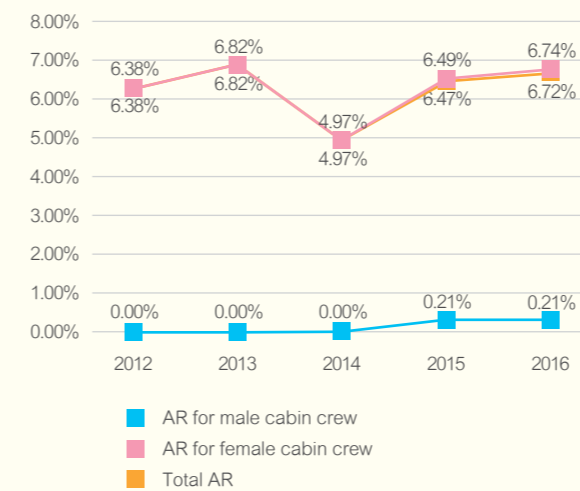
In consideration of industrial characteristics and job categories, we carry out safety control and set up warning signs at the areas of operation. We also provide employees with the use of protective devices and arrange regular physical examinations for the entire staff at a frequency higher than that required by the law. In the last five years, the rate of physical examination reached 100%. We also offer health promotion activities and psychological consultation resources to help employees relieve work stress and reduce the risk of occupational diseases. To improve the healthcare for employees, besides setting up an infirmary and hiring medical personnel to provide employees with on-site health care services, AEDs are also set up at office buildings, and trainings of usage are conducted for employees to lower the occurrence of accidents.

In terms of implementing occupational safety and health management, besides conducting regular automatic checks and on-site inspections, EVA Air also regularly works with related departments to examine the current state of occupational accidents. We devise safety and health improvement strategies based on the causes of occupational accidents to reduce the rate of occurrence. EVA Air's 2016 Disabling Injury Frequency Rate (FR) and Disabling Injury Severity Rate (SR) were lower than those in 2015. The occupational accidents of the cabin crew accounted for 82.43% of the total occupational accidents. To effectively reduce the occurrence of occupational accidents in the cabin crew, we especially made 10 promotional short films on occupational accidents, using the e-learning method to remind the cabin crew of pertinent procedures. We also promoted using case examples and increased our communication with the cabin crew. 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. Since most occupational accidents of the Company happen in the cabin, in order to understand the in-flight operating environment and potential hazards, the Occupational Safety & Health Division provides on-site cabin services every quarter with the doctors from the Clinic Division to offer medical counseling for cabin crew members, carry out an observation of the in-flight operations, and then present suggestions for improvement and measures. In 2016, there were no major occupational accidents involving death, causing injuries to 3 people or more, or one person or more that required hospitalization.

Disability Injury Frequency Rate



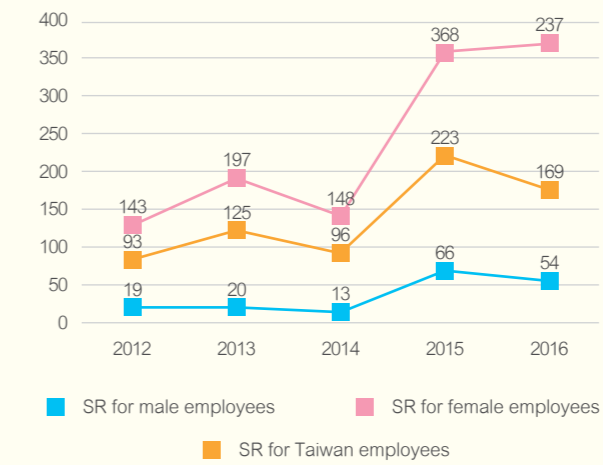
Absence Rate—all cabin crew



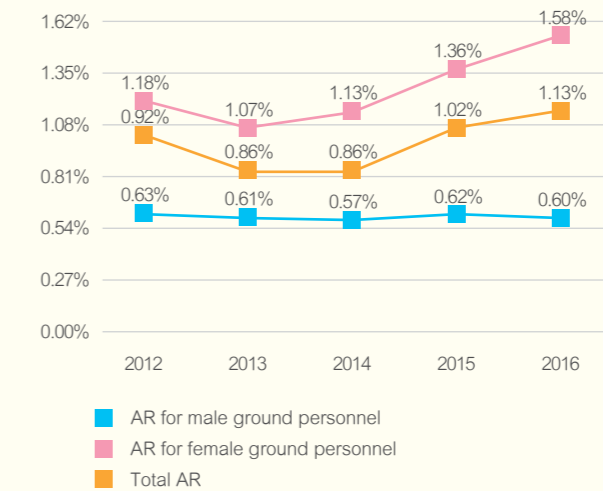
Health Protection Measures

Subject	Protection Measures
Cabin crew members	Since most occupational accidents of the Company happen in the cabin, in order to understand the in-flight operating environment and potential hazards, the Occupational Safety & Health Division provides on-site cabin services every quarter together with the doctors from the Clinic Division to offer medical counseling for cabin crew members, carry out an observation of the in-flight operations, and then present suggestions for improvement and measures.
Apron personnel	Though the apron personnel do not work all the time on the apron, we still schedule hearing tests for these employees in order to enhance their health and protect their hearing. If any irregularity is found, the infirmary will provide them with health education.
Entire staff	<ul style="list-style-type: none"> Since cancers and cardiovascular diseases have become the leading killers threatening the health of the people in Taiwan, we have already added eight blood pressure meters in 2016, with which the employees can examine and monitor themselves 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. To improve workplace health, we made a video with the music of the health promoting exercise that the employees can stretch themselves along with the music at 15:00 everyday, reducing the adverse effects of prolonged sitting. In addition, with respect to the harm brought by smoking, we also put up no-smoking posters in the Company's smoking booths.

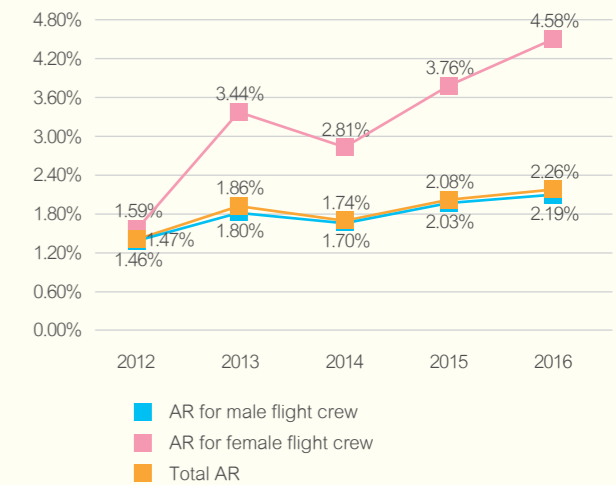
Disability Injury Severity Rate



Absence Rate - domestic ground service personnel



Absence Rate - all flight crew



Note 1: Disabling Injury Frequency Rate (FR) = number of people suffering from disabling injury $\times 10^6$ total working hours

Note 2: Disabling Injury Severity Rate (SR) = number of days of disabling injury $\times 10^6$ total working hours (the working days lost should be calculated in calendar days, excluding the day when the injury happens and the day of returning to work)

Note 3: Absence Rate (AR) = (Total absence hours / total working hours) $\times 100\%$. The total hours absent comprise the hours of sick leave (not restricted to the sick leave due to work-related injury) and casual leave (excluding family care leave).

Note 4: Regarding the absence rate of cabin crew from 2012 to 2015, the data have been adjusted because the hours of family care leave have to be excluded in the original calculation for the hours of casual leave.

Note 5: Regarding the absence rate of domestic ground service personnel in 2015, the data have been adjusted because the hours of casual/sick leave decreased due to the different definitions of the types of leave.



04 Green Earth



As a member of the global industry, EVA Air views the local and global environments as its own responsibility. We hope that through our environmental protection policies, we can motivate our industry partners and passengers to join our cause and share in our efforts to protect the environment. In recent years, EVA Air has begun to adopt international standard management systems. Internal review and external auditing procedures help us to execute various environmental protection measures, and reduce any negative impacts resulting from our operations. EVA Air will accept and address any climate-related problems that affect the global community. Our proactive actions include greenhouse gas (GHG) inventory, risk/opportunity identification, energy-saving projects, performance monitoring, etc.



Chapter Highlights

37%



Waste recycling rate

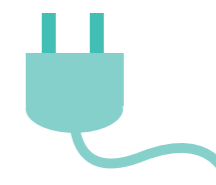
53,603 tonne of CO₂e



Reduced flight GHG emissions

An equivalent of 17,017 tons of fuel saved

179,301 kg of CO₂e



Reduced GHG emissions of ground service electricity

An equivalent of 339,586 kWh of electricity saved

22.4%



Energy Use Intensity (EUI)

144.48 kWh/m², 22.4% lower than the annual reference value (186.2 kWh/m²) of the office building announced by the Bureau of Energy, MOEA.

4-1 Environment and Energy Management

4-1-1 Policy and Management System

Environmental and Energy Policy

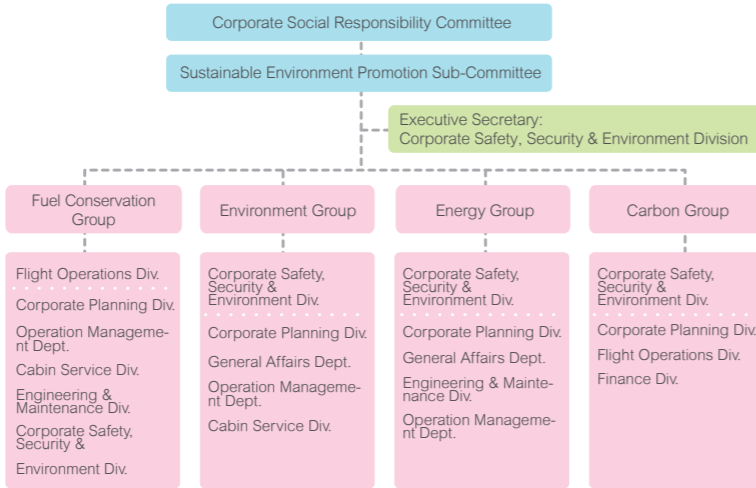
Since EVA Air's founding, we have been committed to the Evergreen Group's motto: "Caring for Taiwan and Contributing to Society". Faced with increasingly severe climate change and global warming, the Company, as a member of the global community, is deeply aware that Earth's precious resources are non-renewable. This is why in 2015, 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 new 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 EVA Nankan Park operations and employees which are in the scope of the environment and energy system. The EVA Air corporate website allows every employee to access the Company management methods and educational information on climate change or other major environmental issues.

EVA Air is committed to:

Our commitment	Measures
Complying with environmental and energy laws and regulations	Constantly monitoring legal changes, evaluating possible impacts, and operating with complete legal compliance.
Promoting the concepts of environmental protection and energy conservation	Allowing the staff to access relevant information through the internal environment and energy blog, which periodically publishes the latest environment protection information.
Joining the green procurement movement	Announcing the environment and energy procurement guidelines, with which all relevant procurement actions of the Company comply.
Establishing a low-carbon green environment	Using green products and creating a culture of environment protection.
Increasing efficiency of energy utilization	Continuously replacing old equipment with new ones to reduce wasteful energy consumption.
Reducing resources and the impact on the environment	Using eco-friendly products, reducing resource waste, effectively recycling/ reusing and lessening the related impact.
Continuing the improvement of environment and energy performance	Regularly evaluating and inspecting the environment and energy-related performance for continuous improvement
Reducing energy consumption and carbon emissions for a better environment	Introducing the environment and energy management systems to reinforce management and facilitate environment sustainability.

In 2015, EVA Air formed the "Sustainable Environment Promotion Sub-Committee" and obtained certification to the ISO 14001 Environmental Management System and ISO 50001 Energy Management System, to implement the aforementioned environmental and energy policies. These actions enable our employees and supply chain to carry out various "Green Earth" and energy management practices accordingly and fulfill our obligations as "citizens of the global community". We continuously improve our environmental and energy management performance, and based on the concept of "environmental harmony", we work in solidarity towards achieving environmental and corporate sustainability. EVA Air protects Mother Earth alongside our customers, and laid the foundation for business sustainability; we have since become an exemplary model of green enterprises. The "Sustainable Environment Promotion Sub-Committee" is EVA Air's highest decision-making supervisory unit for corporate sustainability and environment management policy. The Sub-Committee is divided into four task groups: fuel conservation, environment, energy, and carbon rights; the Sub-Committee members consist of the heads, or their authorized agents, of the Corporate Planning Division, Flight Operations Division, Finance Division, General Affairs Department, Cabin Service Division, Operation Management Department, Engineering & Maintenance Division and Corporate Safety, Security & Environment Division. The Sub-Committee 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.

Sustainable Environment Promotion Sub-Committee Organizational Chart



Management system installation

In 2015, EVA Air obtained ISO 14001:2015 Environment Management System and ISO 50001:2011 Energy Management System certifications, fully demonstrating the Company's commitment towards environmental protection and energy management. We will continue to make efforts to mitigate the increasing GHG emissions and the resulting extreme climate phenomena. With the implementation of ISO 14001 Environmental Management System and ISO 50001 Energy Management System, EVA Air has established specific goals, objectives and action plans, including waste, noise and wastewater pollution control, and GHG and energy management. 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 3 years. Moreover, to put energy conservation, carbon emission reduction and pollution prevention into practice, high efficiency LED lighting, automatic switch devices and condensation and rainwater recovery systems were installed. Employees were guided to form environmentally conscious, energy-saving and carbon emission-reducing personal habits, create an overall eco-friendly culture and follow through with the environment and energy management policies through practical actions. In 2015, EVA Air started the "Corporate Risk and Sustainable Environment Management Credit Course" to raise the awareness of environmental protection among all the employees, and to introduce an eco-friendly, energy-saving culture into the company's operations as well as daily life. The course also offers managers and environment management staff a way to learn relevant information, and organizes educational trainings and campaigns at each department during the introductory stage of the environment and energy management system.

EVA Air Environment and Energy Management Progress and Expenses

Year	2006	2012	2013
Major Events	· Founded the Fuel Conservation Conference	· Renamed the Fuel Conservation and Carbon Reduction Committee	· Conducted Greenhouse Gas Inventories
Benefits to EVA Air	The global price of oil remains at a high level, and aircraft fuel consumption accounts for a major portion of operation costs. The establishment of the Fuel Conservation Conference promotes various fuel conservation measures and improves aircraft fuel consumption efficiency.	Corporate carbon management has become increasingly important as the climate change deteriorates; the Fuel Conservation Conference was renamed the Fuel Conservation and Carbon Reduction Committee, and was expanded to conduct carbon management affairs.	In the face of the global warming crisis, numerous developed countries have begun GHG control. EVA Air joins the ranks of global leading airlines through its self-inventory of GHG emissions.

Year	2014	2015	2016
Major Events	Released EVA Air's Voluntary Greenhouse Gas Emission Reduction Declaration	· Formed the Environmental Management Team under the Corporate Safety, Security & Environment Division, and merged the original Fuel Conservation and Carbon Reduction Committee with the new one under the CSR Committee · Introduced the ISO 14001 Environmental Management System · Introduced the ISO 50001 Energy Management System · Announced EVA Air's Environment and Energy Policy	· Continued to run the ISO 14001 Environmental Management System and ISO 500001 Energy Management System to improve management performance · Completed the 2016 ISO 14064-1 GHG emissions verification process
Total environmental protection expenditure (NTD 1,000)	133,098	139,179	149,887
Environmental protection expenditure items	· Waste disposal expenditure · Aircraft noise prevention expenditure · EU carbon emissions processing expenditure · Environment and energy management system installation and project research expenditure	· Waste disposal expenditure · Aircraft noise prevention expenditure · EU carbon emissions processing expenditure · Corporate risk and sustainable environment management credit expenditure · Environment and energy management system installation and project research expenditure	· Waste disposal expenditure · Aircraft noise prevention expenditure · EU carbon emissions processing expenditure · Carbon offset project installation expenditure · Green power procurement expenditure · Environment and energy management system installation and project research expenditure
Benefits to EVA Air	Benefits to EVA Air EVA Air released the Declaration on Voluntary Actions to Reduce GHG based on the goals of mitigating carbon emissions for the aviation industry set by the International Air Transport Association (IATA) to comply with industry expectations and merit recognition.	Through the introduction of the management system, the Company can completely grasp the use of various resources, establish relevant performance indicators, and reduce non-essential consumption of energy or resources.	The action plans carried out in 2016 resulted in a 1.29% energy-saving rate, higher than the national standard of 1%, and effectively reduced GHG emissions and the consumption of energy and resources. The Company's annual GHG emissions were also re-confirmed by third-party inspection, which improved the accuracy of emission data, and shall be used for future management reference.

Comprehensive system control through environment management (Left)

Declaration by high-level management (Right)



Zero violation record

Even though EVA Nankan Park is not listed as a controlled source of wastewater for environmental protection, EVA Air still conducts a through inspection every 6 months based on the domestic environmental protection regulations, in order to reduce the impact of corporate operations on its surroundings. In the ISO 14001 Environmental Management System, the Park's wastewater is listed as a monitored and controlled item, which requires regular water quality inspections by qualified environment inspection companies to ensure that wastewater complies with the domestic standards; the relevant inspection reports are retained in preparation for reviews by the competent authorities. Throughout the Company's history, there has never been a ticket issued by the authorities due to the impact of wastewater on the surrounding environment.

Waste disposal

In regards to waste management and reduction, the waste produced at the EVA Nankan Park, the EVA Air Taipei Building, the Bonded Warehouse Building 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 & Environment 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. EVA Air cherishes natural resources, and has always upheld the 3R principle: "Reduce, Reuse, Recycle" in its waste management practice. The implementation of ISO 14001 Environmental Management set forth practical actions to achieve better waste reduction results, including various promotion and improvement measures, and increasing the recycling rate by 1.8% in 2018 (with 2015 as the base year) to lower the impact of waste production on the environment. In-flight operation waste reduction measures include the Electronic Flight Bag (EFB), in-flight garbage sorting, and the reuse of newspapers, while ground operation waste reduction measures include better office area recycling facilities, employee cafeteria meal control, the reuse of old furniture, electronic operations for tickets and cargo, electronic official documents, electronic aircraft maintenance and repair form, electronic office manual documents, etc.

Waste production and recycled quantity (kg)

Year	2015	2016	2017 Target
General Waste	221,560	237,720	230,000
Hazardous Industrial Waste	47	49	52
Recycled	110,549	142,131	119,571
Recycling Rate (%)	33.3%	37.4%	34.2%

Note 1: The statistics are based on EVA Nankan Park.

Note 2: 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 3: All the hazardous commercial waste is medical waste.

Note 4: The recycled waste includes fluorescent lights, paper, tin cans, aluminum cans, hard iron, PET bottles, plastics, and aluminum foil.

New garbage and recycling cans for improved sorting



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 voluntarily conducts estimations of the sulfur oxides (SOx) and nitrogen oxides (NOx) emissions based on fuel consumption to gain insights into the trends, and prepare for changes in future regulations.

Estimated Aircraft SOx and NOx Emissions

Year	2013	2014	2015	2016
Total aircraft SOx (tonne)	45.521	48.71	50.91	54.50
Total aircraft NOx (tonne)	474.55	507.73	530.72	568.09

Note 1: Aircraft SOx emissions: calculated by using the conversion coefficient (0.000891 tons/LTO) suggested by the U.S. Environmental Protection Agency.

Note 2: Aircraft NOx emissions: calculated by using the conversion coefficient (0.009288 tons/LTO) suggested by the U.S. Environmental Protection Agency.

Note 3: LTO: Landing-Takeoff Cycle.

Green Product Procurement

In the operational aspect, whether for the purchase of inflight service items or office supplies, EVA Air conducts green procurement in accordance with the relevant regulations of ISO 14001 Environmental Management System and ISO 500001 Energy Management System. Besides regarding environmental and energy conservation labels as the main consideration for our procurement, EVA Air also invites our suppliers to sign the "Supplier Partnership Social Responsibility Policy for Sustainable Development", to influence the supply chain and get suppliers to: follow through with environmental protection with energy conservation and carbon reduction, prioritize local procurement, reduce energy waste, reuse and recycle, reduce waste production, observe environmental laws, establish an environmentally sustainable operation and reduce resource waste and the environmental impact of the operation through these measures.

4-1-2 Environment Risks and Opportunities

In response to the impact of climate change and extreme weather, EVA Air identifies and controls major or foreseeable high safety risk factors for operating environments, including regulations, natural disasters, and other types of risks. 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 to the elimination or reduction of the impact brought about by climate change, EVA Air identifies 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.

Laws and regulations

Legal compliance is the cornerstone of CSR. There has never been a major environmental regulation violation throughout EVA Air's history. We earnestly comply with domestic and international environment protection regulations, and fully cooperate with the implementation of local government regulations. Through quarterly inspections, updates of relevant regulations, and participation in domestic and international seminars, we truly grasp the latest environment and energy regulations and their trends. Based on legal compliance, EVA Air will fly to greener heights and work toward environmental sustainability.

Item	European Union Emission Trading Scheme (EU ETS)	Aircraft noise prevention	Taiwan GHG reduction and management policies
Description of legal risks	In 2012, the EU began to apply carbon emission control measures to all operating airlines inside the EU .	The International Civil Aviation Organization (ICAO) and the US Federal Aviation Regulations (FAR) require Stage 3 noise level and verification standards compliance for new aircraft leaving the factory, and demand all aircraft to operate under the noise limit, to ensure environment quality and economic benefits .	The nation's long -term GHG reduction target is to reduce the 2050 emissions by more than 50% of the 2005 emissions. The current target stage is for a five-year period, and emissions exceeding the allowance will be charged three times the carbon market price per excessive tonne , or a fine of NTD 1,500 per excessive tonne .
EVA response measures and opportunities	EVA Air complies with EU ETS regulations by continuing to monitor aircraft carbon emissions data, submit annual reports, declare the data after third-party institution verification, and make payments for the EU allowance according to the regulations .	The advancement of technology has made significant improvements in the noise level of modern aircraft in comparison with older ones. EVA Air is in full compliance with ICAO and FAR new aircraft noise level and verification standards for aircraft leaving the factory, and the noise level of our entire fleet complies with ICAO and FAR aircraft Stage 3 noise requirements. EVA Air's main fleet of A321, A330, and 777 -330ER have even reached a stricter and quieter Stage 4. We continue to introduce low -noise aircraft such as Boeing 777 and Airbus A321, and also procured Boeing 787-9 and 787-10 passenger jets equipped with General Electrics' (GE) latest GENx engines which have 69% lower noise level compared with similar aircraft models. In addition to acquiring new low-noise passenger jets, EVA Air also complies with local airport noise regulations and procedures to reduce the impact of noise on surrounding communities during landing and takeoff, maintaining a quality living environment for the local communities. The Company makes regular noise fee payments for all flights departing from domestic airports according to the "Fee -charging Standards for the Use of State-operated Airport, Navigation Aids and Related Facilities" for noise prevention of related departments; this cost is also a major expenditure in the environment protection -related fees.	In 2015, the Sustainable Environment Promotion Sub-Committee formed by high -level managers and representatives of relevant departments became the highest decision -making body for the drafting, research, response, and action plan execution of climate change and GHG management issues. Even though EVA Air has not yet been subject to the national Greenhouse Gas Reduction and Management Act, we take this issue seriously. EVA Air completed a full GHG inventory in 2016. We voluntarily manage our impact on Taiwanese and the global climate, which was verified by an external third-party verification company in January 2017 to have achieved standards higher than those stipulated by the national laws .

Natural Disasters

Item	Typhoons and torrential rain	Ice and snow damage	Extreme heat and drought
Description of natural disaster -related risks	Typhoons are accompanied by unpredictable strong gusts or intermittent torrential rains, which impact flight safety and operations.	Ice and snow 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 or drought may not directly impact flight operations, but 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.
EVA response measures and opportunities	EVA Air prepares pilots through abnormal weather operation trainings; each department may also initiate relevant operation procedures prior to a foreseeable arrival of abnormal weather, and timely adjust aircraft dispatch or flight schedules to reduce the losses caused by the weather.	The Company constantly monitors the weather around each airport and global climate change, so as to prepare for and eliminate possible incidents and reduce the impact of ice and snow damage.	In the face of climate abnormalities over the globe, EVA Air dedicates itself to offering journeys of the highest quality to our passengers; to combat extreme heat and drought, we make optimal adjustments without influencing the passengers' level of comfort.

Others

Item	Energy Shortage	Political and economic status	Epidemic diseases
Description of other types of risks	Energy consumption is the basis of operations; an energy shortage will shut down the Company's operations.	The frequent global terrorist attacks indirectly influence the consumer's desire to travel. The instability of political status or economic capabilities in various countries will also affect EVA Air's local operations.	Epidemic diseases such as the Middle East respiratory syndrome coronavirus and the Zika virus are spread across the world by global travelers. Disease prevention measures of various countries and the level of the infection also impact air transport and tourism.
EVA response measures and opportunities	EVA Air understands the value of resources. In order to prevent the impact of energy shortage on operations, EVA Air actively introduces aircraft of high efficiency and low power consumption, and participates in international meetings to learn if future technology can develop alternative energy sources.	EVA Air conducts safety risk analysis for its operation locations, and continuously monitors flights of poor performance for flight reduction or model modification of aircraft if necessary to reduce operational loss.	In addition to complying with each country's disease prevention measures, EVA Air is also up -to-date on world disease trends to prevent any sudden outbreak from influencing the operations.

4-2 Climate Change Responsibility and Response

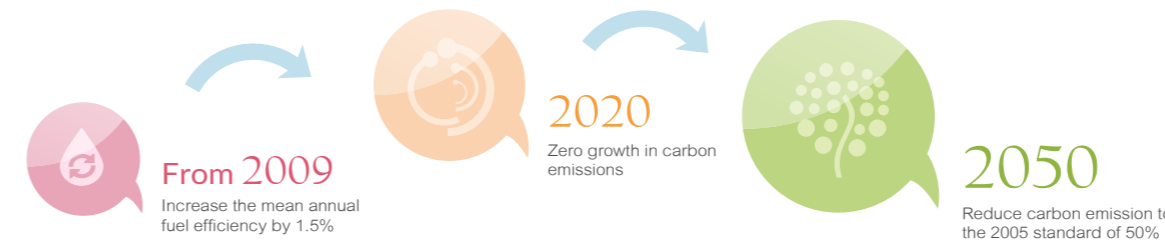
With the increasing atmospheric GHG concentrations, the risk impact brought about by climate change has escalated to a level which corporations must tackle immediately. The Paris Agreement was passed by the 2015 United Nations Climate Change Conference, which is further indication that GHG management is a key to mankind's survival and economic growth in the next century. To fulfill our responsibility as a citizen of Earth and as an enterprise, EVA Air has embarked on various projects to conduct GHG inventories since 2011. In 2015, we formed the "Sustainable Environment Promotion Sub-Committee" comprising high-level managers and representatives from relevant departments to serve as the top decision-making body for the investigation, planning and implementation of response and action plans for issues related to climate change and GHG management.

4-2-1 GHG Emission Management

GHG reduction target

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 Complies with IATA's Carbon Reduction Strategy

Domain	Item	About the Measures
Technology	Introduction of new aircraft and jet engine technologies	Introducing the latest eco -friendly and energy -efficient aircraft model
	Alternative Fuel	There is currently no domestic supply of alternative aviation fuel
Operation	Improvement of aircraft operating procedures	Revise the standard operating procedures for flight crews
	Optimization of flight plans and management	Selection of alternate airport, flight plan optimization, aircraft flight route optimization, fuel policy improvement
	Operation Management	Aircraft weight and center of gravity control, APU usage reduction, aircraft maintenance inspection reinforcement
Basic Infrastructure	Airport Infrastructure	EVA Air shall operate in accordance with the competent authorities' regulations
	Flight Management	
	Airspace Management	
	Airline route Structure	
Financial Measures	Carbon Trading	In response to global laws and regulations and Taiwan's national greenhouse gas reduction plan, EVA Air shall actively participate and proceed with execution. Moreover, to facilitate Taiwan's Green Power development, EVA Air purchased Green Power in 2016.
	Carbon Offset	

GHG inventory

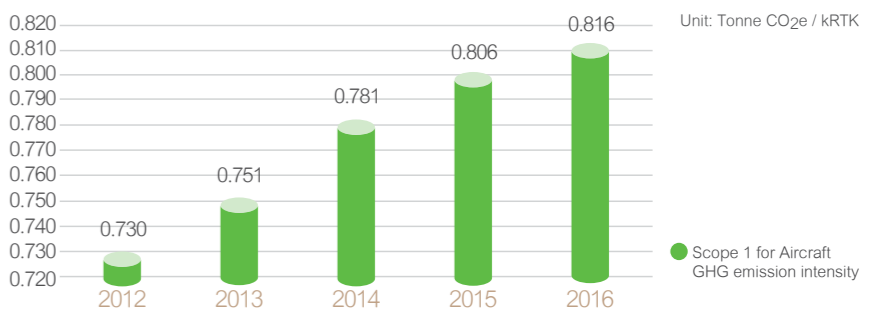
Even though EVA Air is not listed by the Environmental Protection Administration as a registered source of emissions (required to conduct inventory), the company began to conduct voluntary inventories of GHG emissions in 2011, and completed the third party verification process for the 2016 ISO 14064-1 GHG emission data. In accordance with the emission data provided by the government's related projects, the quantified data mainly includes aviation fuel, automobile gasoline and diesel fuels, and each office's total power consumption, to further understand and respond early to the greenhouse gas emission status and trend. In January 2017, the GHG data were sent to an external verification institution for verification to increase the accuracy and reliability of the inventory and use it the basis for future improvements. The yearly emission ratios of Scope 1 and Scope 2 indicate that due to the characteristics of the aviation industry, Scope 1 accounted for over 99% of the overall emission. The past five years has seen the expansion of flight routes and the increasing operation scale, which resulted in a gradual annual increase in total GHG emissions. The 2016 total emissions grew by 7.6% in comparison with 2015. The aircraft GHG emissions intensity was increased due to the increasing fuel consumption of the expanded fleet; but as the effect on the increase in RTK was less than on the total emissions, the emission intensity increased slightly. However, the 2016 emission intensity increased by merely 1.2% compared with that of 2015, whereas there was a 7.6% increase in the total emissions, indicating the improvement in fuel efficiency of EVA Air's new fleet.

Total GHG emissions (tonnes CO₂e)

Scope	2012	2013	2014	2015	2016
Scope 1 for Aircraft	4,970,213	5,081,133	5,322,634	5,496,282	5,916,183
Scope 1 for Non-Aircraft	232	275	327	465	841
Scope 2	10,156	11,485	11,368	11,355	12,098
Total	4,980,601	5,092,893	5,334,329	5,508,102	5,929,123

Note1: The greenhouse gas inventory boundary includes EVA Air Operation Building, First Training Building, Second Training Building, Dormitory Building, Bonded Warehouse Building and EVA Air Taipei Building.
Note2: Scope 1 for aircraft refers to aircraft fuel.
Note3: Scope 1 for non-aircraft includes company vehicle gasoline and diesel fuels, natural gas, and diesel fuel for emergency power generator tests.
Note4: Greenhouse gas emissions from refrigerants, fire extinguishers, septic tanks, and boiler fuel are excluded due to the insignificance of the data.
Note5: The 2012-2015 emission data were recalculated in accordance with 2016 ISO 14064 verification of GHG emissions.
Note6: Scope 2 refers to external electricity procurement, the emission factors are 0.532 (2012), 0.522 (2013), (0.521 (2014), 0.528 (2015, 2016) kg CO₂e.

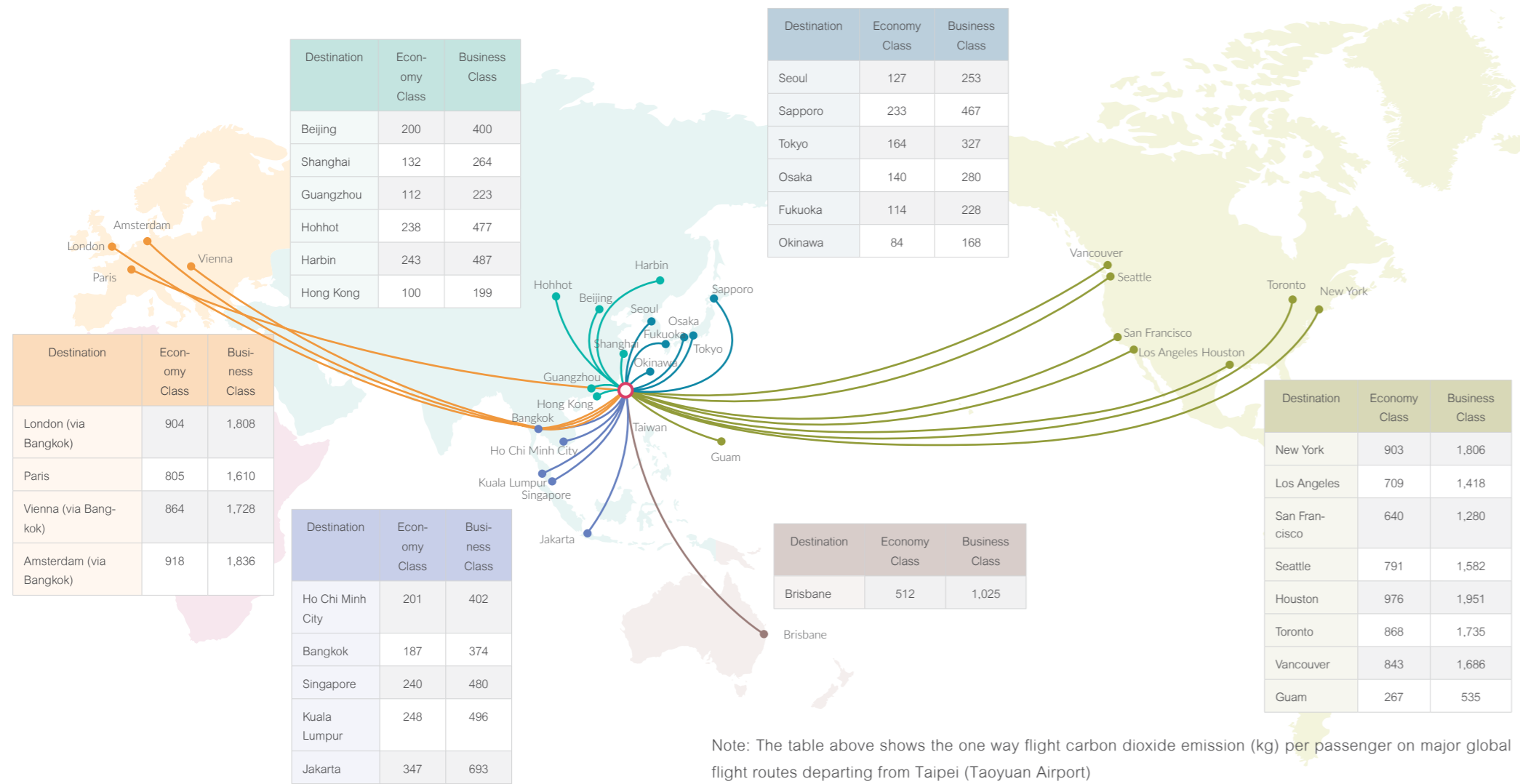
Aircraft GHG Emission Intensity



Note: Revenue Ton Kilometer (RTK) = Weight of Passengers and Cargo (tonne) x Mileages (km)

Carbon Footprint Declaration

According to the evaluation report by the Intergovernmental Panel on Climate Change (IPCC), about 2% of the global carbon dioxide emissions from human sources come from the airline industry. To fulfill our duties as a citizen of the earth, EVA Air utilizes flight data from long-term monitoring and adopts the carbon emission calculation methods proposed by ICAO and IATA, to complete a voluntary carbon footprint declaration for all major international flight routes departing from Taoyuan Airport. We hope to raise public awareness of green transportation and work towards a greener future for aviation.



4-2-2 Energy and Resource Conservation Measures and Performance

Energy and Resource Consumption

EVA Air's largest energy consumption is aircraft fuel, followed by power consumption from ground operations and transportation fuel. The water 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). 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.

In 2015, EVA Air introduced the ISO 14001 Environmental Management System, and added a new condensed water recycling system in addition to the original rain water recycling system to increase recycled efficiency of water resources.

Total Energy and Resources Consumption

Energy and Resources	Unit	2012	2013	2014	2015	2016
Aircraft Fuel	USG, Gallon	518,668,290	530,243,424	555,445,348	573,566,500	617,385,422
	Megajoule	65,717,818,382	67,184,444,680	70,377,652,162	72,673,691,073	78,225,763,589
Gasoline	Liter	60,707	60,308	69,835	77,477	77,859
	Megajoule	1,981,176	1,968,168	2,279,067	2,528,473	2,540,939
Diesel	Liter	33,630	50,258	48,058	35,020	45,434
	Megajoule	1,181,952	1,766,348	1,478,144	1,230,786	1,596,815
Natural Gas	Cubic Meter	-	-	27,345	100,825	109,862
	Megajoule	-	-	915,292	3,374,814	3,677,301
Electricity	kWh	19,090,969	22,001,860	21,828,636	21,505,454	23,065,142
	Megajoule	68,693,888	79,167,973	78,542,768	77,381,785	82,993,917
Tap Water	Cubic Meter	192,249	162,108	145,107	142,767	159,263
Recycled Water	Cubic Meter	-	-	-	2,213	1,013

Note 1: Natural gas was not consumed during 2012 and 2013.

Note 2: Recycled water resources include rain water and condensed water.

Note 3: The expansion of flight routes and increasing operation scale have gradually increased consumption of various resources every year.

Aviation Fuel Monitoring and Conservation

The main consumption of energy source in the aviation industry is aircraft fuel. Therefore, the monitoring of aircraft fuel is a very important task for EVA Air. The operating flights fuel consumption over the years shows that the expansion of flight routes and increasing operation scale have gradually increased fuel consumption. In response to the ever-increasing scale of the fleets, EVA Air has actively established various fuel conservation plans, and purchased the latest energy-saving aircraft. The various fuel conservation measures at EVA Air are planned and executed by the "Sustainable 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 to achieve the common goal of carbon reduction proposed by the IATA and cooperate with the government's calls for energy conservation, carbon reduction and reduced GHG emissions. EVA Air's fuel conservation measures have saved a total of 17,016.9 tonnes of fuel or an emission reduction of 53,603 tonne CO₂e.

Fuel Conservation Measures

Fuel saving measure	Action plan	Description
Fleet modernization	Introduction of the latest energy-efficient aircrafts	<p>Purchase the latest Boeing 787 Dreamliner, and continue to introduce energy-efficient passenger aircrafts such as Boeing 777-300ER, Airbus A321, etc. In comparison with the replaced aircrafts, fuel consumption is expected to be reduced by 20% to 25%.</p> <p>● Long-haul Fleet ● Medium-haul Fleet ● Short-haul Fleet</p>

Fuel saving measure	Action plan	Description
Aircraft Weight Reduction	Weight Reduction of Service Items	Adopt new and lighter meal carts and utensils to reduce the load on the aircraft.
	Water Load	Adjust the loading of on-board water supply in accordance with the flight route characteristics and the actual number of passengers.
	New Baggage and Cargo Container	Adopt new and lighter baggage and cargo containers to replace the old and heavier version.
	Electronic Flight Bag	Replace the on-board paper manuals with electronic flight bags (EFB).
Flight Operation	Flight Plan Optimization	Optimization of the flight route and atmospheric layer selection and precise control of the aircraft takeoff weight for the calculation of the most economized fuel load, to reduce fuel consumption and greenhouse gas emission.
	Flight Operating Procedure Adjustments	Revision of the standard operating procedures for flight crew with reference to the fuel conservation plans and measures proposed by the original aircraft manufacturer.
	Flight Route Optimization	Regular reviews of the latest published flight route information to select the best flight routes and boost flight efficiency.
	Aircraft Performance and Fuel Consumption Monitoring	Regular tracking of every aircraft's performance trend and monitoring of the fuel consumption for each flight route; adjustment of fuel calculation factors in accordance with the actual usage to avoid excess fuel loading.
	Alternate Airport Selection	Timely evaluation of new information regarding each destination's nearby airports, and selection of alternate airports that are closer in location and equipped with airport facilities that comply with the take-off and landing standards, to reduce fuel loading and carbon emissions.
	Aircraft Weight Control	Request the operations department to supply the accurate number of passengers and cargo weight information prior to flight plan production to precisely calculate the aircraft weight and the required fuel load.
	Aircraft Center of Gravity Control	Set up comprehensive passenger seating plans and baggage and cargo loading procedures to optimize the position of the aircraft's center of gravity and boost fuel efficiency.

Fuel saving measure	Action plan	Description
Flight Operation	Decrease the Usage of the Auxiliary Power Unit (APU)	Utilize airport facilities for aircraft power supply and air conditioning during ground operations to reduce the usage of APUs; not only will this reduce greenhouse gas emissions, but it also effectively reduces noise pollution on the apron.
	Fuel Policy Improvement	Observe the latest laws and regulations, and adjust the fuel policy according to the system analysis of fuel load and consumption to improve efficiency.
Aircraft Maintenance	Reinforce operational inspections of aircraft maintenance	Pay extra attention to aircraft conditions during pre-flight inspections or regular maintenance to ensure that the aircraft exterior and performance are kept at an optimum level.
	Regular Aircraft Cleaning	Conduct regular cleaning of aircrafts and engines to improve engine performance and reduce aircraft resistance so as to boost fuel efficiency.
	Maintenance for Fuel Conservation	Monitor each aircraft's flight release situation in accordance with the Minimum Equipment List (MEL), and list items that will increase fuel consumption as top priorities for maintenance, in order to reduce excess fuel load and consumption.



Results of major fuel conservation measures

Project / Year	Unit	2013	2014	2015	2016	2017 Target
Flexible adjustment of water load	Ton	1,087.9	1,368.1	1,238.1	854.0	840.3
Fuel Policy Improvement	Ton	Unquantified	771.1	792.9	829.9	816.6
Alternate Airport Selection	Ton	1,698.7	1,310.7	1,517.9	2,219.9	2,247.6
New Baggage and Cargo Container	Ton	Unquantified	406.1	2,772.0	2,938.4	3,080.6
Flight Plan Optimization	Ton	5,283.6	5,237.4	6,500.0	6,975.0	7,312.6
APU Usage Reduction	Ton	1,373.2	3,635.7	2,971.8	3,094.3	3,044.5
Electronic Flight Bag	Ton	25.1	30.9	36.3	54.1	52.1
Flight Route Optimization (with Yancheng as example)	Ton	Unquantified	70.3	97.9	51.3	43.7
Total Fuel Savings	Megajoule	9,468.5	12,830.3	15,926.9	17,016.9	17,437.9
CO2 Emission Reduction	Tonne CO2e	29,825	40,415	50,169	53,603	54,929



Note 1: Basis of calculation for CO₂ emission reduction, 1 ton of aviation fuel = 3.15 Tonnes CO₂e. (Source of emission factor: IPCC Find EF Website http://www.ipcc-nggip.iges.or.jp/EFDB/find_ef.php)
 Note 2: Projects with fuel conservation results related to aircraft weight reduction utilized actual fuel consumption/takeoff weight to calculate the fuel efficiency per unit weight.

4-2-3 Ground Operation Power Consumption

Monitoring and Energy Conservation

EVA Air monitors power consumption at its operating locations in Taiwan (EVA Nankan Park, EVA Air Taipei Building and Bonded Warehouse Building) to implement energy-saving and carbon reduction measures, and to confirm the results of various energy conservation projects. The power consumption data on the Taiwan operating locations for the past three years show a gradual reduction in power consumption after the implementation of various energy conservation projects. EVA Air not only strives to implement energy-saving and carbon reduction measures for aircraft, but also continuously work for energy-saving ground operations. In 2016, the overall Energy Use Intensity (EUI) was 144.48 kWh/m², 22.4% lower than the office building EUI reference value of 186.2 kWh/m² stated in the building electricity consumption reference index published by the Bureau of Energy, Ministry of Economic Affairs. The main power-saving measure in the past two years has been the replacement of power equipment. The accumulated reduction of power consumption in 2015 and 2016 was 592,256 kWh, equal to an emission reduction of 312,711 kg CO₂e.



Results of major power conservation measures

	Corrective Actions	Annual Power Consumption (kWh)		Accumulated reduction of GHG emissions (kg CO ₂ e)
		2015	2016	
Lighting equipment	LED lighting replaced traditional fluorescent lighting	199,022	97,937	156,794
Air Conditioning System	Reinforce air conditioning system operation management, control ice water machine output temperature	53,648	240,890	155,516
Audio-visual equipment	Replacements	-	759	401
Total		252,670	339,586	312,711

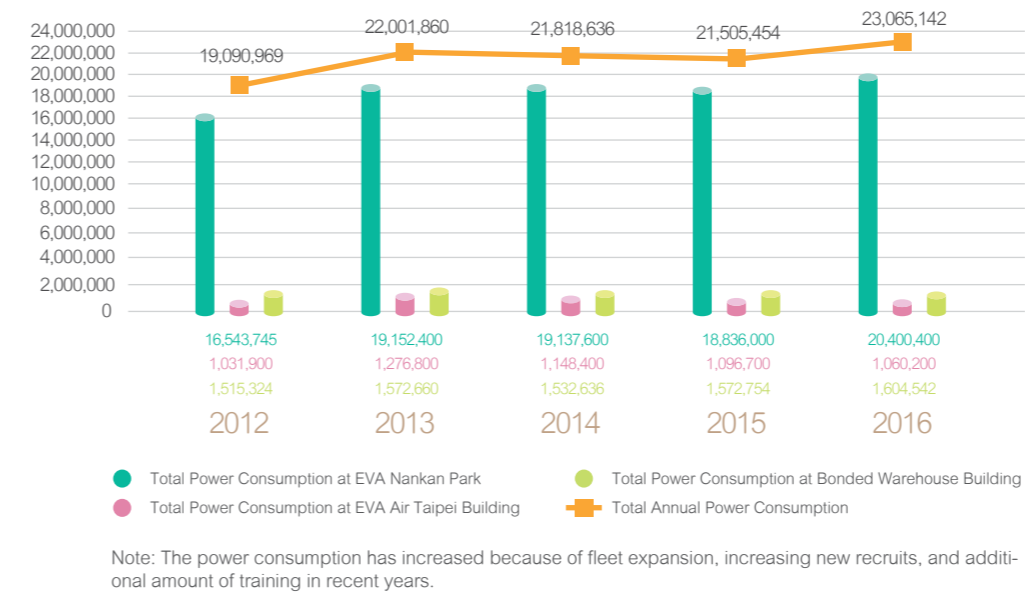
Note 1: Scope 2 refers to external electricity procurement, with the emission factor being 0.528 (2015, 2016) kg CO₂e.
 Note 2: The air conditioning energy savings are estimations made with reference to the energy baseline of the air conditioning system.
 Note 3: Lighting energy savings are estimations made based on the power consumption of the replaced lighting fixtures.

Green Power Procurement

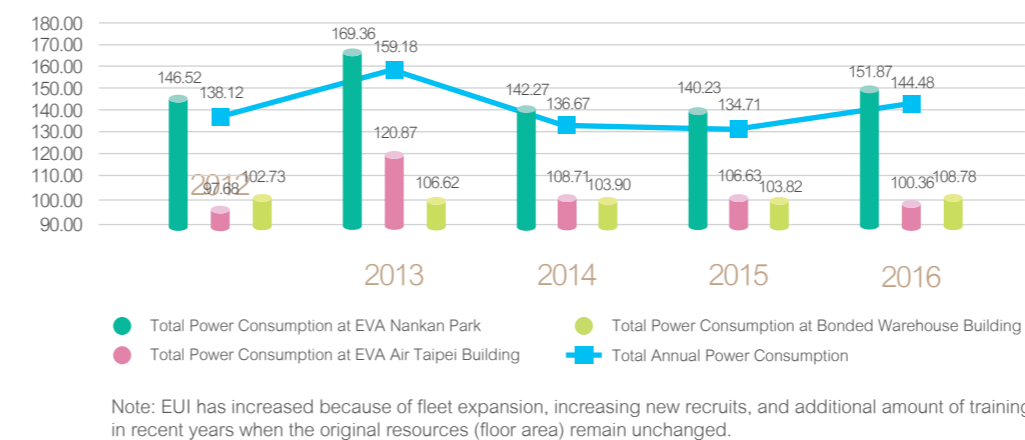
It is evident from the increasingly severe climate change phenomenon and the Paris Agreement signed during the 2015 United Nations Climate Change Conference that green energy is an inevitable trend. To support the domestic renewable energy development and reduce the human activities' impact on nature so as to achieve the goal of sustainable management, EVA Air announced during the ISO 14001/ISO 50001/TOSHMS certification award ceremony that the Company will purchase 2.5 million kWh of green power and has completed the procurement process for 2016 with Taiwan Power Company in January 2016. We hope to reduce product carbon footprint, encourage local enterprises to purchase green power and promote Taiwan's green power development. More importantly, we wish to raise the environmental awareness of green power utilization, and influence the environmental conservation efforts of the global airline industry.



Power Consumption at Major Sites



Energy Use Intensity (EUI) at Major Sites



05 Community Engagement



EVA Air has upheld the spirit of giving back to society, and has strived to promote the philosophy of flight safety education in the long term by making good use of the characteristics of air transportation. We also promote cross-strait exchanges to improve our standards for flight safety. In the meantime, we donate our own resources for the purpose of rescuing, sponsoring flight tickets, and providing assistance with airfreight discounts. In an attempt to promote tourism, we endeavor to popularize Taiwan's characteristics and culture throughout the whole world. We are also active in terms of cultural promotion by inviting foreign cultural performance groups to Taiwan and sponsoring athletes' travel overseas for competitions and attend contests abroad to promote Taiwan globally and "The Pride of Taiwan". We will continue to uphold the spirit of community engagement and inclusion, advocate positive social development, and advance towards a better future.

Chapter Highlights

83.73 million



The amount of monetary donations for social welfare

The amount donated for social welfare in 2016 reached NTD 83.73 million, including charitable donations, sports event sponsorships, and contribution to local communities. Through these diverse channels, the resources can be used to help more people in need.

2.41%



2016 Social welfare donation

The amount donated for social welfare accounted for 2.41% of the net profit in 2016.

5-1 Safety Education Promotion

"Safety" has always been the core value of EVA Air. In order to bring all our passengers safely to their destinations, we make sure that all our employees are equipped with the knowledge about "hazard identification and risk management" through the continuous training and education. Furthermore, as a member of the aviation industry, EVA Air has realized the importance of social education. Therefore, we have actively joined and promoted social education. Based on our own resources, we provide relevant assistance and hope to make efforts in improving social education.

Investment in Promotional Education

Item	2015	2016	Note
Number of People	60	39	
Time (unit: hour)	717	828	
Budget (unit: NTD 10,000)	194	95	Students from Cheng Kung University used the flight simulators for four hours every year (USD 2,400, around NTD 72,000). The amount was excluded from the total budget of the past years.

5-1-1 Industry Liaison Program

☀ National Cheng Kung University

EVA Air possesses an excellent corporate culture and abundant teaching resources. In 2013, National Cheng Kung University (NCKU) unveiled the Civil Aviation Engineering Program in a corporate-academic partnership with EVA Air, to help advance the education of aviation professionals and nurture great aviation engineering talents. 2016 marked the fourth year of the Certificate Program, with 270 hours of lectures given by senior EVA Air flight operations, aviation safety and aircraft maintenance personnel at the Cheng Kung University. Summer and winter internships totaling 496 hours were also offered at the Evergreen Aviation Technologies Corp. (EGAT) and EVA Air's Flight Operations Division. The total hours of the program in 2016 were 766 hours with a 15-member faculty.

Civil Aviation Engineering Program

Courses	Objectives
Aircraft Subsystems And Operations	Understanding the basic aircraft systems
Basic Flight Operation	By reviewing the subject of Pilot Handbook of Aeronautic Knowledge enabling the students to get the information on every topic needed to qualify for and excel in the field of aviation. Learning how to make a flight plans; a chance of feeling flight in a modern jet Flight Simulator
Aviation Safety Management	Understanding the theory and applications of flight safety from both the individual and overall perspectives

Civil Aviation Engineering Program in National Cheng Kung University

Item	2015	2016
Number of Teachers Participating (person)	13	15
Program Duration (hour)	612	766

Besides offering generous annual scholarships for well-performing students, we also give those who have completed the "Civil Aviation Engineering Program" priority over all other candidates in hiring. So far, seven graduates have been recruited by EVA Air and EGAT. In order to look for projects with fuel efficiency through academic theories and EVA Air's practical experiences, a research team led by Dr. Yuan Hsiao-Feng from NCKU's Institute of Civil Aviation has signed a "Joint-Development Agreement on the Usage of Flight Data Recorder (FDR)" with the Company to improve the efficiency of aviation operations.

☀ Civil Aviation University of China

In an effort to improve the cross-strait air traffic control and promote maintenance operations, EVA Air signed a cooperation agreement with Civil Aviation University of China in 2006. Every year, the University sends students and teachers to Taiwan to exchange ideas with the Company about advanced knowledge such as professional maintenance, flight safety, dispatch, and transportation. In 2016, Civil Aviation University of China sent the students and teachers from College of Air Traffic Management to EVA Air for a 3-week internship. Apart from observing the operations of aircraft dispatchers at EVA Air's Flight Control Department and learning special transportation operations at the Flight Management Department, the students and teachers also went to the Corporate Safety, Security & Environment Div. to learn about our philosophy of safety management. From 2012 to 2016, 120 students and teachers had visited EVA Air.



5-1-2 Safety Seminar

Federal Aviation Administration (FAA) has commissioned Flight Safety Foundation to hold the Global Safety Information Project (GSIP) Seminar across the world. The seminar in Asia took place at EVA Air during June 21st to 22nd. GSIP not only serves as a platform for collecting information about safety, but also has a positive impact on risk management. The seminar this time was held by EVA Air and Flight Safety Foundation-Taiwan, in which Civil Aeronautics Administration, Aviation Safety Council, Institute of Transportation, MOTC, and Flag Carrier were also invited to participate.

Safety Seminar

Item	2012	2013	2014	2014	2015	2016
Seminar Name	Seminar on Current State of Air Traffic Control in China and Future Development	None	ALAR (Approach & Landing Accident Reduction) Safety's Biggest Challenge	Seminar on Current State of Air Traffic Control in China and Future Development	Seminar on Flight Safety Training	GSIP Seminar
Participating Unit	aviation industry and governmental institutes		aviation industry and governmental institutes	aviation industry and governmental institutes	aviation industry and governmental institutes	aviation industry and governmental institutes
Number of Participants (person)	87		150	65	26	107



5-1-3 Sponsorship of United Daily News Column "a Crash Course on Global Affairs"

To support the media in promoting quality news columns, EVA Air has been sponsoring United Daily News "A Crash Course on Global Affairs" Column for five consecutive years. Apart from sponsoring the publication charges, we also provide Economy tickets with destinations in Asia as the prizes for the column's quiz contest. The column looks into the foreign affairs in profound perspective and simple language, and is published every two weeks in an effort to broaden the readers' world view. For the past five years, we have sponsored with monetary donations 2.5 million dollars and 15 airline tickets, indirectly enhancing our brand image and increasing popularity through the newspaper.

5-2 Charitable Contribution

5-2-1 Charitable Efforts

Upholding the spirit of social contribution, EVA Air and Chang Yung-Fa Foundation work hand in hand to provide resources to the disadvantaged groups most in need, letting kindness spread across Taiwan. In the meantime, we also care for those who need help in society and try to provide them with relevant emergency aid. Through disaster reconstruction and charitable donations, we hope to call upon more people to devote their resources to the charitable efforts and create a society full of warmth.

Statistics of Social Welfare from 2014-2016

Item	Cash (NTD)	Free Tickets (number)	Reward Tickets (number)	Others (material donations, devoted manpower and time)			Benefit
				2014	2015	2016	
Charitable Activities	62.4 million	0	0	19,000 pieces of tableware (worth approximately 6.5 million) 4,300 cans of juice (worth approximately 0.3 million)	497 pieces of furniture (worth approximately 0.49 million) 162 iPads (worth approximately 1.62 million) 5 thermal imagers (worth approximately 2 million)	290 pieces of furniture (worth approximately 0.32 million)	Provide resources for the disadvantaged groups that are most in need and call upon more people to devote themselves to charitable efforts through emergency aid and increasing awareness of social problems.
Sports Games Sponsorships	2.1 million	155	162 (single trip)	None	None	None	There are a lot of outstanding athletes in Taiwan. EVA Air also does its best in participating in sports events by sponsoring the athletes' trips to the games abroad to win glory for Taiwan.
Giving Back to Local Communities	19.23 million	80	25			Site survey, setup, and presentation of the installation art in Taitung (the art cost approximately 0.98 million)	EVA Air has never stopped caring for Taiwan. By contributing to local communities and blending into the locals' lives, the airline has formed an inseparable bond with them. In addition, EVA Air has also sponsored local tourism authorities for their trips to foreign countries for the purpose of tourism promotion, enabling people from around the world to know Taiwan better, and increasing their desire to visit Taiwan.
Arts and Culture Activities	0	210	0	None	None	None	EVA Air has long been promoting cultural events and inviting quality cultural performance groups to Taiwan. In this way, we are able to enhance Taiwanese cultural depth and improve the interaction between Taiwanese and foreign cultural groups.
Total	83.73 million	445	187	6.8 million	4.11 million	1.3 million	

Note: the amount of monetary donations in 2016 for social welfare accounted for 2.41% of the year's net profit.

In 2016, based on the spirit of recycling, EVA Air provided 290 pieces of secondhand furniture, including: wall cabinets, wardrobes, TV cabinets, bedside cabinets, mattresses, coffee tables, desks, and exhaust hoods through the collaboration with the Chang Yung-Fa Foundation. All the furniture was donated to over 10 charitable organizations and the families supported by the Chang Yung-Fa Foundation. Upholding the idea of cherishing resources, we donated the reusable materials from in-flight tableware to furniture like desks and chairs to the families in need of help through the professional charitable services provided by the Chang Yung-Fa Foundation. In so doing, the resources could be reused and further helped to improve the daily lives of these families and elevate the standards for their educational equipment.

☀ Watching Movies with Northern Region Children's Home

EVA Air cares for children without family support. Thus, we sponsored a movie event together with Luchu Office of Taoyuan County Police Bureau, in which we provided volunteers and shuttle buses. The children from "Northern Region Children's Home" were brought to Tai Mall to watch movies and spend a happy and heartwarming day.

5-2-2 Supporting the 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 making annual charitable donations to the Foundation according to the Company's revenue. Out of our philanthropic spending in 2016, NT\$32.4 million went to the Chang Yung-Fa Foundation for educational and charitable projects: providing financially needy students with scholarships and books to assist them in their academic pursuits; managing a symphonic orchestra and developing all-round music talents, spreading Taiwan's art and culture to every corner of the world with international performances; establishing the Evergreen Mari-time Museum to promote naval educational programs, etc. The Foundation's impressive range of social services was brought into full play to fulfill the vision of giving back to society.

The remaining NT\$30 million was donated to the Foundation to identify people in need across Taiwan and provide them with timely assistance and care, with a focus on emergency aid, medical assistance, disaster relief and funeral/burial financial assistance. With the help of its professional charitable service, resource-strapped corners of the country can be reached with efficiency to help the underprivileged and create social happiness and security.

5-3 Giving Back to Local Communities

Committed to giving back to the country and local communities, EVA Air surrounds its office buildings with lush greenery and engages in community activities to blend into the local community and reinforce neighborhood relations. [EVA Air sponsored many events throughout Taiwan in 2016, including: "Christmasland in New Taipei City", "2016 Taiwan Lantern Festival (Taoyuan)" and "Colored Rice Festival of Pingtung County" as well as "Taitung Hot Air Balloon Festival" and "Chishang Autumn Rice Harvest Arts Festival" held in Taitung.] In a bid to raise Taiwan's global profile as a beautiful, effervescent island, EVA Air joins local tourism authorities in attending international arts and cultural events, where Taiwan-grown produce and floriculture products are presented to promote locally themed tourism.

5-3-1 Neighborhood Relations

☀ To adopt the greening construction of the slope alongside the Freeway (Land No. 504)

To make the living environment more comfortable, EVA Air has signed 3-year contracts to adopt the trees on the road with Taiwan Area National Freeway Bureau since 2013. Every year, EVA Air budgets for landscaping side slopes. In 2016, the contract was renewed for three more years till 2019, in which EVA Air promised to grow flowering plants such as cherry, Chinese hibiscus, floss-silk trees, and golden rain trees, as well as the tall evergreen palm trees, such as fountain palms and date palms, and green lawns. The flowers bloom all year round, making the surroundings beautiful and providing excellent roadside landscape for road users.

5-3-2 Boosting Local Tourism

☀ Promoting Taiwan as a Tourist Destination

EVA Air has been promoting the Taiwanese tourism industry in a long-time partnership with the local tourism authorities. [In 2016, Taipei City's Department of Information and Tourism and New Taipei City's Tourism & Travel Department aimed to promote their Cities to China and Northeastern Asian countries by holding tourism exhibition and promotion events in Japan, South Korea and China.]

☀ 2016 Christmasland in New Taipei City

EVA Air sponsored New Taipei City's Tourism & Travel Department for the "2016 Christmasland in New Taipei City." Since 2010, New Taipei City has held this important annual event, which attracted over one million of visitors every year. In 2016, the international projection mapping team from Singapore was invited to create a projection mapping show at the New Taipei City Government building for the first time, attracting over four million people. The event successfully helped promote tourism in New Taipei City through the unique characteristics of the festival, bringing Christmas' warm festive atmosphere to the people.

☀ Donation of the Old Seats

EVA Air continues to improve the service quality and upgrade the in-flight hardware equipment. In order to make good use of the old seats removed from the cabins, we donated 160 seats of Economy Class and 90 seats of Elite Class in 2016 to 13 schools in Taiwan for teaching purposes. Through the simulation of the cabin environment, the students are able to learn from professional aviation practice.

☀ Colored Crops Festival of Pingtung County

Pingtung County Government invited Evergreen Group to jointly hold the "2016 Colored Crops Festival of Pingtung County" in a bid to promote the tourism and agriculture in Pingtung, and further market the local characteristics of Pingtung to the whole world. The shipping company and airline of Evergreen Group joined the event together this time. The shipping containers were transformed into artistic observation decks, while the friendly aviation robot ambassador "Bravo Romeo" became the most eye-catching image in the colorful crop fields. Through this festival, the local produce in Taiwan could be promoted to the entire world!

☀ 2016 Taiwan Lantern Festival in Taoyuan

EVA Air, Evergreen Marine Corp., and Evergreen International Storage & Transport Corp. jointly sponsored the 2016 Taiwan Lantern Festival in Taoyuan in the name of "Evergreen Group." The event was the first lantern festival held in Taoyuan for the past 26 years. Taoyuan City Government invited corporations and collected resources to build an international lantern festival with six themes at Qing THSR Taoyuan Station (aka Qingpu Station). In particular, Evergreen Group designed the gigantic and joyful-looking lantern "EVERGREEN LAND," enabling visitors to feel as if they had entered an exotic, mysterious realm where they could experience diverse cultures from different countries.



5-4 Beauty of Taitung



☀ The Taiwan International Balloon Festival

In order to promote the locally featured tourism industry in Taiwan, EVA Air has continued to sponsor the Taiwan International Balloon Festival since 2016 and further expanded the range of sponsorship. We served as the exclusive sponsor of the first Taiwan International Balloon Tournament, inviting hot air balloon athletes from around the world to join the event. By presenting the Taitung east rift valley, fields, lakes, and ponds, the event helped promote the beauty of Taiwan to the whole world. EVA Air plans to continue sponsoring this event in 2017 so that this touristic event in Taiwan filled with local characteristics can be promoted throughout the world.

☀ Taitung Tea-Serving Tree and Embrace the Taste of Chihshang Rice

The "I SEE YOU" advertisement released by EVA Air in 2013 gained overnight fame for the "Tea-Serving Tree" on Brown Boulevard in Taitung. The tree has become one of the must-visit attractions in Taitung. However, the tree was struck down by the strong wind in 2014. Upon receiving the news about the tree, EVA Air immediately sought help from the Japanese tree doctor, who came to treat the "Tea-Serving Tree." [YouTube](#) In 2015, we continued to follow the recovery progress of the "Tea-Serving Tree" and look for contractors to build a cover to protect the roots from trampling damage. Meanwhile, the same professional Japanese team was once again invited to Taiwan to diagnose the problems of the tree. After the "Tea-Serving Tree" recovered, EVA Air invited the contemporary artist Yang Mao-lin to design the brand new bronze artwork "Contemplation during Rest" in an effort to continue its care for the tree and maintain the kindness and beauty represented by the tree. The artwork represents the memorable scene in the advertisement "I SEE YOU," and its healing creativity will accompany travelers in a journey of happiness. We hope that the dialogue between art creation and local scenery will enable travelers to get rid of their worries and relax, while creating a new tourism attraction in Chihshang.

EVA Air has been sponsoring the tea-serving activity under the "Tea-Serving Tree" since 2013. The event celebrated its 3rd anniversary in 2016. The tea-serving service is available in the morning and afternoon every Saturday, Sunday, and National Holidays. The event will continue in 2017, so that visitors can experience the most authentic hospitality in Taiwan.

In order to let the Taiwan-grown top-quality rice become a great addition to the in-flight cuisines, while upholding the spirit of caring for the local communities, EVA Air has particularly purchased to 7,200 kg of the award-winning rice in Chihshang, "Premium Rice," from the Chihshang Farmers' Association since 2015. The al dente, sticky, pure, and sweet Chihshang rice is added EVA Air's in-flight meals for the passengers from around the world. In addition to the introduction to Chihshang rice in the in-flight menus, the enVoyage September 2015 issue included an editorial coverage of the Chihshang rice in both English and Chinese, which described the mutual cooperation between farmers and nature along with the launch of the professional certification system that helped create this top-grade Taiwanese rice. As the passengers enjoy the Chihshang rice, they can also learn more about the efforts Taiwanese farmers put into protecting our land and cultivating good rice. To this day, the tastiness of the Chihshang rice is still flown to the whole world in EVA Air's aircraft. The rice has truly helped increase the visibility of the Chihshang rice in the world, while demonstrating the spirit of our corporate social responsibility.

☀ The Chihshang Autumn Rice Harvest Arts Festival

Sparing no effort to expand the boundaries of folk art and culture, we sponsored the annual Chihshang Autumn Rice Harvest Arts Festival in 2014 and 2016 with the hope of propelling the breathtaking Chihshang landscape onto the international stage. The event included a benefit concert that was set against the backdrop of Chihshang's paddies and featured renowned performance groups and artistes. The promotional campaign was the combined effort of Chihshang Township, Taitung County Government and members of the public. 100% of the proceeds go towards philanthropic causes.

The Chihshang Autumn Rice Harvest Arts Festival



5-5 Arts and Culture Activities

5-5-1 Support for Musical Event

As part of EVA Air's ongoing arts and culture promotional program, we continually invite excellent foreign performance groups to Taiwan to stage performances, and also have world-renowned artworks brought in for exhibitions. In so doing, Taiwanese get the opportunity to enjoy world-class arts and advance their cultural appreciation without having to travel abroad. This not only facilitates international and domestic cultural exchanges, but also helps to develop a global perspective.

Every year, internationally acclaimed musicians and performance groups are invited to perform in Taiwan. EVA Air offers our support with discount tickets and extra baggage allowance, to help the organizers cut costs and provide incentives for high-caliber artistes to stage performances on the island.

☀️ Romeo and Juliet

"*Romeo and Juliet*" is a well-known French musical which United Daily News introduced to Taiwan for the first time in 2016. EVA Air was also invited to act as the sponsor and co-organizer. Taiwanese people could see this world-class and biggest-budgeted musical in the history of France without going abroad.

5-5-2 Fostering an Excellent TV and Film Culture

Quality TV or film projects are typically labor-intensive and costly. Our long-term patronage of Taiwanese film and TV productions takes such forms as cash sponsorships, special fare tickets, transportation service discounts and sponsorships of music or film award ceremonies. By encouraging creative works of substance and depth, we hope to make a positive impact on the Taiwanese society.

☀️ The 53rd Golden Horse Awards

We attach great importance to Taiwan's film industry, and have sponsored the Golden Horse Awards for 10 consecutive years, to encourage filmmakers to continue their craft and to boost Taiwan's cinematic culture.

☀️ The 51th Radio Broadcast Golden Bell Awards

To encourage quality radio and TV productions and services, we sponsored the 2016 Radio Broadcast Golden Bell Awards organized by China Television Company.

☀️ The 27th Golden Melody Awards

We sponsored the 2016 Golden Melody Awards organized by Taiwan Television Enterprise, to encourage musical creations.

☀️ French Musical-GALA Concert

In 2016, EVA Air sponsored the "French Musical-GALA Concert" organized by UDN. The concert invited six leading stars from Notre-Dame de Paris and Romeo and Juliet to perform the best French songs and French musical songs, enabling the audience in Taiwan to bask in the rich French atmosphere.

☀️ The World of Studio Ghibli's Animation

In 2016, EVA Air sponsored the exhibition, "The World of Studio Ghibli's Animation" organized by United Daily News. The exhibition displayed scenes from nine classic animations of Studio Ghibli in Taipei, Taichung, and Kaohsiung, together with the introduction of Hayao Miyazaki's precious sketches, miniature models, and design drawings, in an effort to reconstruct the fantasy world of Studio Ghibli.

☀️ 2016 World Music Festival

EVA Air sponsored Wind Music for the 2016 World Music Festival held at Dajia Riverside Park. Apart from inviting famous singers, the event also held various activities such as music workshops, international seminars and creative markets. The festival is known as one of the most important events in the Taiwan music industry.

5-6 Athletic Sponsorships

A long-time supporter of sporting events, EVA Air sponsors Taiwanese athletes with airline tickets when they travel abroad for competitions, to alleviate their financial burden and incentivize them to earn medals for their home country in international sporting competitions. We also provide financial assistance for various sporting competitions to further contribute to Taiwan's sports community and spark interest in sporting events nationwide.

5-6-1 Contributing to Taiwan's Athletics Community

☀️ Rising Star of Badminton Tai Tzu-Ying

Tai Tzu-Ying started attending international tournaments at the age of 15. In 2011, she won the Taiwan Badminton Ranking Tournament, becoming the youngest female champion in the history of Taiwan badminton. In recent years, she continues to shine on the badminton court with her outstanding performances. Since 2015, EVA Air has become the sole airline sponsor for Tai Tzu-Ying, helping her to go abroad for tournaments and trainings. In 2016, EVA Air continued to provide sponsorship for the athlete, hoping that Tai will perform well in international sports events.



☀️ Sponsorship of Golf Players

EVA Air has sponsored many athletes every year for their trips to tournaments abroad. The excellent golf player, Pan Cheng-Tsung, is one of EVA Air's sponsored athletes. In 2014, Pan entered a Golf Grand Slam tournament as an amateur player for the third time. He has earned many impressive achievements at the international tournaments in recent years.

5-6-2 Sponsorship for Sporting Events

Year after year we sponsor sporting events of various categories to give local athletes the opportunity to accumulate competitive experience and boost Taiwan's athletic presence. Through such sponsorships, we also hope to incite nationwide enthusiasm for all types of sports and build a sound environment for nurturing future sports talents.

☀️ 2016 OEC Taipei WTA Challenger

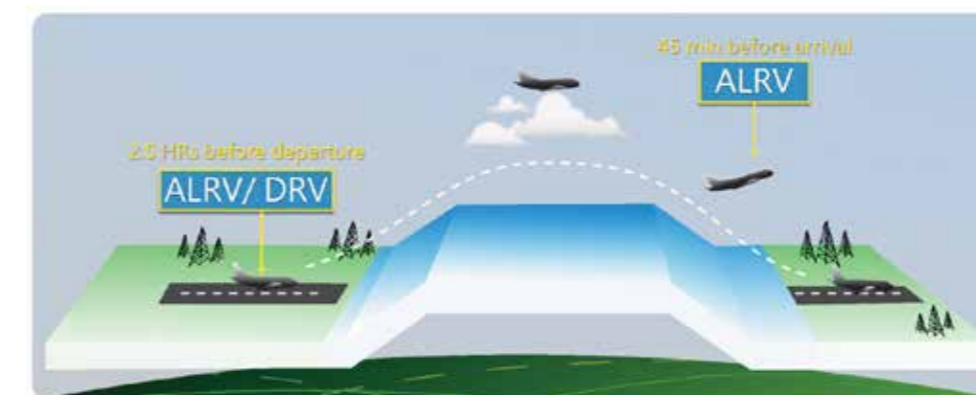
EVA Air had sponsored this sports event for three consecutive years since 2013 and was the only airline designated for the event. The annual OEC Taipei WTA Challenger is an important international WTA Tennis tournament held in Taiwan, which has attracted enormous attention from tennis fans and international professional tennis players.

5-7 Feedback to the Industry

Since 2005, EVA Air has worked with United States Naval Research Laboratory in developing the Flight Operations Risk Assessment System (FORAS). The system uses information on instant weather, crew members' experience, airport facilities, and aircraft equipment to conduct risk assessment on every flight in a bid to provide the crew with current information about the risks of the flight operations.

EVA Air has put forward the concept of FORAS in the past meetings on flight safety and shared its own practical experience, attracting tremendous attention from the industry. Since the system has matured, we plan to promote FORAS, which has been invested with a large quantity of resources during the past years, to the aviation industry across the globe. We worked with Flight Safety Foundation in 2016 to promote the system from 2017 with non-commercial methods in order to get more airlines to use this system to strengthen their flight risk management and improve their flight safety. We also plan to hold a FORAS workshop in November, 2017 and start promoting FORAS program in 2018. EVA Air will assist the airlines that join this program in building the FORAS system and implementing relevant trainings.

Schematic Diagram of FORAS Risk Assessment Timing



☀️ Tennis Players

We have been sponsoring national tennis players Chan Yung-Jan and Chan Hao-Ching with airline tickets and cash since 2008. We also provided annual sponsorships for up-and-comers, including Hsu Ching-Wen and Lu Yen-Hsun since 2012 and 2015, respectively. With EVA Air's support, talented Taiwan athletes can gain experience at international sporting events without financial worries and, by means of sports marketing, help increase Taiwan's global presence.

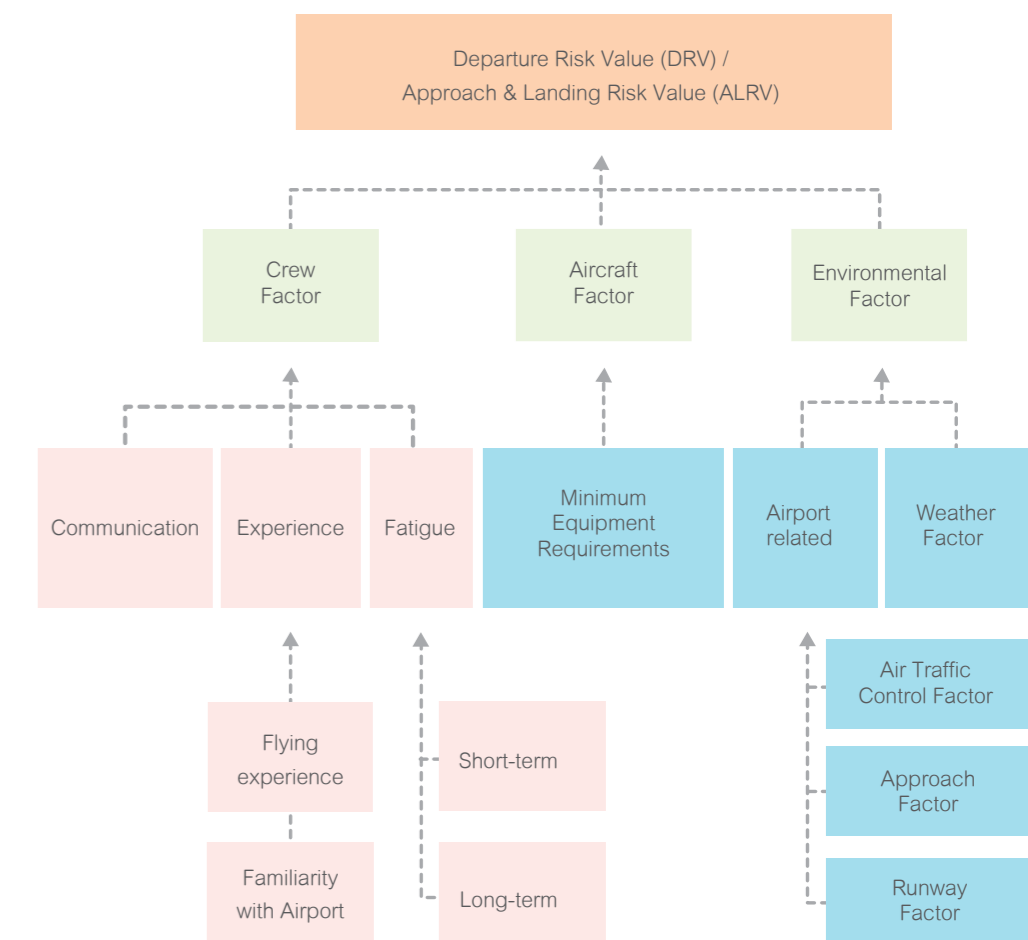
☀️ 2016 Fubon LPGA Taiwan Championship

The 2016 Fubon LPGA Taiwan Championship is one of the most important annual golf events in Taiwan. The event was sponsored by Fubon Financial, while EVA Air was officially appointed as the airline for the event, sponsoring famous athletes to come to Taiwan and making an effort to develop golf in Taiwan together.

☀️ ICRT BIKE DAY

Biking is a popular sport among Taiwanese now. In addition to encouraging people to exercise, EVA Air joined this activity to take action to protect our planet and promote energy conservation and carbon reduction.

Schematic Diagram of FORAS Parameter Structure



06 Materiality Analysis



Materiality Analysis

EVA Air's materiality analysis is divided into five steps, and the implementation contents are detailed in this Chapter.



6-1 Compilation of Sustainability Issues - Step 1

Sustainability issues were collected by EVA Air through global standards/guidelines, such as GRI (Global Reporting Initiative), UNGC (United Nations Global Compact), SDGs (Sustainable Development Goals) and ISO 26000. International assessments, such as CDP and DJSI questionnaire contents, were also included within the scope of issue compilation. Furthermore, along with the CSR Committee's professional recommendations, major aspects of the airline industry that our stakeholders from around the world are concerned about were also included in the compilation of EVA Air's 33 Sustainability Issues.




6-2 Identification of Stakeholders- Step 2

After the compilation of EVA Air's sustainability issues, the key step for materiality analysis of corporate social responsibility report is to determine the major stakeholders for communication. Through the five principles of AA1000SES:2015 (AccountAbility 1000 Stakeholder Engagement Standard: 2015) (i.e. Dependency, Responsibility, Influence, Diverse perspectives and Tension), EVA Air has identified 7 major stakeholder categories, which are in the order of importance: customers, employees, government, travel agencies or distributors, media reporters, shareholders, suppliers or contractors. For each of these 7 major stakeholders, EVA Air has established sound communication channels to collect the issues of their concern, 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.

Channels of Communication with Major Stakeholders






Stakeholder Category	e-mail or web links	Responsible Unit
Customers	http://www.evaair.com/zh-tw/contact-us-and-help/contact-us/	Customer Service Div.
Employees	evapsn@evaair.com	Human Resources Div.
Travel agencies or distributors	laurenceyang@evaair.com	Passenger Business Div.
Media	larrylai@evaair.com	Public Affairs Div.
Shareholders	http://stock.evergreen.com.tw/servlet/WUF1_ControllerServlet.do?lang=zh-TW&menu=WFT1&func=FAQ&action=VIEW_INDEX	Stocks Dept.
Suppliers or contractors	https://myb2b.evaair.com/smasb2b/default.aspx	Catering & Cabin Supply Dept. Cabin Service Div.
Violation Reporting Mailbox	evapsn@evaair.com	Human Resources Div.
Government	Each unit shall take the initiative in communicating with the relevant governmental agencies	

 Customers





Subcategory	Significance & Importance to EVA Air	Issues of Concern/ Needs & Expectations	Communication Channel	Frequency	Content	Communication Effect
Passengers 	Increase Revenue	Green product	E-survey	On demand	Customer expectation for green product	Whether or not the provision of in-flight service products meets customer expectations, so as to make improvements and increase recognition
		Feedbacks can be properly handled, and their rights and interests safeguarded.	Customer feedback from official website, telephone calls, written feedback, Branch/office, online customer satisfaction survey	On demand	Survey passengers' opinions, give subsequent responses to passengers, and make immediate improvements if defects exist. Regularly review satisfaction status. For the service item that has not reached the target value of satisfaction, the related divisions shall submit the improvements.	Increase revenue
		Service quality enhancement	Online Customer Satisfaction Survey	On demand	Survey passengers' opinions, give subsequent responses to passengers, and make immediate improvements if defects exist. Regularly review satisfaction status. For the service item that has not reached the target value of satisfaction, the related divisions shall submit the improvements.	Increase revenue
	Increase of duty-free goods revenue	Product satisfaction enhancement	Customer Service Mailbox, Customer Service Hotline	On demand	Provide product consultation, return & change service, safeguard the rights and interests of customers, and shorten the handling time.	Increase revenue
	Increase revenue	Product satisfaction enhancement	Customer Service Mailbox, Customer Service Hotline	On demand	Respond to product satisfaction, provide product consultation, return & change service, safeguard the rights and interests of customers, and shorten the handling time.	Increase revenue
	Increase revenue	Provide high quality in-flight service	E-survey, chief purser reporting system, customer service system	As needed	Assess customer feedback, adjust in-flight meal content and flavor and service products	Enhancement of customer satisfaction scores
	Members 	Members' flight frequency is higher than ordinary passengers. They contribute greatly to the Company's revenue	Members expect to have better offers when flying, more information on preferential offers, accumulating mileage for award redemption, and instant notification of benefits and its modification.	e-NEWS	Monthly	Notice of modification in members' benefits, Infinity mileageLands special offers, flight reminder and information on preferential offers from partners of EVA
Mileage Statement				The next month if member's account has any mileage credits or mileage/electronic certificate changes	Member account information, benefits modified, Infinity mileageLands special offers, preferential offers from partners of EVA	Actively inform members of about their mileage in accounts and card tiers status to improve service quality.
enVoyage inflight magazine- Infinity MileageLands				Monthly	Highlight of members' benefits or special event for members	Encourage passengers to become Infinity MileageLands members and remind members of the use of their own benefits.






Subcategory	Significance & Importance to EVA Air	Issues of Concern/ Needs & Expectations	Communication Channel	Frequency	Content	Communication Effect			
Members 	Members' flight frequency is higher than ordinary passengers. They contribute greatly to the Company's revenue	Members expect to have better offers when flying, more information on preferential offers, accumulating mileage for award redemption, and instant notification of benefits and its modification.	Single partner's electronic advertisement	As needed	Information on preferential offers from partners	Inform members of preferential offers to increase revenue.			
			EVA Air official website "Infinity MileageLands" webpage	On demand	Infinity MileageLands terms and conditions, benefits of various preferential offers	Deliver the latest messages immediately to improve service quality			
			Member Hotline, phone number and fax	On demand	Reply to every concerned FFP Program inquiry from members	Members can receive timely replies to improve service quality			
			Member activities	As needed	Invite members to concerts or special exhibitions	Maintain customer relationships, and strengthen the engagement with members.			
			Issuing & updating membership card (Membership Guide, Statement of interest, etc.)	Silver/Gold/Diamond Card: 2 years; Green Card: at the time of issuing cards	The privileges, and upgrading methods of each card tiers	Easy to identify card tiers to provide timely preferential offers.			
			Web users 	Increase revenue	Fast and convenient webpage service function	Phone numbers of various regions on the official website, Customer opinions	On demand	Function response and optimization of web pages	Enhance customer satisfaction

 Employees


Subcategory	Significance & Importance to EVA Air	Issues of Concern/ Needs & Expectations	Communication Channel	Frequency	Content	Communication Effect
Air crew 	Promotion of training equipment and availability	Meet the training needs	Face to face, e-mail, Flight Training Equipment Management System (FTEMS)	On demand	Problems encountered in courses, equipment problems	Improve equipment availability to meet the training needs
	First-line personnel and the external image of the Company.	Adjust the welfare of air crew	Face to face, e-mail, phone, flight crew seminar	On demand Quarterly	Adjustment of remuneration and welfare	The crew and the Company understand each other's needs and positions, and seek win-win solutions on the basis of mutual trust.
Cabin crew 	First-line personnel and the external image of the Company.	As for relevant suggestions or questions of service operation, the relevant departments are expected to make assessments and adjustments.	Employee Care /Suggestion Mailbox, cabin crew meeting, Chief purser meeting	As needed Once/twice a week Monthly	Deliver the Company's internal & external information, service operation advocacy, exchange views, and conduct two-way communication with relevant departments.	Make the crew understand the Company's position, and reason for taking action or not taking action.
					Questions or suggestions raised by crew members shall be evaluated and examined by the responsible department and the crew informed whether or not they are feasible..	Make the Company understand the needs of its crew and make adjustments acceptable by both sides, even under the condition of making profit, so that progress can be achieved jointly.
Cabin crew, ground staff 	Assist in the sales of duty-free commodities	Employee welfare, customer satisfaction enhancement	Internal meeting	Regularly	Offer rewards for sales	Increase revenue
Ground staff 	Maintain the Company's operation	Business policy of the Company	Department meeting	Monthly	Arrange and convey the Company's business direction and major policies	Understand the Company's operating policy, work together to achieve goals and create revenue.
All employees 	Maintain the Company's operation	Employee welfare	Employee Welfare Committee	At least three times a year	Subsidy adjustments and distribution of employee welfare coupons	Enhance employee welfare to boost work morale.
		Working condition	Labor-management meeting	Quarterly	Annual calendar & working condition	Promote harmonious labor - management relations
		Sexual harassment and dishonest behavior in the workplace	Grievance hotline or mailbox	On demand	Conduct relevant investigation on grievance	Create a working environment for gender equality, implement an ethical management policy, and create a sustainable business environment.
		Safe and healthy working environment	Occupational Safety & Health Committee Meeting Investigation report on occupational accident Education and Training Internal webpage announcement Electronic bulletin	Quarterly 12 copies/month As needed	Discussion of safety & health policy and issues Reporting on occupational accident Occupational safety and health education & training Safety and health information bulletin Safety and health information bulletin	Reflect on and grasp the health and safety of employees in a timely manner

 Government




Subcategory	Significance & Importance to EVA Air	Issues of Concern/ Needs & Expectations	Communication Channel	Frequency	Content	Communication Effect
EU: Emission Trading Scheme U.K. Environment Agency 	Competent authorities	To declare the greenhouse gas emissions in the EU regularly and release carbon emission allowance	Website declaration	Annually	Declared emission in 2016: 52,482 MT	Meet the EU standards and enhance the Company's competitiveness.
IATA 	Competent authorities	Exchange of aviation environment information	Meeting	As needed	Exchange of related aviation environment information and notification of national environmental regulations and standards	Meeting material
CAA 	Supervise the Company's safety management system to ensure the implementation of risk analysis and management.	To accept the CAA's audit of the safety management system	Official document, phone, e-mail, taking the initiative to visit	As needed	Received the CAA's audit on Nov. 17, 2016	To strengthen the Company's safety management system according to the regulations and audit requirements
	Competent authorities	Reduce noise and greenhouse gas emissions	Meeting, official document	As needed	Continue to abide by relevant regulations	With the introduction of aircraft equipped with the latest technology, noise pollution and greenhouse gas emissions are reduced.
	Competent authorities	Conform to, and abide by, relevant laws & regulations	Official document, phone	As needed	Provide the required statistical data on time	Make the Company get high scores in the rating of traffic rights distribution to facilitate the subsequent traffic rights distribution.
Customs of the ROC 	Provide customs clearance service and standards for cargo import, export and transshipment, and examine and verify the Authorized Economic Operator (AEO) qualification of the Company.	Cooperate with the implementation of imported cargo customs clearance in advance	Official document, phone, taking the initiative to visit	As needed	Cooperate with the implementation formally on July 1, 2016	Taiwan import goods declaration for customs clearance proceeds smoothly.
National Communications Commission (NCC) 	The only channel for application for radio service	The examination of the telecommunication control radio frequency equipment to verify that it is qualified, and the type approval and conformity certification and the approval of radio channel application are done expeditiously.	Telephone communication Official document	As per business need Daily Monthly Quarterly Semi-annually	Check whether the channel license expires (3 years)	The radio frequency equipment conforms to the standard and the channel application process is smooth.
Bureau of Energy (BOE) 	Competent authorities	More than 1% of energy is saved every year	Energy declaration	Annually	Power-saving rate of 1.69% was estimated in the declaration in 2016.	Reduce the Company's energy expenditure and enhance the corporate image.
Bureau of Labor Insurance (BLI) & Bureau of National Health Insurance (BNHI) 	Provide the basis for the formulation and implementation of laws and regulations and management measures related to labor insurance and health insurance.	Implement insurance matters according to the relevant regulations to safeguard the rights and interests of both the employer and workers.	Telephone counseling, official document	necessary As needed	The way of handling labor insurance and health insurance conforms to regulations.	Safeguard the rights and interests of both the employer and workers.

Subcategory	Significance & Importance to EVA Air	Issues of Concern/ Needs & Expectations	Communication Channel	Frequency	Content	Communication Effect
BLI 	Unit that the application for labor insurance against occupational accidents is made to	No occurrence of occupational accidents	Official document	As needed	Provide occupational accident case data	Assist in the identification of occupational accident cases
Ministry of Labor (MOL) and local competent authorities 	Provide the basis for the formulation and implementation of relevant laws and regulations and management measures.	Formulate working rules and contracts according to the relevant regulations to safeguard the rights and interests of both the employer and workers.	Telephone counseling, official document	As needed	Relevant documents conform to regulations. Professionals respond to labor-related questions to clarify the legitimacy of the operation.	Safeguard the rights and interests of both the employer and workers
Office of Labor Inspection, Taoyuan 	Competent authority for labor inspection	Establish safe and healthy workplace	Official letter (labor inspection)	As needed	Defects of labor inspection	Completed in compliance with occupational safety and health regulations
Taoyuan Fire Department 	Highest guidance on safety reporting	Meet fire protection standards, high quality fire-fighting equipment is used for emergency rescue, disaster prevention and control and fire prevention to provide the employees with the safest working environment.	Telephone contact Taking the initiative to visit Periodic inspection	As per business need Monthly Semi-annually	Mechanical and electrical personnel attend vocational training; actively participate in fire-fighting lectures; take the initiative to broaden their fire-fighting knowledge via exchanges with the fire department; and check whether the equipment has expired or not according to regulations.	Improve the awareness and concept of the staff in fire-fighting, and establish disaster prevention system and disaster prevention capacity.
MOL Labor Inspection 	Competent authority for labor inspection	Establish safe and healthy workplace	Network (occupational accident reporting) Official letter (labor inspection)	Monthly As needed	Reporting of occupational accidents through monthly statement Reporting of major occupational accidents Defects of labor inspection	Completed in compliance with occupational safety and health regulations

Travel Agencies or Distributors

Subcategory	Significance & Importance to EVA Air	Issues of Concern/ Needs & Expectations	Communication Channel	Frequency	Content	Communication Effect
Travel Agencies 	Sell flight seats and provide services like reservation and ticket issuing related to travel	Flight safety, personal data, service quality	Telephone, meeting, e-mail	As needed	Excellent flight safety records and services	To maintain good relations of cooperation and create revenue

Media Reporters










Subcategory	Significance & Importance to EVA Air	Issues of Concern/ Needs & Expectations	Communication Channel	Frequency	Content	Communication Effect
Electronic/Print Media 	Report related news of the Company	Methods of handling unusual incidents, business performance of the Company	Telephone counseling, e-mail, press conference	As needed	About questions raised by media, the information checked internally will be summarized and announced by the spokesman	Ensure the truthfulness of media reports. In case of untrue reports, request the media to make corrections at the first moment so as to establish a positive image of the Company.
Advertising Agency 	Promote the Company's positive image and product information	The Company's future long-term plan and short-term promotion messages	Telephone counseling, e-mail, interview	As per business need	The Company's promotional messages, new product information (new route or service)	The most effective approach is to be adaptive, depending on the need for advertising, the exposure is expected to have the maximum reach in return, and to conclude a final report follow-up.
Social Media 	Promote the Company's positive image and product information	New services or new routes launched by the Company	Information about the products and activities is shared on the Company's social network or platforms, bloggers are invited to elaborate the effectiveness by sharing their actual experiences.	As needed	The Company's promotional messages, new product information (new route or service)	Through the contents shared on the social networking site or platform of the Company, it is hoped that more internet friends are attracted to pay attention. The experience shared by bloggers can be further shared by fans to achieve publicity results.









Shareholders

Subcategory	Significance & Importance to EVA Air	Issues of Concern/ Needs & Expectations	Communication Channel	Frequency	Content	Communication Effect
Individuals and legal persons 	Shareholders of the Company have the right to attend the Shareholders' Meeting and the right to vote.	Create shareholder value and distribute dividends	Shareholders' Meeting Institutional investors' conference	Once a year Once every 3 years	Report operation status, circumstances concerning directors and supervisors attending the Board meeting, dividend policy, reinvestment benefit, budgeting, etc.	Announce or reply relevant information to investors according to regulations and the demand of investors to establish good communication.
		Create shareholder value and distribute dividends	Shareholder Hotline & Mailbox Investor information website	On demand On demand	Contents of responses to questions from investors about the Company's business performance and financial condition.	Announce or reply relevant information to investors according to regulations and the demand of investors to establish good communication.

Suppliers or Contractors

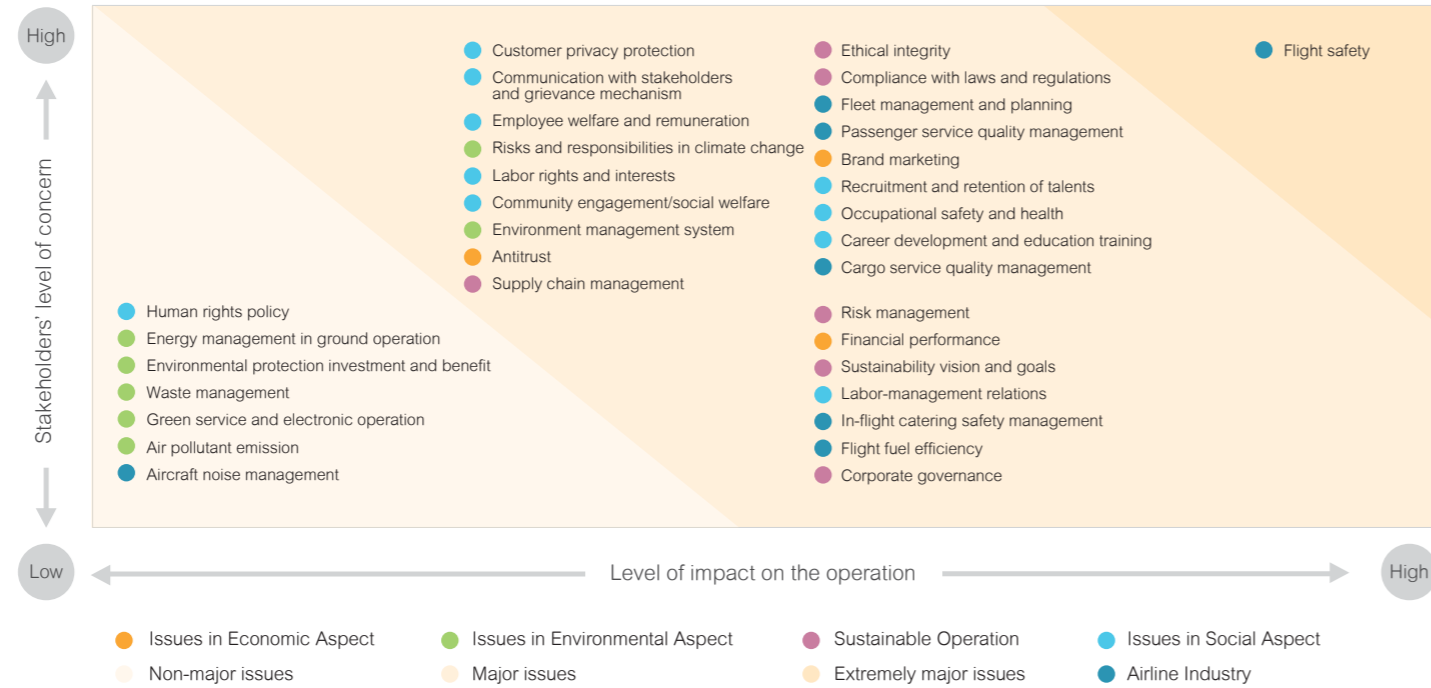
Subcategory	Significance & Importance to EVA Air	Issues of Concern/ Needs & Expectations	Communication Channel	Frequency	Content	Communication Effect
CAE, L3, TFC 	Improvement of training equipment and availability	Improve equipment availability to meet the training needs	E-mail, Telephone	Anytime	Equipment problems, spare parts support, system upgrading	Improve equipment availability to meet the training needs
Training equipment suppliers 	Provide products of greater characteristics, and in-flight meals of greater topicality and diversity to attract more passengers to take the Company's flights and increase revenue.	Open and transparent procurement channels and information	Order form, Telephone, E-mail	Daily	Procurement documents, procurement information communication	Product quality and punctual delivery of incoming products
Cabin service supplies manufacturing 	Provide passengers with articles for in-flight use	Open and transparent procurement channels and information	Order form, Telephone, E-mail	Daily	Procurement documents, procurement information communication	Product quality and punctual delivery of incoming products
Airport company 	Formulate airport noise charging standards and collect fees	Noise prevention	Meeting, official document	As needed	Provide specifications and standards related to aircraft noise levels	Understand the difference in noise charging standards of various airports and related laws and regulations
	Maintain the operation of the Company	Compliance with laws and regulations, noise prevention	Charging bills	As needed	Provide specifications and standards related to aircraft noise levels to comply with regulations	Enhance environmental protection performance
Flight Training School 	Train flight cadets	Complete the training as scheduled according to the contract plan	E-mail, Telephone	As needed, anytime	Improve problems encountered in the training schedule and students' learning problems.	Increase training capacity and adjust training cycle
American Institute in Taiwan 	The competent authority where cabin crew applies for the USA entry visas	Obtain USA visas to facilitate cabin crew to enter the USA to perform the duty	Telephone counseling interview	As needed As needed Once or twice a month	Professionals and officials respond to questions related to visas to clarify the process of operation.	Allow cabin crew to obtain visas on time and enter and leave the USA smoothly.
Cabin service supplies distributors 	Provide passengers with articles for in-flight use	Open and transparent procurement channels and information	Order form, Telephone, E-mail	Daily	Procurement documents, procurement information communication	Product quality and punctual delivery of incoming products
Manufacturers and agents of in-flight duty-free commodities 	Increase revenue of duty-free commodities	The products provided by manufacturers have sales potential and stable supply status	E-mail, meeting, telephone, order, contract	As needed	Propose products with potential, sufficient lead time is given to orders.	Increase revenue

Subcategory	Significance & Importance to EVA Air	Issues of Concern/ Needs & Expectations	Communication Channel	Frequency	Content	Communication Effect
Cooperative partners of various categories 	Provide products for sales, increase e-purchase revenue	The products provided by manufacturers have the potential to increase turnover	E-mail, meeting, telephone	As needed	Propose products with potential, give sufficient lead time for orders.	Increase revenue
Fuel suppliers 	Provide stable, qualified and competitively-priced aviation fuel to ensure the normal operation of the aircraft and the competitiveness of airfares	Fuel use condition	Visit, e-mail, telephone, international conference	As needed	Fuel requirement for new airports and operating airports, fleet planning, invoice errors, payment status, account checking	Reduce fuel costs
Taiwan Power Company 	Supply electricity to maintain the operation of the Company.	Use electricity reasonably	Telephone, official document, bill, website	As needed	Electricity consumption of the company	Know the electricity consumption of the company, monitor abnormal conditions to reduce operational risks.
Taiwan Water Corporation 	Supply water to maintain the operation of the Company.	Use water reasonably	Telephone, official document, bill, website	As needed	Water consumption of the company	Know the water consumption of the company, monitor abnormal conditions to reduce operational risks.
Ground service agents 	Provide air cargo storage service	Know the quality and safety requirements of freight operations, and in case of violation, report immediately	Telephone, e-mail, coordination meeting, visit	As needed	Any operations not meeting the requirements shall be reported immediately, and improvement is required	Manufacturers with good improvement results and excellent performance that have received the AEO certificate issued by the Ministry of Finance show that the Company has practiced strict voluntary management in the safe operation of the supply chain.
	Perform ground service at the station	Increase agency fees	Telephone, e-mail	As needed	Check the service quality and price index and negotiate	Both parties reach an agreement
Outsourcing business of aircraft maintenance ground service agency 	Flight safety and quality assurance	Adjustment of aircraft maintenance work pricing	Telephone, e-mail International Airlines Technical Pool (IATP) meeting business visit	Quarterly Annually Semi-annually	Evaluate a price increase is reasonable based on the market value, the number of flights and the consumer index price (CPI) of maintenance agency site.	Reach consensus through negotiation, agree on pricing adjustment as well as communicate and review the agency service quality to maintain good relationships between both parties.
Freight forwarders 	Air cargo transport income accounts for a certain proportion of the Company's overall revenues, and its growth/decrease and profit/loss have a considerable impact on the Company's overall profits.	Conduct global air cargo sales and marketing, revenue management, capacity planning and control to achieve the cargo revenue target	Official document, telephone, e-mail, visit	As needed	Conduct global air cargo market and marketing management, revenue management and forecast, capacity planning and control, and freighter fleet planning	Increase revenue
Transportation contracting 	Responsible for the safe commuting protection of a majority of the employees.	Flight crew and ground crew arrive at their workplaces on time daily in order not to delay their official business and serving the customers.	Have regular meetings Semiannual vehicle inspection and fire drill Irregularly check tire pressure, vehicle license and driver's license. Play the short film on rescuing advocacy every day. Irregularly made announcements on internal riding basic advocacy.	As per business need Daily Monthly Quarterly	Subcontractors are assessed annually and the record of the vehicle condition shall be kept for 7 years. Play the short film on emergency rescue on the vehicle.	Ensure the employees' riding safety
Aircraft maintenance spare parts suppliers 	Materials and parts are purchased at market competitive prices to control maintenance costs and ensure the quality and safety of aircraft maintenance.	Explanation sessions about the procurement policy are held regularly so that our future procurement plan can be understood. When procurement requirements are put forward, the requirements of the product can be explained in detail (e.g. necessary documents to be provided when delivering the product). Payment is made on time to avoid delays in the delivery time which may result in the interest losses of both parties.	Telephone, e-mail Discussions between both parties in meetings Routine business visits Visit manufacturers Purchase order, purchase contract International Airlines Technical Pool (IATP) meeting	Daily Once every 1 or 2 year(s) Once every 3-6 months Once every 1-3 year(s) Daily Once every 1-2 year(s) Annually	Exchange market information with suppliers through routine business visits. The Company selects qualified suppliers according to the examination and verification system of suppliers. The financial management system of manufacturers developed by the Company can confirm the payment status regularly to ensure smooth payment operation. As the Company makes payment according to the terms of payment stipulated in the contract or application documents, suppliers can concentrate on the preparation of materials and on time delivery.	Both parties communicate with each other directly face to face about preparation of materials for maintenance, purchase price, quality and delivery time to provide the suppliers with purchasing information more effectively. This can effectively avoid the situation that the product documentation does not meet the requirements when the supplier makes delivery, and it can make the procurement process proceed more smoothly. As the Company makes payment according to the terms of payment stipulated in the contract or application documents, suppliers can concentrate on the preparation of materials and on time delivery.

Subcategory	Significance & Importance to EVA Air	Issues of Concern/ Needs & Expectations	Communication Channel	Frequency	Content	Communication Effect
Mechanical and electrical maintenance contracting 	Maintain power supply and safety of related machinery and equipment in the Park to maintain the normal operation of the staff at work.	Comply with the regulations on power consumption of the Bureau of Energy, never fail to abide by the standards on regular maintenance of elevators and machinery of Ministry of Labor and the Construction and Planning Agency, with no power failure and safety as the highest standard.	Receive the reports of regular inspectors from public units Internal review meetings are held regularly Participate in the mechanical and electrical training camps	On demand		Subcontractors are assessed every year; coordinate with the government on energy-saving measures and follow the Company's requirements to improve the efficiency. Enhance the operation efficiency of the related electrical and mechanical facilities in the Park
Weak-current communication contracting 	Maintain and coordinate the pipeline equipment to communicate with customers with revenue in mind	The communication equipment should maintain clear sound effect and ensure optimal sound quality and smooth telephone traffic.	Carry out customer satisfaction survey and telecommunication exchanges with Chunghwa Telecom and Taiwan Mobile; sound effect equipment is added to maintain the best sound quality.	On demand		Subcontractors are assessed every year. Phone digital upgrade function improves work efficiency and maintains the best sound effect without noise. Enhance the operation efficiency of the communication equipment in the Park
Information software and hardware procurement 	Coordinating manufacturers providing hardware and software service in information operation	Understand the Company's business needs to seek business cooperation . Understand the status of the business implementation and coordinate business cooperation.	Telephone business meeting business visit	As needed As needed As per business need Quarterly to once every six months		The Company has a strict supplier selection system, which is open and transparent . The coordination of various businesses is controlled in an orderly manner according to the project management operating procedures. The communication is smooth and active, and a good relationship is maintained.
Construction engineering repairs 	Renovation of exterior and new buildings to show the new era of EVA Air.	The projects are carried out smoothly and completed on time; besides energy conservation and carbon reduction, the projects widely adopt energy efficient devices to show a good image of the Company.	Fill out the Hazard Notification Form Meetings are held monthly . Markings of danger and signs of protection warning are posted at the construction site, specially - assigned persons are provided along the traffic routes in the construction area to safeguard personnel safety.	According to the requirements of the design period of the building		Subcontractors are assessed every year. In response to environmental protection and energy conservation, green environmental protection materials are selected. For example: exterior wall aluminum plate insulation, LED lighting . Completely support and cooperate in compliance with the occupational safety and health regulations. The repair project is completed as per the schedule and quality
Engineering contractors 	Various outsourcing projects of contracting companies	The projects are carried out smoothly, and no disasters and accidents have occurred.	Expand the agreement and organize meetings Automatic inspection and patrol Notification of occupational accidents and near -miss events	Monthly Weekly Annually		Hold organizational meetings to discuss various items for attention concerning safety and health . Implement patrol and inspection and automatic check, notification of occupational accidents and near -miss events. Implement the contracting operation according to occupational safety and health regulations
Fixed-term contract contractors 	Fixed-term outsourcing businesses of contracting companies	The businesses are carried out smoothly, and no disasters and accidents have occurred.	Organize meetings Automatic inspection and patrol Notification of occupational accidents and near -miss events	Monthly Weekly Annually		Hold organizational meetings to discuss various items for attention concerning the safety and health. Implement patrol and inspection and automatic check, notification of occupational accidents and near -miss events. Implement the contracting operation according to occupational safety and health regulations
Cleaning companies 	Maintenance of clean environment	Compliance with laws and regulations, environmental protection	Charging bills	Monthly		Understand service processes, whether the waste disposal conforms to the regulations. Enhance environmental protection performance
Cleaning contractors 	Maintenance of clean environment	It is required that cleaning projects follow procedures and standards, and that the tools are really clean. Recycling companies need to have permits issued by the government.	Customer satisfaction survey. Issue triplicate form according to the regulations of the Department of Environmental Protection to detect environmental waste amount, and implement the reduction plan. Irregular inspections are made, and meetings are held for communication. Internal official documents are released to convey the correct concepts.	On demand		Subcontractors are assessed every year. Advocate environmental protection concept, and cooperate with the energy-saving plan of the Corporate Safety, Security & Environment Div. The cleaning and maintenance work in the Park is carried out according to the regulations, and employees are provided with clean and healthy working environment.

6-3 Determine Material Issues and Material Aspects – Step 3

EVA Air determines the material issues to be disclosed in this report by conducting “Stakeholders’ level of concern” and “Level of impact on the Company’s operations” matrix analysis. Therefore, EVA Air conduct questionnaire surveys so as to understand the Stakeholders’ level of concern on material issues. Stakeholders can tick one of 5 levels from “Very Concerned” to “No Concern” for various issues; during the survey period from December 15, 2016 to January 6, 2017, a total of 231 questionnaires were collected. In addition to the analysis of the Stakeholders’ level of concern on sustainability issues, 37 members of the CSR Committee 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 of various issues on the Company’s sustainable operations with 5 levels. According to the results of the two surveys, a Materiality Matrix Diagram was drawn, and through evaluation among members of the CSR Committee, 25 major issues and 1 extremely major issue were finally selected; these correspond to 33 material aspects of GRI G4, including 4 economic aspects, 6 environmental aspects, and 23 social aspects. Confirmed by members of the CSR Committee, the connection between these major issues and EVA Air’s operations and their importance have been identified, including revenue increase, cost reduction, brand trust uplift, decrease of reputation risk and increased cohesiveness of employees.








Material Issues	Material Aspects	Corresponding GRI G4 Aspects	Significance to the Company & Connection with Operations				
			Increase revenue	Reduce cost	Uplift brand trust	Reduce reputation risk	Increase Employee cohesiveness
Sustainable Operations	Sustainability vision and goals	Investment, anti-corruption, public policy, anti-competitive practices, social regulation compliance	●	●	●	●	●
	Corporate governance		●		●	●	●
	Ethical integrity				●	●	
	Compliance with laws and regulations				●	●	●
	Risk management			●	●	●	
	Supply chain management	Procurement practices, supplier environmental assessment, supplier assessment for labor practices, supplier human rights assessment, supplier social impact assessment, freedom of association and collective bargaining, child labor, forced and compulsory labor		●		●	
Airline Industry	Flight safety	Customer health and safety, product and service labeling, marketing communications, customer privacy, compliance of product responsibility	●		●	●	●
	Aviation fuel efficiency			●			
	Fleet management and planning		●	●	●		
	In-flight catering safety management				●	●	
	Passenger service quality management		●	●	●	●	
	Cargo service quality management		●	●	●	●	
	Customer privacy protection				●		






Material Issues	Material Aspects	Corresponding GRI G4 Aspects	Significance to the Company & Connection with Operations				
			Increase revenue	Reduce cost	Uplift brand trust	Reduce reputation risk	Increase Employee cohesiveness
Economic Aspect	Financial performance	Economic performance	●	●			
	Antitrust	Anti-competitive practices			●	●	
	Brand marketing	Product and service labeling, marketing communications, compliance of product responsibility	●		●		●
Environmental Aspect	Environmental management system	Energy, emissions, products and services, compliance of environmental regulations, environmental grievance mechanisms			●	●	
	Risk and responsibilities in climate change				●	●	
Social Aspect	Occupational safety and health	Indirect economic impacts, economic performance, market presence, labor/management relations, occupational health and safety, training and education, diversity and equal opportunity, equal remuneration for women and men, labor practices grievance mechanisms, social impact grievance mechanisms				●	●
	Labor-management relations					●	●
	Labor rights and interests					●	●
	Career development and education training						●
	Welfare and remuneration						●
	Recruitment and retention						●
	Community participation/social welfare					●	
	Communication with stakeholders and grievance mechanism		Environmental grievance mechanisms, labor practices grievance mechanisms, human rights grievance mechanisms, social impact grievance mechanisms			●	●


6-4 Define Boundaries of Disclosure on Major Material Aspects and Management Approach – Step 4

The selected 33 material aspects have been evaluated one by one by the members of the CSR Committee to identify the positions of each issue impacting the entities inside the organization (EVA Air and subsidiaries) and in the value chain outside the organization (suppliers, contractors, customers). In connection with the impact that occurs in EVA Air, this Report describes the management system, coping measures and performance results in various sections; as for the impact that occurs within the subsidiaries of the organization and on the value chain, the management practices of EVA Air are mainly introduced.

Aspect	Entity Name	Entity in the Organization					Value chain outside of the organization													
		EVA Air	EGAS	EGAP	EGAT	EGSC	EGAC	Aircraft Mfg	Aeroengine Mfg	Ground equipment Mfg	Aircraft leasing	Petroleum	Aircraft maintenance	Ground service	Passenger/cargo transport	Sky catering	Cargo contracting	Express delivery	Travel agencies	General public
Economic Aspect	Economic Performance	●			●				●					●					●	
	Market Presence	●																		
	Indirect Economic Impacts	●																		
Environmental Aspect	Procurement Practices	●			●															
	Energy	●																		
	Emissions	●							●				●							

Aspect	Material Aspect	Entity Name	Entity in the Organization					Value chain outside of the organization													
			Subsidiary					Supplier				Contractor				Customer					
			EVA Air	EGAS	EGAP	EGAT	EGSC	EGAC	Aircraft Mfg	Aeroengine Mfg	Ground equipment Mfg	Aircraft leasing	Petroleum	Aircraft maintenance	Ground service	Passenger/cargo transport	Sky catering	Cargo contracting	Express delivery	Travel agencies	General public
Environmental Aspect 	Products And Services	●			●				●												
	Compliance with laws and regulations	●			●																
	Supplier Environmental Assessment	●																			
	Environmental Grievance Mechanisms	●																			
	Labor/Management Relations	●			●															●	
	Occupational Health And Safety	●			●				●											●	
	Training And Education	●			●				●											●	
Social – Labor Practices and Decent Work 	Diversity And Equal Opportunity	●																			
	Equal Remuneration For Women And Men	●																			
	Supplier Assessment For Labor Practices	●																			
	Labor Practices Grievance Mechanisms	●																			
	Freedom Of Association & Collective Bargaining	●																			
	Forced / Compulsory Labor	●																			
	Supplier Human Rights Assessment	●																			
Social – Human Rights and the Society 	Human rights Grievance	●																			
	Local Community	●			●			●												●	
	Anti-Corruption	●																			
	Public Policy	●																			
Social - Social 	Anti-Competitive Practices	●																		●	
	Compliance With Law And Regulations	●			●			●												●	
	Supplier Social Impact	●																			
	Social Impact Grievance Mechanism	●																			
Social – Product Responsibility 	Customer Health And Safety	●			●			●												●	
	Product And Service Labeling	●			●			●												●	
	Marketing Communications	●																		●	
	Customer Privacy	●																		●	
	Compliance with laws and regulations	●			●			●												●	

Category	Material Aspect	CSR sub-Committee	Disclosure on Management Approach	Corresponding Chapter	Heading	Page
Economic Aspect 	Economic Performance	Operation Management	The financial data disclosed by the business performance refer to the data of financial reports audited by CPA, which are prepared by the Company by adopting International Financial Reporting Standards over the years.	7-3	Business Performance	103
	Market Presence	Employee Welfare	Job opportunities are given to local residents first to promote local employment and economic development.	3-1	Appointment and Retention of Talent	44
	Indirect Economic Impact	Community Engagement	Adhere to the philosophy of the founder to give back to society, invest resources to support disadvantaged groups, blend into the life of community residents, and sponsor public welfare activities in the long run.	5-2 5-3	Charitable Contribution Giving Back to Local Communities	74 74
Environmental Aspect 	Procurement Practices	Supply Chain	The Purchasing Department performs the procurement practices according to the "Procurement Operating Procedures."	-	Sustainable Procurement Management	10
	Energy	Sustainable Environment	ISO 50001 is introduced for energy inventory, and the company has passed the examination.	4-2	Climate Change Responsibility and Response	66
	Emissions	Sustainable Environment	ISO 14064-1 is introduced for GHG inventory, and the company has passed the verification in 2016; in addition, the fuel conservation and emission reduction program is implemented through the fuel conservation task force under the Sustainable Environment Promotion Sub-Committee.	4-2	Climate Change Responsibility and Response	66
	Products And Services	Sustainable Environment	To implement green purchasing and electronic operation.	2-2	Innovative Services	32
	Compliance With Laws And Regulations	Sustainable Environment	The external and internal audits of ISO 14001 are introduced, and the company has passed the verification each year.	4-1	Environment and Energy Management	63
	Supplier Environmental Assessment	Supply Chain	ISO 14001 is regarded as a reference condition for screening new suppliers.	-	Sustainable Procurement Management	10
	Environmental Grievance Mechanisms	Sustainable Environment	Establish a mailbox for reporting environmental issues, and track communication effectiveness.	4-1	Environment and Energy Management	63
	Labor /Management Relations	Employee Welfare	Labor-management meetings and department meetings are held regularly to communicate with employees, and irregularly held interviews show care for employees.	3-1	Appointment and Retention of Talent	44
	Occupation Health And Safety	Employee Welfare	Meetings of the "Occupational Safety and Health Committee" are held quarterly; they are responsible for reviewing, coordinating and recommending matters related to safety and health. The Company has special announcements on its website, and advocates the information related to occupational safety and health.	3-3	Workplace Safety	58
Social – Labor Practices and Decent Work 	Training And Education	Employee Welfare	Air and ground service training courses are planned to improve the technical skills of the staff according to various professional requirements and related regulations.	3-2	Employee Education and Training	55
	Diversity And Equal Opportunity	Employee Welfare	Through open recruiting channels, the Company provides employment opportunities to local residents in various places and employs disadvantaged groups in due time to provide equal and friendly working environment.	3-1	Appointment and Retention of Talent	44
	Equal Remuneration For Women And Men	Employee Welfare	Abide by local labor laws and regulations at various operating places; male and female employees enjoy equal pay at the same posts.	3-1	Appointment and Retention of Talent	44
	Supplier Assessment For Labor Practices	Supply Chain	SA 8000 and OHSAS 18001 are adopted as a reference condition for screening new suppliers.	-	Sustainable Procurement Management	10
	Labor Practices Grievance Mechanisms	Employee Welfare	Besides labor-management meetings, electronic Mailboxes for Reporting Grievances and Opinions are set up for the employees.	3-1	Appointment and Retention of Talent	44
	Freedom Of Association & Collective Bargaining	Employee Welfare	Labor-management meetings are held regularly and employees are communicated and negotiated with irregularly.	3-1	Appointment and Retention of Talent	44
	Forced / Compulsory Labor	Employee Welfare	Working hours are inspected regularly so that manpower can be used effectively and reasonably.	3-1	Appointment and Retention of Talent	44
Social – Human Rights and the Society 	Supplier Human Rights Assessment	Supply Chain	SA8000 is adopted as a reference condition for screening new suppliers.	-	Sustainable Procurement Management	10
	Human Rights Grievance Mechanisms	Employee Welfare	Besides labor-management meetings, an electronic Mailbox for Reporting Grievances and a Mailbox for Violation Reporting are also set up.	3-1	Appointment and Retention of Talent	44
	Local Community	Community Engagement	Adhere to the philosophy of the founder to give back to society, invest resources to support disadvantaged groups, blend into the life of community residents, and sponsor public welfare activities in the long run.	5-3	Giving Back to Local Communities	75
	Anti-Corruption	Operation Management	Auditing Div. examined 24 stations with regard to anti -corruption issues from 2011 to 2016, and no corruption cases were found; the anti -corruption examination ratio was 89%.	7-2	Ethical Management	100
Social - Social 	Public Policy	Operation Management	Various social welfare donations are made every year, but there is no political contribution.		N/A	
	Anti-Competitive Practices	Operation Management	"Antitrust Law Compliance Guidelines" have been formulated, announced to the entire staff, and posted on the internal website of the Company. Global employees have been advocated to abide by the Guidelines, which have been integrated into the education & training courses of new recruits.	7-2	Ethical Management	100

Category	Material Aspect	CSR sub-Committee	Disclosure on Management Approach	Corresponding Chapter	Heading	Page
Social - Social 	Compliance With Laws And Regulations	Operation Management	"Internal Control System of EVA Air" and "Internal Audit Implementation Rules of EVA Air" have been formulated as the basis of internal audit.	7-2	Ethical Management	100
	Supplier Social Impact Assessment	Supply Chain	SA8000 is adopted as a reference condition for screening new suppliers.	-	Sustainable Procurement Management	10
	Social Impact Grievance Mechanism	Operation Management	A Mailbox is provided for stakeholders to file complaints about relevant problems	6-2	Identification of Stakeholders	82
Social – Product Responsibility 	Customer Health And Safety	Operation Management	A cross-departmental "Safety Promotion Committee" has been established directly under the President with the purpose of continuously improving flight safety.	1-1	EVA Air Safety Management System	19
	Product And Service Labeling	Service Quality	To safeguard the rights, interests and health of passengers, passenger transport products and services provided by EVA Air all comply with government decrees and regulations.	2-2 2-3 2-4	Innovative Services Customer Relationship Cargo Service	32 40 41
	Marketing Communications	Service Quality	These products and services have been authorized to register according to decrees and regulations, and approved by the CAA, MOTC, ROC.	7-2	Ethical Management	100
	Customer Privacy	Service Quality	Information on data collection, use and privacy protection and security statement is all specified in the "Privacy Protection and Web Security Statement" on the website of EVA Air.	2-3	Customer Relationship	40
	Compliance With Laws And Regulations	Service Quality	Passenger and cargo transport products and services provided by EVA Air all comply with government decrees and regulations.	7-2	Ethical Management	100

6-5 Material Issues and United Nations Sustainable Development Goals – Step 5

EVA Air's pursuit of sustainable development is not only limited to the operating performance of the Company itself, but also hopes that it can gradually advance toward the goal of consistency hand in hand with the world through linking the relevant information disclosure of GRI, corporate sustainability and SDGs. While managing material issues and setting goals, EVA Air has abided by the five steps (Understanding the SDGs, Defining priorities, Setting goals, integrating, Reporting & communicating) of SDG Compass established by UNGC, WBCSD and GRI, and integrated the global sustainable development vision into the core strategy of the Company's development.

Category-Subcategory	Material Aspect	Corresponding 17 Goals of SDGs	Coping Approaches of EVA Air						Corresponding Chapter	Heading	Page
			Risk Assessment	Management policy	Performance Index	Setting Goals	Monitoring Records	No Practice Yet			
Economic Aspect 	Economic Performance	SDG8: Economic growth and decent work	V	V		V	V		7-3	Business Performance	103
	Market Presence	SDG5: Gender equality SDG8: Economic growth and decent work		V					3-1	Appointment and Retention of Talent	44
	Indirect Economic Impacts	SDG3: Good health and social well -being		V					5-2 5-3	Charitable Contribution Giving Back to Local Communities	74 75
Environmental Aspect 	Procurement Practices	SDG12: Ensure sustainable consumption and production patterns	V	V			V		-	Sustainable Procurement Management	10
	Energy	SDG13: Climate change	V	V	V	V	V		4-2	Climate Change Responsibility and Response	66
	Emissions	SDG13: Climate change	V	V			V		4-2	Climate Change Responsibility and Response	66
	Products And Services	SDG12: Ensure sustainable consumption and production patterns		V			V		2-2	Innovative Services	32
	Compliance With Laws And Regulations	SDG16: Just, peaceful and sound justice system	V	V	V	V	V		4-1	Environment and Energy Management	63
	Supplier Environmental Assessment	SDG17: Partnership	V	V			V		-	Sustainable Procurement Management	10
Environmental Grievance Mechanisms	-					V		4-1	Environment and Energy Management	63	

Category-Subcategory	Material Aspect	Corresponding 17 Goals of SDGs	Coping Approaches of EVA Air						Corresponding Chapter	Heading	Page	
			Risk Assessment	Management policy	Performance Index	Setting Goals	Monitoring Records	No Practice Yet				
Social – Labor Practices and Decent Work 	Labor-Management Relations	SDG5: Gender equality SDG8: Economic growth and decent work		V						3-1	Appointment and Retention of Talent	44
	Occupational Health And Safety	SDG3: Good health and social well -being SDG8: Economic growth and decent work	V	V	V	V	V			3-3	Workplace Safety	58
	Training And Education	SDG4: Quality education SDG5: Gender equality SDG8: Economic growth and decent work		V		V				3-2	Employee Education and Training	55
	Diversity And Equal opportunity	SDG5: Gender equality SDG8: Economic growth and decent work		V						3-1	Appointment and Retention of Talent	44
	Equal Remuneration For Women And Men	SDG8: Economic growth and decent work		V	V					3-1	Appointment and Retention of Talent	44
	Supplier Assessment For Labor Practices	SDG17: Partnership	V	V			V			-	Sustainable Procurement Management	10
	Labor Practices Grievance Mechanisms	SDG8: Economic growth and decent work		V						3-1	Appointment and Retention of Talent	44
	Social – Human Rights and the Society 	Freedom Of Association And Collective Bargaining	SDG8: Economic growth and decent work		V						3-1	Appointment and Retention of Talent
Forced & Compulsory Labor		SDG8: Economic growth and decent work		V			V			3-1	Appointment and Retention of Talent	44
Supplier Human Rights Assessment		SDG17: Partnership	V	V			V			-	Sustainable Procurement Management	10
Human Rights Grievance Mechanisms		SDG8: Economic growth and decent work		V						3-1	Appointment and Retention of Talent	44
Social - Social 	Local Community	SDG1: Eradication of poverty								5-3	Giving Back to Local Communities	75
	Anti-Corruption	SDG16: Just, peaceful and sound justice system	V	V			V	V		7-2	Ethical management	100
	Public Policy	SDG16: Just, peaceful and sound justice system								V	N/A	
	Anti- Competitive Practices	SDG16: Just, peaceful and sound justice system								7-2	Ethical management	100
	Compliance With Laws And Regulations	SDG16: Just, peaceful and sound justice system	V	V			V			7-2	Ethical management	100
	Supplier Social Impact Assessment	SDG16: Just, peaceful and sound justice system	V	V			V			-	Sustainable Procurement Management	10
Social – Product Responsibility 	Social Impact Grievance Mechanism		V				V			6-2	Identification of Stakeholders	82
	Customer Health And Safety	SDG16: Just, peaceful and sound justice system	V	V	V	V	V			1-1	EVA Air Safety Management System	19
	Product And Service Labeling	SDG12: Ensure sustainable consumption and production patterns	V	V	V	V	V			2-2 2-3 2-4	Innovative Services Customer relationship Cargo service	32 40 41
	Marketing Communications	SDG12: Ensure sustainable consumption and production patterns	V	V			V			7-2	Ethical management	100
	Customer Privacy	SDG16: Just, peaceful and sound justice system	V	V			V			2-3	Customer relationship	40
	Compliance With Laws And Regulations	SDG16: Just, peaceful and sound justice system	V	V	V	V	V			7-2	Ethical management	100

07 Corporate Governance



Upholding the principle of ethical management, EVA Air has formulated the "Corporate Social Responsibility Best Practice Principles", which are used as the basis for promoting businesses related to corporate social responsibility. EVA Air has been ranked among the top 5% of the best listed companies selected by the "3rd Corporate Governance Evaluation" organized by Taiwan Stock Exchange Corporation (TWSE), which is a great honor that EVA Air has won for two consecutive years. In addition to continuously adhering to the core values of flight safety and quality service, in the face of external environmental challenges, EVA Air will uphold the excellent corporate spirit even more, and realize the corporate social responsibility of a sustainable airline based on a professional and positive attitude.

Chapter Highlight



Since 2016, EVA Air has been ranked among the top 5% of the best listed companies for two consecutive years selected by the "2nd & 3rd Corporate Governance Evaluation" organized by TWSE.

✈ Responses to Major Events

Because the juridical person director has reassigned the representative, the former Chairman has been relieved. Based on the principles of corporate governance and sustainable management, on March 11, 2016, the Board of Directors elected Lin Bou-Shiu as the new Chairman, and appointed Mr. Ko Chin-cheng as the spokesperson.

✍ The Company's achievements in recent years

Maintaining corporate governance

- Took the initiative to disclose important resolutions of the Board of Directors and comprehensive quarterly financial reports in both Chinese and English on the EVA Air official website. Web pages dedicated to "Corporate Governance", "Corporate Social Responsibility", "Stakeholders" and "Investor Relations" were set up to improve information transparency.
- Formulated relevant corporate governance policies successively, such as "Corporate Governance Best Practice Principles", "Corporate Social Responsibility Best Practice Principles", "Ethical Corporate Management Best Practice Principles" and "Codes of Ethical Conduct", and reported their implementation status to the Board of Directors at regular intervals to actively raise the standards of corporate governance.
- Took out liability insurance for directors, supervisors and key staff members to establish a sound corporate governance mechanism.

Protecting investor rights and interests

- The electronic voting system has been implemented in the shareholders' meetings, the candidate nomination system adopted for the election of directors and supervisors, and proposals were voted case by case in the shareholders' meeting; multiple channels for voting on resolutions have been provided for shareholders, so that they can fully exercise their rights and participate in corporate governance.

Improving the function of the Board of Directors

- EVA Air directors and supervisors took courses in corporate governance to improve their professional knowledge and skills.
- In accordance with the "Rules Governing the Scope of Powers of Independent Directors" formulated by the Board of Directors, independent directors are allowed to make independent judgments on, and provide objective opinions about, corporate governance matters.

7-1 Senior Operating Management

7-1-1 Structure of the Board of Directors

EVA Air's Board of Directors shall exercise its functions and powers in accordance with relevant laws and regulations, such as Company Act, Securities and Exchange Act and Articles of Incorporation. Directors and supervisors will be elected according to the Regulation for Electing Directors and Supervisors. In accordance with the stipulation of the Articles of Incorporation, there shall be seven to nine directors, 2 or 3 who are independent directors, and there shall be 3 supervisors; each shall serve a three-year term. The directors shall organize the Board of Directors, which is responsible for resolving and implementing important matters related to the businesses of the Company, and convene a board meeting at least once a quarter in accordance with the Rules and Procedures of Board of Directors Meetings; however, in case of emergency, the meetings may be convened at any time. To avoid the occurrence of conflicts of interest, meetings of the Board will 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. S/he also cannot act as another director's proxy to exercise voting rights on that matter.

Articles of Incorporation	http://stock.evergreen.com.tw/download/gv1/rule/2618/zh-TW/2618_01.pdf
Regulation for Electing Directors and Supervisors	http://stock.evergreen.com.tw/download/gv1/rule/2618/zh-TW/2618_07.pdf
Rules and Procedures of Board of Directors Meetings	http://stock.evergreen.com.tw/download/gv1/rule/2618/zh-TW/2618_03.pdf

The Chairman of EVA Air does not hold the concurrent post of President, whose main business is to supervise the operating management level to ensure that the business implementation conforms to the business philosophy of EVA Air. In addition, independent directors are also appointed to the Board of Directors, their independent identities and professional practical experience enable them to give professional and objective advice to help the Board make the best decisions for the Company's operations; this is beneficial to the practice of corporate governance and the protection of investors' rights and interests. EVA Air plans to establish an Audit Committee in 2017 to fully implement the corporate governance system in compliance with the concept of business sustainability.



Background and Effectiveness of the Current Board Members

Title	Name	Education & Experience	Required Number of Attendance*	Actual Number of Attendance	Number of Entrusted Attendance	Actual Attendance Rate
Chairman	Chang Yung-Fa Charity Foundation Representative : Lin, Bou-Shiu	Chairman, Evergreen Steel Corp. Bachelor of Computer Science and Information Engineering, Tamkang University	6	6	0	100%
Director	Evergreen Marine Corp. (Taiwan) Ltd. Representative : Ko, Lee-Ching	Vice Group Chairman, Evergreen Group National Keelung Girls' Senior High School	20	20	0	100%
Director	Evergreen Marine Corp. (Taiwan) Ltd. Representative : Tai, Jiin-Chyuan	Executive Vice President, Legal Division of Evergreen International Corp. Master of Maritime Law, National Taiwan Ocean University	6	5	1	83.33%
Director	Chang Yung-Fa Charity Foundation Representative : Lee, Wen-Chung	Attorney-at-law/Principal of Chinese International Law Office MBA, University of Leicester	5	5	0	100%
Director	Falcon Investment Services Ltd. Representative : Song, Yaw -Ming	Partner of Lee & Li, Attorneys-at-Law Master of Laws, Columbia Law School	5	4	1	80%
Director	Falcon Investment Services Ltd. Representative : Liang, Hwai-Hsin	Attorney-at-Law/Principal of Giant Era International Law Office Master of Laws, Fu Jen Catholic University	5	5	0	100%
Independent Director	Chien, You-Hsin	Minister of Foreign Affairs Ph. D. Aeronautics and Astronautics, New York University, U.S.A.	20	19	1	95%
Independent Director	Lo, Tzu-Chiang	Managing Partner of KPMG Taiwan Firm Accounting and Statistics Department of Tamkang University	20	19	1	95%
Independent Director	Hsu, Shun-Hsiung	Managing Partner of YMH Company Master of Accounting, National Taiwan University	20	19	1	95%
Supervisor	Evergreen International Corp. Representative: Wu, Kuang -Hui	Group Executive Officer, Finance Division of Evergreen Group MBA, Sun Yat Sen University	20	20	0	100%
Supervisor	Evergreen International Corp. Ku Lai, Mei-Hsueh	Senior Vice President, Finance Division of Evergreen International Corp. Ming Chuan University	6	6	0	100%
Supervisor	Evergreen International Corp. Chen, Cheng-Pang	Senior Vice President, Italia Marittima S.p.A. Accounting & Economics Dept., Soochow University	20	20	0	100%
Average Actual Attendance Rate of Directors and Supervisors						95.69%

Note 1: As on April 30, 2017, all members of the Board of Directors are of the nationality of the Republic of China above 50 years of age, and do not belong to any minority or disadvantaged groups. The percentage of female directors is 11%.

Note 2: The current directors took office in June 17, 2014. As on December 31, 2016, 20 board meetings were convened. Please refer to Evergreen Group Stock Service Website for the minutes of Board of Directors Meetings.

7-1-2 Functional Committee of the Board of Directors: Remuneration Committee

To put into practice the sound system of Remuneration Committee for corporate governance, EVA Air has established a "Remuneration Committee", which comprises independent directors. The Committee assists in formulating and periodically reviewing the performance evaluation and remuneration policies, systems, standards and structures for directors, supervisors and managers, and also periodically evaluates and determines the remuneration of directors, supervisors and managers. The terms of office of the current Committee members: from June 17, 2014 to June 16, 2017. As on December 31, 2016, six meetings (A) were convened, attendance of Committee members is as follows:

Title	Name	Actual Number of Attendance with/without Voting Power (B)	Number of Entrusted Attendance	Actual Attendance Rate with/without Voting Power (B/A)
Independent Director	Chien, You-Hsin	6	0	100.00
Independent Director	Hsu, Shun-Hsiung	6	0	100.00
Independent Director	Lo, Tzu-Chiang	5	1	83.33

7-2 Ethical Management

To establish a sound corporate governance system, EVA Air has formulated the Corporate Governance Best Practice Principles, and the Corporate Governance System in accordance with the six principles. Meanwhile, to implement ethical management and reinforce the philosophy of business sustainability, the Company has established relevant important regulations, such as the "Ethical Corporate Management Best Practice Principles", "Codes of Ethical Conduct" and "Procedures for Ethical Management and Guidelines for Conduct" with an honest, transparent and responsible attitude. Through the comprehensive system construction and standards, EVA Air has been ranked the highest in various evaluations of corporate governance among the listed companies.

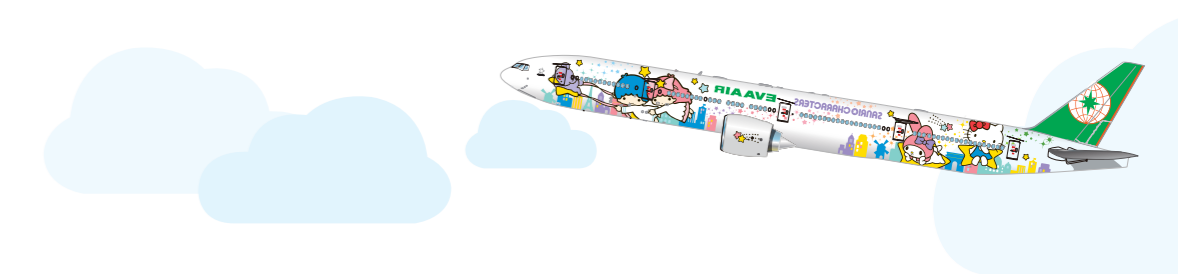
Concerning the mechanism for handling material inside information and its disclosure, to avoid improper information disclosure and to ensure the consistency and accuracy of the information made public, EVA Air has also formulated the "Procedures for Handling Material Inside Information", and requires all employees of the Company and persons who have learned of material inside information of the Company due to other identity, occupation or control relationship to jointly abide by such procedures to safeguard the rights and interests of the Company and investors.

Corporate Governance Best Practice Principles	http://stock.evergreen.com.tw/download/gv1/rule/2618/z-h-TW/2618_11.pdf
Ethical Corporate Management Best Practice Principles	http://stock.evergreen.com.tw/download/gv1/rule/2618/z-h-TW/2618_13.pdf
Codes of Ethical Conduct	http://stock.evergreen.com.tw/download/gv1/rule/2618/z-h-TW/2618_14.pdf
Procedures for Ethical Management and Guidelines for Conduct	http://stock.evergreen.com.tw/download/gv1/rule/2618/z-h-TW/2618_16.pdf
Procedures for Handling Material Inside Information	http://stock.evergreen.com.tw/download/gv1/rule/2618/z-h-TW/2618_15.pdf

Codes of Conduct for Employees

Codes of Conduct for EVA Air's employees include Information for the Employees, Management Rules, Ethical Corporate Management Best Practice Principles, Codes of Ethical Conduct and Antitrust Law Compliance Guidelines, etc., which standardize the ways employees carry out their business, daily actions and workplace ethics in detail. The conduct of all employees must follow the Codes of Conduct; in addition, to help the employees to have a clear understanding of moral concepts and codes of conduct, Ethical Corporate Management Best Practice Principles and Codes of Ethical Conduct have been formulated to standardize the employees to adhere to the Code of Ethics and Good Faith Principle in the enterprise's business operation so as to create a business environment for sustainable development. Besides, to maintain and promote the competition and the free enterprise system, EVA Air has formulated the Antitrust Law Compliance Guidelines, and strengthens its advocacy to avoid violation of the competition rule of aviation free-market.

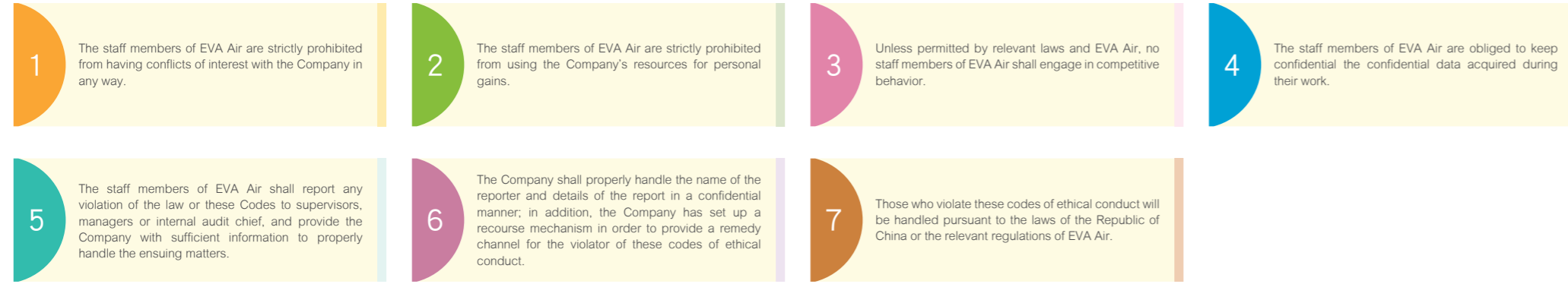
To make all of EVA Air's employees fully understand and internalize the Codes of Conduct, a series of courses about the Codes of Conduct for employees is arranged in the education and training of EVA Air's recruits, to convey desired behavior concepts through the introduction of course contents, and various Codes of Conduct are announced on the Company's internal website for the employees' easy reference.



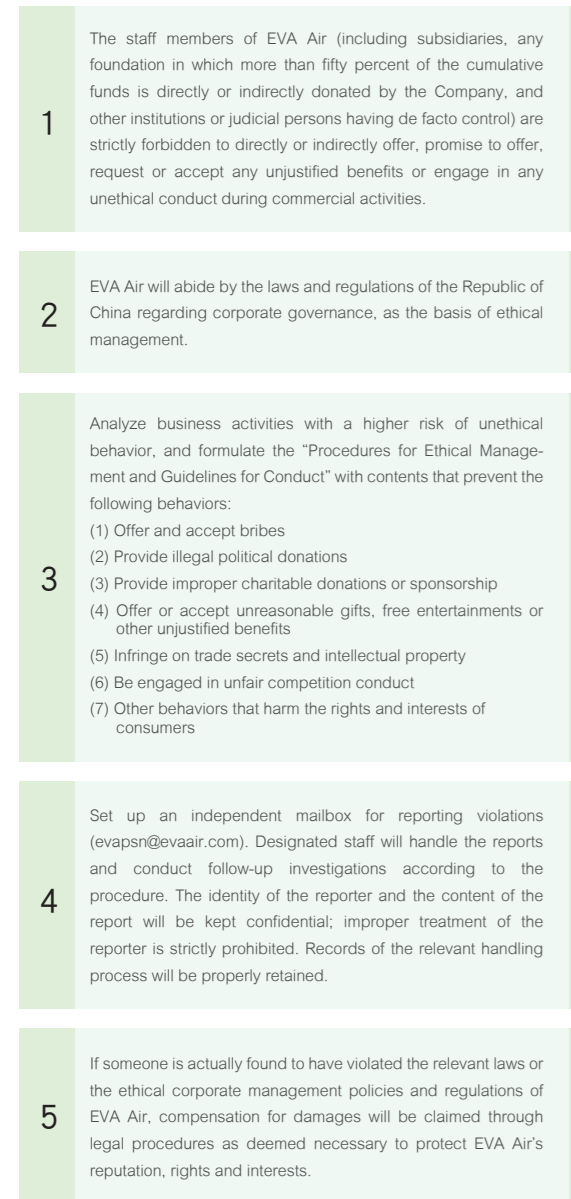
Key Points of EVA Air's Corporate Governance Best Practice Principles



Key Points of EVA Air's Codes of Ethical Conduct



Key Points of EVA Air's Ethical Corporate Management Best Practice Principles



7-2-1 Improvement of communication channels

EVA Air attaches great importance to the opinions of all stakeholders, and has set up the Stakeholder Column to provide the stakeholders with explicit communication channels, and provides different channels based on different responses and identity categories, so that the opinion of each stakeholder can be valued. A complaint was received in the Complaints Mailbox about Social Impacts in 2015 and 2016, respectively. The complaint in 2015 was about draining off water by the training center of the Company in the midnight, which made a noise and affected nearby residents. After receiving the complaint, the Company handled it immediately. The complaint in 2016 was about Typhoon Megi, in which a passenger made a complaint; the Customer Service Division communicated with the passenger.



Statistics on communication channels with stakeholders over the years

Communication with Stakeholders	No. of valid cases received		No. of cases handled		No. of cases resolved	
	2015	2016	2015	2016	2015	2016
Year	2015	2016	2015	2016	2015	2016
Mailbox for Ethics Consultation (evainfo@evaair.com)	0	0	0	0	0	0
Mailbox for Reporting Violations (evapsn@evaair.com)	0	0	0	0	0	0
Complaints Mailbox about Social Impacts (csrso@evaair.com)	1	1	1	1	1	1

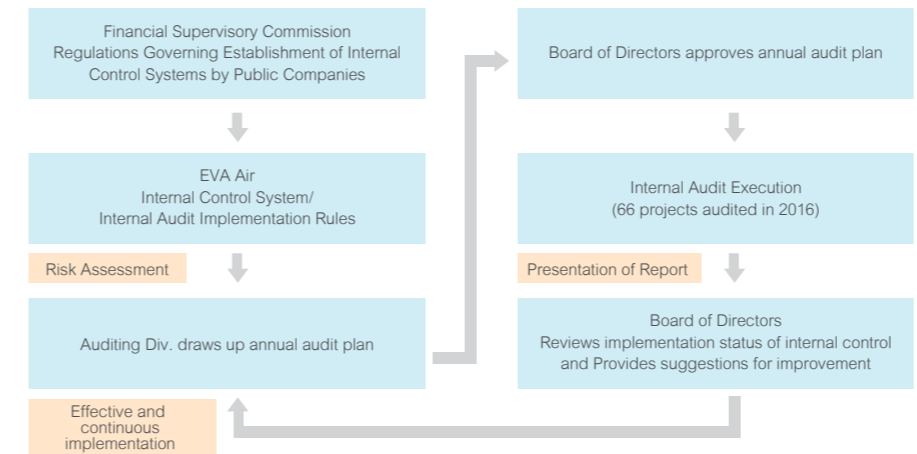
Major litigation cases

Nature of the case
The civil lawsuit filed against EVA Air in the U.S. for alleged violation of the Antitrust Law due to passenger and cargo fuel surcharges.
Status of handling
A settlement has been reached for cargo service. As for the class action lawsuit arising from the passenger fuel surcharge, EVA Air takes a positive stand on its litigation. Further information will be disclosed upon the developments of litigation.
After treatment
Strengthen the legal risk prevention mechanism: After this incident, EVA Air formulated the "Antitrust Law Compliance Guidelines" and relevant legal risk prevention mechanisms, including educational training on Fair Trade Law and anti-competitive issues, to give the Company a set of guidelines to follow in its internal management and external business activities so as to prevent legal risks from arising again.

7-2-2 Sound internal control

To promote the operational performance of the Company and fulfill the spirit of corporate governance, 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 seven 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.

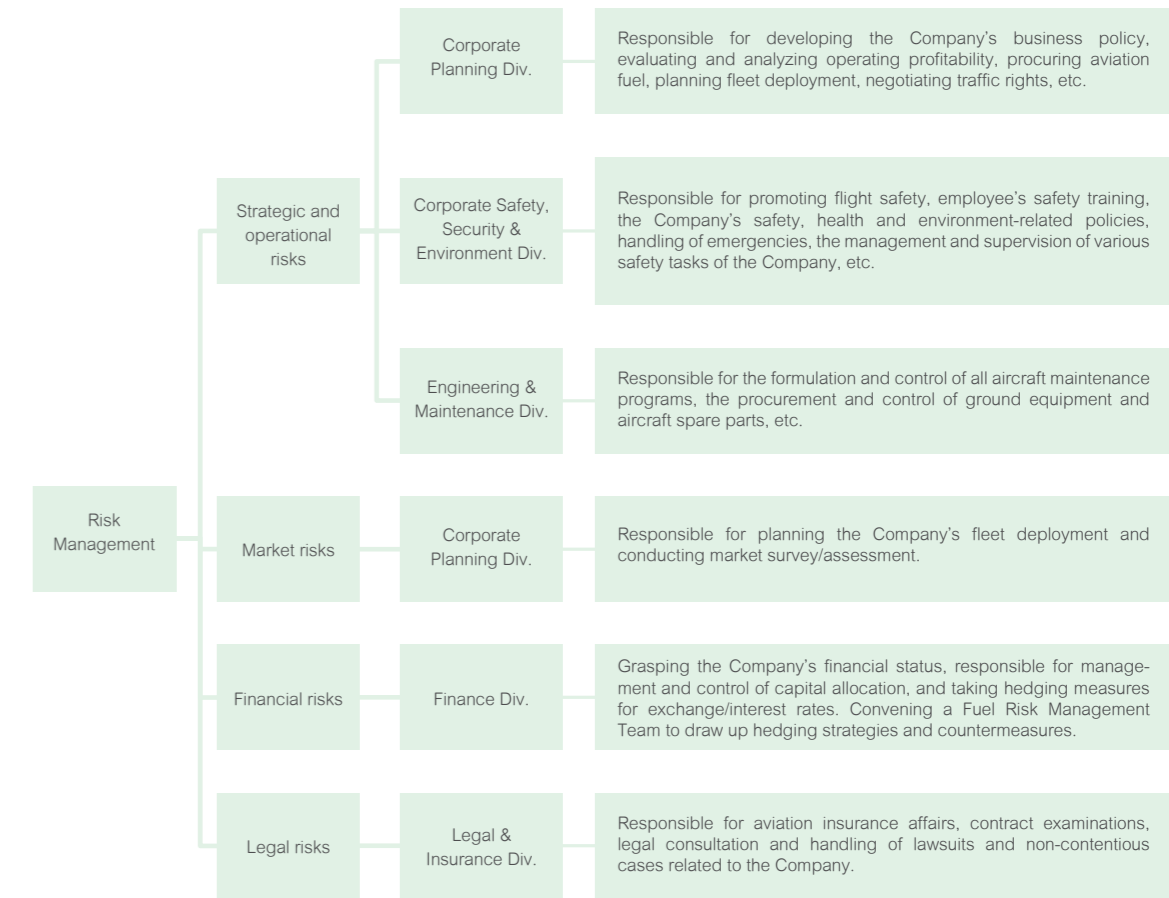
Internal Audit Flowchart



EVA Air is fully aware that ethical management is the foundation of business sustainability. To fulfill the spirit of anti-corruption, the probability of corruption for 27 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: Offering and accepting bribes, offering illegal political donations, improper charitable donations or sponsorships, and offering or accepting unjustified gifts, free entertainment or other improper benefits; and by referring to the Transparency International Corruption Perceptions Index 2016 for the survey results of the perceived levels of corruption in 176 countries around the world. Between 2011 and 2016, to tackle anticorruption issues, the Auditing Div. conducted investigations at 24 locations and found no corruption cases; the anti-corruption investigation ratio was 89%.

7-2-3 Risk Management

EVA Air is well known for its excellent record of flight safety in the industry. Besides flight safety, the business operation faces many risks all the time. To well manage various risks, the Company requires that concerned departments/divisions closely monitor risk level, implement the internal control system, and properly control strategic and operational risks, market risks, financial risks, legal risks, etc.



EVA Air understands the interactional relationships of risk factors. To reduce overall operational risks, several cross-unit committees are set up to coordinate in the control of cross-unit and cross-department risk factors, which include:

- Corporate Social Responsibility Committee – specialized CSR unit of EVA Air in charge of drawing up and implementing the CSR policy, system, related management policy and specific promotion plan, and regularly reporting to the Board of Directors.
- Service Quality Committee – This committee meeting is held once every quarter to grasp customer opinions and customer satisfaction and to carry out the internal review of the Company for the improvement of service quality. The President acts as the Chairperson of the Service Quality Committee; the heads of various business departments serve as the ex officio members of the Committee. This committee meetings to jointly review the Company's quality policy and goals. Each member has to report the implementation progress of each service item in the meeting; the Chairperson/Vice Chairperson supervises the implementation results of the resolutions to execute improvement plans and reduce relevant risks in the process of service quality providing.
- Safety Promotion Committee - directly under the President. As the top decision-making and supervising unit of flight safety, this committee establishes the overall safety architecture, giving play to organizational function and the pledging of senior management to safety policy as the highest guiding principle to continuously pursue the goal of "zero accidents."
- Management Planning Committee – A senior executive acts as its Chairman and presides over management meetings held monthly. In the meetings, operation departments report on their business performance and important measures, so that senior managers attending such meetings can clearly understand the operation situation of the Company. And the management policy and strategy are agreed upon and expressed in the meetings, so that a consensus of the entire personnel can be reached, important policies carried out, and business performance continuously improved.



7-3 Business Performance

Since its establishment 28 years ago, EVA Air has been sustaining the enterprise's spirit of "Challenge, Innovation and Teamwork", and adhering to strict flight safety and service quality. "Safety and Service" are the core values of EVA Air. In 2016, EVA Air won multiple awards. In terms of flight safety, EVA Air was selected as one of the world's twenty safest airlines by the internationally renowned website Airline Ratings.com, and rated 3rd among the "JACDEC Airline Safety Ranking" for the second consecutive year, thereby continuing to maintain its excellent flight safety record. In terms of service quality, EVA Air and RIMOWA jointly released the cutting-edge electronic tags luggage which simplifies passenger luggage check-in processes through electronic tags. This is the first airline in Asia and the second worldwide to officially offer the new service. For the benefit of visually disabled passengers, EVA prepared Braille cabin schematics and Braille versions of the passenger safety card, in accordance with the policy of the Civil Aeronautics Administration (CAA), Ministry of Transportation and Communications (MOTC), on barrier-free transportation environment, to offer visually disabled passenger information on the positions and instructions of all cabin safety facilities on-board. In terms of overall performance evaluation, EVA received the highest honor in airline service quality in 2016 - "The SKYTRAX 5-Star Rating"; the Company is the first in Taiwan and the eighth worldwide to be awarded this honor. The company has also been recognized as the world 8th best airline and named as the "Best Transpacific Airline" with the "Best Business Class Comfort Amenities as well as the World's 3rd Most Loved Airline by SKYTRAX. Other awards include Global Traveler Magazine's "Best Airport Staff/Gate Agents" award and "Leisure Lifestyle Award for Outstanding Customized Service" (Hello Kitty Jets), No. 8 on the Travel + Leisure Magazine's "The World's Best International Airlines", Business Today Magazine's "Best Brand Award" first place in the airline category, No. 1 on Cheers Magazine's "Top 100 Most Attractive Employers" at transportation filed, and CAA's 2016 "Golden Flyer Award" for International and Domestic Route Group.

In the aspect of promoting actions related to corporate social responsibility, EVA Air spares no efforts. In terms of corporate governance, EVA was rated the top 5% best listed companies in the "3rd Corporate Governance Evaluation" by TWSE (Taiwan Stock Exchange) for the second consecutively year. In the environmental aspect, EVA Air received dual certifications in 2016: ISO14001:2015 for the environmental management system and ISO50001 for the energy management system, and plans to conduct ISO 14064 greenhouse gas inventory and validation work in 2017. EVA Air subscribed for 2.5 million kWh of green power, and won the "Enterprise Vision Award" by the Ministry of Economic Affairs in 2016. In 2017, besides continuous introduction of new energy-saving aircraft and promotion of the aircraft fuel-saving measures to achieve the purpose of carbon emission reduction, EVA Air plans to implement "EVA Air Carbon Offset Program", in which passengers can voluntarily choose to pay the equivalent amount of flight carbon emissions or self-defined amount to fund the international carbon reduction projects and achieve "zero carbon travel", showing the resolution of EVA Air's friendliness to the earth environment.

In terms of social involvement, in cooperation with the Chung Yung-Fa Foundation, EVA helped donate second-hand furniture to schools in remote areas of Miaoli County, and sponsored many sports and arts events such as the "Pingtung Picturesque Rice-Field Art Festival" to improve the nationals' humanities accomplishment. Furthermore, EVA has participated in the "Taiwan Corporate Sustainability Award" by TAISE (Taiwan Institute for Sustainable Energy) for two consecutive years, and has received the "Top 50 Corporate Sustainability Report Awards - Transportation Gold Award" and the "Social Inclusion Award" in 2016. EVA also attended TACS' (Taiwan Academy of Corporate Sustainability) 1st Taipei Golden Eagle Micro-movie Festival and received the "Best Corporate Governance Award".

Looking ahead, and in the face of numerous challenges in the aviation industry, EVA Air will persist on its corporate spirit and the company's mission "Safe, Punctual Flights, Friendly Professional Services, and Efficient, Innovative Operations", and keep focuses on the core business and sustainable management to protect the interests of all stakeholders.

7-3-1 Financial Performance

Consolidated operating revenues over the years

Ratios of consolidated operating revenue

Item	2012		2013		2014		2015		2016	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Passenger revenue	65,618,487	55	71,100,137	57	77,959,069	59	81,871,572	60	85,752,229	59
Cargo revenue	34,350,520	28	32,032,751	26	31,257,603	23	26,093,054	19	20,841,362	15
Other operating revenue	20,189,460	17	21,031,563	17	23,873,336	18	29,203,918	21	38,086,074	26
Consolidated operating revenue	120,158,467	100	124,164,451	100	133,090,008	100	137,168,544	100	144,679,665	100

Unit: NT thousands

Overview of operating revenues for various regions

Region	2012	2013	2014	2015	2016
Taiwan	51,352,423	55,453,400	61,442,036	69,748,029	78,058,475
Asia	38,568,646	37,561,459	39,467,111	35,628,765	32,835,461
Europe	5,969,144	5,994,859	5,951,322	4,937,027	4,654,482
North America	23,932,612	24,779,667	25,832,005	26,518,634	28,773,210
Others	335,642	375,066	397,534	336,089	358,037

Unit: NT thousands



Business performance over the years

Year	2016	2015	2014	2013	Unit
The Company's income tax expense (benefit)	892,030	103,104	428,643	154,261	thousands
The Company's total assets	195,749,734	176,487,661	151,487,620	139,394,778	thousands
The Company's amount of capital	40,518,923	38,589,450	32,589,450	32,589,450	thousands
Average revenue of employees	10,955	12,958	14,362	15,649	thousands
Employee salaries and welfares	16,622,378	13,900,797	12,011,592	10,505,248	thousands
The Company's total revenue	115,495,819	115,892,656	116,921,858	110,747,462	thousands
Consolidated total revenue	144,679,665	137,168,544	133,090,008	124,164,451	thousands
Consolidated net profit before tax	5,296,923	7,365,204	48,945	1,840,338	thousands
Total market value	59,157,627	71,776,377	72,185,632	54,098,487	thousands
The Company's operating costs and expenses	110,534,380	108,519,719	116,285,622	109,159,209	thousands
The Company's retained earnings	5,702,366	6,347,229	739,412	2,275,240	thousands
The Company's gross salaries	11,993,169	10,133,930	8,747,243	7,644,331	thousands
Total pension	546,112	510,493	446,677	401,338	thousands
The Company's gross profit margin	13.75	14.97	8.19	9.29	(%)
The Company's return on assets	2.60	4.70	(0.08)	1.39	(%)
The Company's return on equity	6.80	15.46	(3.72)	2.10	(%)
The Company's debt ratio	72.76	72.32	77.30	74.29	(%)



Appendix

General Standard Disclosures

Category	Indicator	Description	Chapter	Heading	Page
STRATEGY AND ANALYSIS	G4-1	Provide a statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	-	Message from Management	3
	G4-2	Report a description of key impacts, risks and opportunities of the organization	7-2 4-1	Ethical Management Environment and energy management	100 63
ORGANIZATIONAL PROFILE	G4-3	Report the name of the organization.	-	Business operations and value chain	7
	G4-4	Report the primary brands, products and services.	-	Business operations and value chain	7
	G4-5	Report the location of the organization's headquarters.	-	Business operations and value chain	7
	G4-6	Report the number and names of countries where the organization operates.	-	Business operations and value chain	7
	G4-7	Report the nature of ownership and legal form.	-	Business operations and value chain	7
	G4-8	Report the markets for which the service is provided	-	Business operations and value chain	7
	G4-9	Report the scale of the organization	-	Business operations and value chain	7
	G4-10	Report the total number of employees	3-1	Appointment and retention of talent	44
	G4-11	Report the percentage of total employees covered by collective bargaining agreements.	3-1	Appointment and retention of talent	44
	G4-12	Describe the organization's supply chain.	-	Business operations and value chain	7
	G4-13	Report any significant changes regarding the organization's size, structure, ownership or supply chain	-	Business operations and value chain	7
	G4-14	Report whether and how the precautionary approach or principle is addressed by the organization.	4-1 4-2	Environment and energy management Climate change responsibility and response	63 66
	G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	Relevant initiatives that have not been signed		
	G4-16	List memberships of associations (such as industry associations) and national or international advocacy organizations	-	Sustainable governance	13
	IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES	G4-17	a. List all entities included in the organization's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	-	Business operations and value chain
G4-18		a. Explain the process for defining the report content and the Aspect Boundaries. b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	6	Materiality analysis	82
G4-19		List all the material aspects identified in the process for defining report content.	6	Materiality analysis	82
G4-20		For each material aspect, report the aspect boundary within the organization.	6	Materiality analysis	82
G4-21		For each material aspect, report the aspect boundary outside the organization.	6	Materiality analysis	82
G4-22		Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	-	About this Report	5
G4-23		Report significant changes from previous reporting periods in the scope and aspect boundaries.	-	About this Report	5

Category	Indicator	Description	Chapter	Heading	Page
STAKEHOLDER ENGAGEMENT	G4-24	Provide a list of stakeholder groups engaged by the organization.	6-2	Identification of stakeholders	82
	G4-25	Report the basis for indemnification and selection with whom to engage.	6-2	Identification of stakeholders	82
	G4-26	Report the organization 's approach to stakeholder engagement and frequency of engagement.	6-2	Identification of stakeholders	82
	G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns.	6-2	Identification of stakeholders	82
REPORT PROFILE	G4-28	Reporting period (such as fiscal or calendar year) for information provided.	-	About this Report	5
	G4-29	Date of most recent previous report.	-	About this Report	5
	G4-30	Reporting cycle.	-	About this Report	5
	G4-31	Provide the contact person for questions regarding the report or its contents.	-	About this Report	5
	G4-32	a. Report the 'in accordance' option the organization has chosen. b. Report the GRI Content Index for the chosen option c. Report the reference to the External Assurance Report, if the report has been externally assured.	-	About this Report	5
GOVERNANCE	G4-33	a. Report the organization's policy and current practice with regard to seeking external assurance for the report. b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. c. Report the relationship between the organization and the assurance providers. d. Report whether the highest governance body or senior executives are involved in the process of seeking assurance for the organization's sustainability report.	-	About this Report	5
	G4-34	Report the governance structure of the organization, including committees of the highest governance body.	7-1	Senior Operating Management	98
	G4-35	Report on the processes for the highest governance body's authorization of Senior Operating Management and other employees concerning economic, environmental and social issues	-	Sustainable governance	13
	G4-36	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	-	Sustainable governance	13
	G4-37	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics.	-	Sustainable governance	13
	G4-38	Report the composition of the highest governance body and its committees.	7-1	Senior Operating Management	98
	G4-39	Report whether the Chair of the highest governance body is also a member of the management team.	7-1	Senior Operating Management	98
	G4-40	Report on the processes for the nomination and selection of the highest governance body and its committees, and the rules for the nomination and selection of the members of the highest governance body.	7-1	Senior Operating Management	98
	G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed.	7-1	Senior Operating Management	98
	G4-42	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or vision, strategies, policies, and goals related to economic, environmental and social impacts.	7-1	Senior Operating Management	98
	G4-43	Report on the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	7-1	Senior Operating Management	98
	G4-44	Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material aspects are covered.	7-1	Senior Operating Management	98
	G4-45	Report the process for communication critical concerns to the highest governance body.	7-1	Senior Operating Management	98
	G4-46	Report on the nature and the total number of critical concerns that were communicated to the highest governance body and the mechanism used to address and resolve them.	7-1	Senior Operating Management	98
	G4-47	Report the process for determining remuneration.	7-1	Senior Operating Management	98
G4-48	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposal.	7-1	Senior Operating Management	98	
ETHICS AND INTEGRITY	G4-49	Describe the organization's values, principles, standards and norms of behavior.	7-2	Ethical Management	100
	G4-50	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to the organization's integrity.	7-2	Ethical Management	100
	G4-51	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to the organization's integrity.	7-2	Ethical Management	100

Category	Indicator	Description	Chapter	Heading	Page
		Management policies on specific standard disclosures	6-4	Define boundaries of disclosure on material aspects and management approach	92

Specific Standard Disclosures: Economic

Aspects	Indicator	Description	Chapter	Heading	Page
ECONOMIC PERFORMANCE	G4-EC1	Direct economic value generated and distributed by the organization	7-3	Business performance	103
	G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	4-2	Climate change responsibility and response	66
	G4-EC3	Coverage of the organization's defined benefit plan obligations	3-1	Appointment and retention of talent	44
	G4-EC4	Financial subsidies from the government	No such situation		
MARKET PRESENCE	G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	3-1	Appointment and retention of talent	44
	G4-EC6	Proportion of senior management employed from the local community at significant locations of operation	3-1	Appointment and retention of talent	44
INDIRECT ECONOMIC IMPACTS	G4-EC7	Development and impact of infrastructure investments and services supported	5-2 5-3	Charitable contribution Giving back to local communities	74 75
PROCUREMENT PRACTICES	G4-EC9	Proportion of procurement spending on local suppliers at significant locations of operation	-	Sustainable procurement management	10

Specific Standard Disclosures: Environmental

Aspects	Indicator	Description	Chapter	Heading	Page
ENERGY	G4-EN3	Energy consumption within the organization	4-2	Climate change responsibility and response	66
	G4-EN5	Energy intensity	4-2	Climate change responsibility and response	66
	G4-EN6	Reduction of energy consumption	4-2	Climate change responsibility and response	66
	G4-EN7	Reductions in energy requirements of products and services	4-2	Climate change responsibility and response	66
EMISSIONS	G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	4-2	Climate change responsibility and response	66
	G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	4-2	Climate change responsibility and response	66
	G4-EN18	Greenhouse gas (GHG) emissions intensity	4-2	Climate change responsibility and response	66
	G4-EN19	Reduction of greenhouse gas (GHG) emissions	4-2	Climate change responsibility and response	66
	G4-EN21	Emissions of NOx, SOx and other significant gases	4-1	Environment and energy management	66
PRODUCTS AND SERVICES	G4-EN27	Extend of impact mitigation of environmental impacts of products and services	2-2 4-2	Innovative services Climate change responsibility and response	32 66
COMPLIANCE	G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	4-1	Environment and energy management	63
SUPPLIER ENVIRONMENTAL ASSESSMENT	G4-EN32	Percentage of new suppliers that were screened using environmental criteria	0%		
	G4-EN33	Significant actual or potential negative impacts of the supply chain on environment and the actions taken	No such situation		
ENVIRONMENTAL COMPLAINT MECHANISMS	G4-EN34	Number of complaints filed about environmental impacts, addressed, and resolved through formal complaint mechanisms	4-1	Environment and energy management	63

Specific Standard Disclosures: Social – Labor Practices and Decent Work

Aspects	Indicator	Description	Chapter	Heading	Page
LABOR/MANAGEMENT RELATIONS	G4-LA1	Total numbers and proportions of new recruits and employee turnover by age group, gender and region	3-1	Appointment and retention of talent	44
	G4-LA2	Benefits provided only to full-time employees by significant locations of operation	3-1	Appointment and retention of talent	44
	G4-LA3	The proportions of return to work and retention after parental leave, by gender	3-1	Appointment and retention of talent	44
	G4-LA4	Whether the minimum notice periods regarding material operational changes are specified in collective bargaining	To be handled as per Article 16 of Labor Standards Act		
OCCUPATIONAL HEALTH AND SAFETY	G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help supervise and advise on occupational health and safety programs	3-3	Workplace safety	58
	G4-LA6	Type of job-related injuries and rates of injuries, occupational diseases, lost days, and absence rate, and total number of work-related fatalities, by region and by gender	3-3	Workplace safety	58
	G4-LA7	Workers with high incidence or high risk of diseases related to their occupations	1-3 3-3	Flight crew safety control Workplace safety	26 58
TRAINING AND EDUCATION	G4-LA9	Average hours of training per year per employee by gender, and by employee category	3-2	Employee education and training	55
	G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing retirement life	3-2	Employee education and training	55
	G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	3-1	Appointment and retention of talent	44
DIVERSITY AND EQUAL OPPORTUNITY	G4-LA12	Composition of governance bodies and constituent of various employee categories by gender, age group, minority group, and other indicators of diversity	3-1	Appointment and retention of talent	44
EQUAL REMUNERATION FOR WOMEN AND MEN	G4-LA13	Ratio of basic salary and remuneration of women to men by employee category and by significant locations of operation	3-1	Appointment and retention of talent	44
SUPPLIER ASSESSMENT FOR LABOR PRACTICES	G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	0%		
	G4-LA15	Significant actual or potential negative impacts of the supply chain on labor practices and the actions taken	No such situation		
COMPLAINT MECHANISMS OF LABOR PRACTICES	G4-LA16	Number of complaints about labor practices filed, addressed, and resolved through formal complaint mechanisms	3-1	Appointment and retention of talent	44

Specific Standard Disclosures: Social – Human Rights and the Society

Aspects	Indicator	Description	Chapter	Heading	Page
INVESTMENT	G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	-	Sustainable procurement management	10
	G4-HR2	Total hours of employee training on human rights policies related to the operation and the percentage of employees trained	3-2	Employee education and training	55
NONDISCRIMINATION	G4-HR3	Total number of discrimination incidents and corrective actions taken by the organization	3-1	Appointment and retention of talent	44
FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING	G4-HR4	Operating locations or suppliers that have been identified to possibly violate or seriously endanger freedom of association & collective bargaining, and actions taken to protect these rights	3-1	Appointment and retention of talent	44
FORCED AND COMPULSORY LABOR	G4-HR6	Operating locations and suppliers that have been found to have risks of seriously forced and compulsory labor incidents, and actions taken that help to reduce any forms of forced or compulsory labor	3-1	Appointment and retention of talent	44
SECURITY PRACTICES	G4-HR7	Percentage of security guards who have received training in human rights policies related to the operation	3-1	Appointment and retention of talent	44
INDIGENOUS PEOPLE'S RIGHTS	G4-HR8	Total number of incidents involving violations of indigenous peoples' rights and actions taken by the organization	No such situation		
HUMAN RIGHTS ASSESSMENT	G4-HR9	Total number and percentage of operating locations that have received human rights inspection and impact assessment	0%		
SUPPLIER HUMAN RIGHTS ASSESSMENT	G4-HR10	Proportion of new suppliers that have been screened according to human rights criteria	0%		
	G4-HR11	Significant actual or potential negative impacts of the supply chain on human rights, and the actions taken	No such situation		
COMPLAINT MECHANISMS OF HUMAN RIGHTS	G4-HR12	Number of complaints about human rights filed, addressed and resolved through formal complaint mechanisms	3-1	Appointment and retention of talent	44


Specific Standard Disclosures: Social – Society

Aspects	Indicator	Description	Chapter	Heading	Page
LOCAL COMMUNITIES	G4-SO1	Percentage of operating locations that have implemented the engagement with local communities, impact assessments and development plans	5-3	Giving back to local communities	75
	G4-SO2	Operation with significant actual and potential negative impacts on local communities	No such situation		
ANTI-CORRUPTION	G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	7-2	Ethical Management	100
	G4-SO4	Communication and training on anti -corruption policies and procedures	7-2	Ethical Management	100
	G4-SO5	Confirmed incidents of corruption and actions taken	No such situation		
PUBLIC POLICIES	G4-SO6	Total amount of political contributions classified according to countries and recipients/beneficiaries	No such situation		
ANTI-COMPETITIVE BEHAVIOR	G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	7-2	Ethical Management	100
COMPLIANCE	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	1	Responses to major events	18
ASSESSMENT OF SUPPLIERS' IMPACTS ON SOCIETY	G4-SO9	Percentage of new suppliers that were screened using criteria of social impacts	0%		
	G4-SO10	Significant actual or potential negative impacts of the supply chain on society and actions taken	No such situation		
COMPLAINT MECHANISMS OF SOCIAL IMPACTS	G4-SO11	Number of complaints about social impacts filed, addressed, and resolved through formal complaint mechanisms	There was one case sanctioned by the Office of Labor Inspection, Taoyuan City Government in 2016, with a fine of NT\$ 20,000		

Specific Standard Disclosures: Social – Product Responsibility

Aspects	Indicator	Description	Chapter	Heading	Page
CUSTOMER HEALTH AND SAFETY	G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	1-1	EVA Air's safety management system	19
	G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	1	Responses to major events	18
PRODUCT AND SERVICE LABELING	G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	2-2	Innovative services	32
	G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	No such situation		
	G4-PR5	Results of surveys measuring customer satisfaction	2-3	Customer relationship	40
MARKETING COMMUNICATIONS	G4-PR6	Sale of banned or disputed products	No such situation		
	G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	No such situation		
CUSTOMER PRIVACY	G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	2-3	Customer relationship	40
COMPLIANCE	G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	1	Responses to major events	18

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 2016

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 AIRWAYS) to conduct an independent assurance of the Corporate Social Responsibility Report for 2016 (hereinafter referred to as CSR Report). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the text, and data in accompanying tables, contained in this report.

The information in the EVA AIRWAYS's CSR Report of 2016 and its presentation are the responsibility of the management of EVA AIRWAYS. SGS has not been involved in the preparation of any of the material included in EVA AIRWAYS's CSR Report of 2016.

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 AIRWAYS's stakeholders.

The SGS protocols are based upon internationally recognized guidance, including the Principles contained within the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (2013) for accuracy and reliability and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

This report has been assured using our protocols for:

- evaluation of content veracity at a high level of scrutiny for EVA AIRWAYS and moderate level of scrutiny for subsidiaries, and applicable aspect boundaries outside of the organization covered by this report;
- AA1000 Assurance Standard (2008) Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2008); and
- evaluation of the report against the Global Reporting Initiative Sustainability Reporting Guidelines (G4 2013).

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, CSR committee members in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant. Financial data drawn directly from independently audited financial accounts 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 AIRWAYS, 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, EICC, 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 information and data contained within EVA AIRWAYS's CSR Report of 2016 verified is accurate, reliable and provides a fair and balanced representation of EVA AIRWAYS sustainability activities in 01/01/2016 to 12/31/2016.

The assurance team is of the opinion that the Report can be used by the Reporting Organisation's Stakeholders. We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting. In our opinion, the contents of the report meet the requirements of GRI G4 Core Option and AA1000 Assurance Standard (2008) Type 2, High level assurance.

AA1000 ACCOUNTABILITY PRINCIPLES (2008) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

Inclusivity
 EVA AIRWAYS has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to customers, employees, governmental authorities, business partners, media, investors, and suppliers are implemented to underpin the organization's understanding of stakeholder concerns. Inclusion of stakeholders in the governance process is recommended to be enhanced in the future.

Materiality
 EVA AIRWAYS 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. The report responds to material issues in a timely and balanced way, and properly addresses the concerns and expectations of stakeholders.

GLOBAL REPORTING INITIATIVE REPORTING GUIDELINES (G4 2013) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

The report, EVA AIRWAYS's CSR Report of 2016, is adequately in line with the GRI G4 Core Option. The material aspects 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 aspects and boundaries, and stakeholder engagement, G4-17 to G4-27, are correctly located in content index and report. The role of the highest government body in sustainability management is recommended to be further described in future reports. Descriptions on management approaches components, such as the baseline for goals and targets, for each identified material aspects are recommended to be strengthened in next report.

Signed:
 For and on behalf of SGS Taiwan Ltd.




David Huang, Director
 Taipei, Taiwan
 2 June, 2017
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