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CHINA AIRLINES
2025 ANNUAL

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Cargo Sales & Services, Europe	Cargo Center Luxair, L-1360, Luxembourg	352-348-3639504
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Letter to Shareholders

1.1 Operating Performance in 2025

1.2 Business Plan for 2026

1.3 Development Strategies

1.4 The Effect of External Competition, Legal Environment, and the Overall Business Environment

I. Letter to Shareholders

Looking back at 2025, amid multiple pressures including heightened geopolitical risks, supply chain imbalances in the aerospace industry, and trade barriers, airlines continued to face numerous challenges such as delivery delays, restrictions on operational and service expansion, rising non-fuel costs, and greenhouse gas emissions management. Nevertheless, the impact of turbulent trade policies on the overall economy was lower than expected. Driven by the rapid development of AI, global economic activity remained robust, passenger and cargo demand stayed resilient, and relatively low oil prices helped airlines stabilize revenue performance and supported continued upward momentum in overall operations. In 2025, China Airlines' revenue reached another all-time high, demonstrating the company's operational resilience and the results of proactively responding to external challenges.

To meet the continued prosperity of the passenger and cargo market and enhance aircraft service efficiency, China Airlines actively planned the renewal and expansion of its fleet, announcing the introduction of 15 Airbus A350-1000 passenger aircraft, 15 Boeing 777-9 passenger aircraft, and 8 Boeing 777-8F cargo aircraft, expected to be delivered starting from 118. Along with the previously purchased Boeing 787 aircraft, the brand-new fleet of the future will be dedicated to major passenger and cargo routes. Following their introduction in late 2021, the Airbus A321neo fleet reached 21 aircraft by the end of 2025, gradually replacing the Boeing 737-800 passenger aircraft to become the primary fleet for regional routes. In addition, to enhance the consistency of passenger services, Airbus has been commissioned to carry out cabin integration and technical services for 15 A350-900 aircraft, with the new A350-900 expected to be refurbished and launched starting from 2027. The increase in the proportion of new-generation aircraft in the future will have a positive impact on optimizing passenger and cargo services and experiences, enhancing China Airlines' brand competitiveness, and boosting overall operational efficiency.

China Airlines' sustainable business achievements were recognized with multiple awards in 2024, including being selected for the FTSE4Good Index Series for the tenth time, winning the Taiwan Corporate Sustainability Award (TCSA) for the twelfth consecutive year, and the Global Corporate Sustainability Award (GCSA) for the seventh consecutive year. Additionally, participating in the SkyTeam Sustainable Flight Challenge for the fourth year, China Airlines was recognized by SkyTeam and won the Best Forward-Looking Strategy Award. China Airlines was once again honored with the APEX (Airline Passenger Experience Association) Five Star Global Airline award, marking the milestone of winning this accolade for ten consecutive terms. As the world's only airline rating based on genuine passenger feedback, China Airlines stood out for its overall outstanding passenger experience, reflecting the long-term results of its commitment to service quality.

Entering 2026, amid slowing growth momentum, high costs, geopolitical fluctuations, and policy uncertainty, China Airlines will continue to strengthen fleet and network flexibility, cost control, digital resilience, and sustainable governance to address competition and challenges in a highly volatile environment. At the same time, China Airlines will uphold the core brand spirit of China Airlines Quality, From the Heart, fully implementing a passenger-oriented service philosophy by integrating professionalism, safety, and warmth into every journey, continuously building passenger trust and consolidating China Airlines' leading position in the aviation industry.

1.1 Operating Performance in 2025

The revenue for 2024 was NT$178.954 billion (reporting currency), an increase of 2.15% over the previous year. The net income after tax was NT$14.7 billion (an increase of NT$3.17 billion from the previous year), with the earnings per share after tax at NT$2.42.

1.1.1 Business Strategy Implementation Outcomes

A. Fleet:

In 2025, seven A321neo and two 777F cargo aircraft were introduced, gradually optimizing the fleet structure. As of the end of December 2025, the fleet size reached 87 aircrafts, including 69 passenger aircrafts and 18 cargo aircrafts.

B. Passenger Service:

The Company's revenue from passenger services reached NT$103.975 billion, an increase of 3.21% over the previous year, which accounts for 58.1% of the total revenue. As of the end of December 2025, China Airlines (including Mandarin Airlines) and its code-sharing flights serviced 191 passenger destinations across 29 countries throughout Asia, Europe, the Americas, and Oceania.

C. Cargo Service:

The Company's revenue from cargo services reached NT$66.594 billion, an increase of 10.17% from the previous year, which accounts for 37.21% of consolidated revenue. As of the end of December 2025, China Airlines' 18 cargo aircrafts (including eight 744F aircrafts and ten 777F aircrafts) provided service for 33 destinations across 15 countries throughout Asia, Europe, and the Americas with an average of 106 flights on a weekly basis.

D. Other Operating Revenue:

Other operating revenue includes in-flight duty-free sales, totaling at NT$8.385 billion, an increase of 14.58% over the previous year, which accounts for 4.69% of the total operating revenue.

E. Investments and Earnings:

As of the end of December 2025, the Company has invested in 26 affiliates in various businesses, such as aviation, ground services, warehousing and logistics, aircraft maintenance, tourism and leisure, etc., which contributed to NT$3.562 billion in profit for the year.

1.1.2 Business Cash Flow Budget and Profitability Analysis

A. Cash flow:

Operating revenue for 2025 was NT$178.954 billion, an increase of NT$3.772 billion over the previous year.

Operating costs and expenses were NT$163.49 billion, an increase of NT$1.088 billion over the previous year.

Net profit before tax was NT$17.539 billion, an increase of NT$0.452 billion from the previous year.

Net profit after tax was NT$14.7 billion, an increase of NT$0.317 billion from the previous year.

B. Budget execution:

The projected revenue was NT$179.977 billion, with the actual revenue being NT$178.954 billion, achieving a 99.43% completion rate. The projected operating costs and expenses were NT$168.682 billion, and the actual operating costs and expenses were NT$163.49 billion, representing a utilization rate of 96.92%. The projected surplus from non-operating activities were NT$2.473 billion, and the actual net income from non-operating activities was NT$2.075 billion. The projected net profit before tax for the whole year was NT$13.768 billion, and the actual net profit before tax was NT$17.539 billion.

C. Profitability:

Return on assets	5.42%
Return on equity	16.01%
After-tax profit margin	8.21%
After-tax earnings per share	NT$2.42

1.1.3 Research and Development

A. 787-9 new aircraft cabin planning

China Airlines continues to improve cabin service quality. With the delivery of the first 787 new wide-body aircraft scheduled for the first half of 2026, the latest cabin seats, next-generation high-definition personal in-flight entertainment systems, and in-flight internet will be adopted. The cabin equipment will also be customized to the highest specifications in line with the latest industry trends.

B. Cabin of new A321neo fleet

China Airlines' A321neo aircrafts will have a total of 180 seats across all cabins, featuring a full-flat business class (twelve seats), and a new spacious economy class (168 seats). All A321neo aircrafts will be equipped with the latest generation of in-flight entertainment systems; boasting industry-leading 4K personal TV screens and Bluetooth headphone support, allowing passengers to enjoy multimedia content using their own Bluetooth headphones. The fleet will also be equipped with high-speed internet, enabling passengers to enjoy the pleasure of internet roaming during their journey. The cabin equipment showcases the product's competitive advantage and reinforces brand differentiation, aiming to establish a deep connection and resonance with passengers.

C. A350-900 Cabin Equipment Improvement and Upgrade

To continuously provide passengers with a high-quality travel experience and enhance cabin product competitiveness, China Airlines has initiated the upgrade of A350-900 cabin equipment, adopting the latest cabin seat equipment, new-generation high-definition personal entertainment systems, and high-spec customized cabin equipment according to the latest industry trends.

D. Placing Passengers First to Drive a Comprehensive Upgrade of China Airlines' Services and Brand

The service quality embodied by China Airlines' customer-centric approach serves as the core driving force toward becoming the best carrier from Taiwan. By integrating marketing and brand strategies with digital innovation and cross-industry collaborations, China Airlines aims to strengthen its brand image and international visibility, further enhancing passengers' connection and identification with the China Airlines brand. In terms of cabin products and service experience, China Airlines will continue to optimize cabin design, in-flight entertainment, and Wi-Fi services, while introducing more smart and personalized elements. At the same time, it will refine in-flight and ground service processes to enhance overall service consistency and attentiveness, creating a flight experience that blends a sense of technology with a human touch. In the planning of amenities and in-flight catering, China Airlines will deepen collaborations with internationally and locally renowned brands, balancing sustainability principles while continuously innovating and creating differentiated value. Going forward, China Airlines will advance its brand, products, and services in tandem, continuously strengthening market competitiveness and steadily progressing toward becoming a leading Asian airline brand with global influence.

E. Developing Data and Digital Marketing with CRM as the Core

In response to industry development and evaluation of new technology applications, China Airlines has developed and standardized digital marketing models. Integrating customer historical sales data, such as purchase records (tickets, duty-free items), through eDM, App push, and social media platforms like FB and IG, digital operations help guide customers to the official website, thereby increasing traffic, analyzing customer behavior and preferences, providing precise marketing tailored to members, non-members, and high-contribution passengers, enhancing member loyalty, and increasing official website usage and business performance through marketing messages.

F. Marketing Collaborations with Well-Known IPs

By collaborating with well-known IPs to enhance brand image, and leveraging dedicated websites and social media promotions, China Airlines aims to attract younger demographics and boost product sales.

G. Enhancing Passenger Services and Providing Diverse Customer Service Channels

(1) The chatbot customer service has been upgraded to AI-powered customer service, incorporating generative AI and large language models to understand passenger inquiries and provide responses in 12 languages in a conversational manner. It also offers a travel assistant service to help passengers plan their itineraries.

(2) By combining the Taipei, North America, and global customer service centers, 24-hour Chinese and English telephone services are provided year-round to passengers in both Taiwan and the United States. Passengers can select the most suitable time and channel to contact the customer service center based on their individual needs and location.

H. New Website and Mobile Service Experience

The app has been fully redesigned with continued integration of the member zone, improving the convenience of mileage information inquiries and creating a more intuitive mobile operation experience.

To continuously enhance the passenger experience on mobile devices and the official website, the app will also continue to be upgraded and optimized, making the interface more intuitive and user-friendly, and delivering a consistent and comprehensive digital service experience across platforms.

I. Upgraded Official Website Usage and Ticket Purchasing Experience

A comprehensive redesign initiative for the China Airlines official website has been launched to create an intuitive and user-friendly interface and a smoother booking experience. At the same time, by integrating big data analytics and search engine optimization technologies, real-time promotional fares and popular global travel information will be precisely delivered to users, improving website reach and conversion rates. Additionally, a more diverse range of website discount code mechanisms will be introduced to develop potential customers' willingness to purchase tickets and strengthen the brand's digital competitiveness.

J. Website Security Mechanisms and Transaction Safety

Following industry trends, we have introduced a website traffic monitoring and transaction risk management platform that detects network anomalies and bot behavior in real time, comprehensively upgrading our intelligent protection level. Ensuring transaction security for consumers and merchants, and establishing a more reliable online ticketing environment.

K. Continuous Digitalization of Membership Services

(1) Continuing to drive the digitalization and security enhancement of membership services, the new version of the App has added an integrated Member Zone feature, allowing members to quickly access their digital membership cards and check mileage information, improving convenience for travelers.

(2) An online function for transferring mileage reward privileges has been implemented, allowing Dynasty Flyer members to instantly manage recipient and conduct mileage reward transfers.

(3) Dynasty Flyer members can use the Chatbot Customer Service to perform Cabin Upgrade / Mileage Reward Ticket Availability Inquiry and proceed to the Dynasty Flyer member area to book cabin upgrades or issue award tickets.

(4) To increase interaction with members, China Airlines continues to hold member day activities, offering ticket discounts on the official website on member day, and collaborating with different industries to launch limited-time activities, enhancing member loyalty through social media posts.

(5) At the end of November 2025, the Dynasty Flyer mileage rewards program will transition to a new points-based system, making mileage accumulation more intuitive. Members who meet the upgrade threshold can advance to the next membership card tier immediately without waiting; mileage usage will be more flexible and free, with members able to transfer and purchase additional mileage through the China Airlines official website. To reduce the environmental impact of air travel and in response to ESG initiatives, members are invited to participate in the Lite Travel Member Challenge Tasks.

L. Information Development Strategy

The information development strategy for the year 2025 focuses on digital resilience and technological innovation. Using AI as the engine of the company's digital transformation to create intelligent value, while safeguarding the boundaries of digital security. 2025 is also the third year of our company's AI promotion efforts. Externally, the focus is on building agentic AI services in the areas of passenger, cargo, and service operations, actively advancing on-premises AI deployment, and strengthening the practical implementation of edge computing on mobile devices to enhance real-time responsiveness and operational agility. In terms of internal operations, we continue to expand the virtual workforce to support staffing needs while simultaneously enhancing employees' digital capabilities, deepening the overall adoption and practical application of AI technology in process optimization, predictive decision support, and personalized service experiences.

1.2 Business Plan for 2026

The global international passenger market demand remains robust, with passenger volume projected to grow by 4.9% in 2026, slightly slower than 2025. The Asia-Pacific region continues to be the primary growth driver globally, with passenger volume expected to increase by 7.3% in 2026. China Airlines will continue to dynamically review market demand, flexibly adjust capacity, flights, and route network planning, and capitalize on market niches such as the increase in national holidays and growing demand for premium cabin classes to refine passenger revenue management.

The cargo market continues to thrive, driven by demand from GSP cloud providers, AI applications, and e-commerce. Leveraging its industry-leading freighter fleet, comprehensive route network, and best-in-class operational capabilities, China Airlines will continue to improve load factors, compete for high-yield cargo, and closely monitor market dynamics and tariff policy changes across regions to maximize cargo revenue and market competitiveness.

1.2.1 Passenger Service

China Airlines is actively responding to market demand by continuously adding new destinations and increasing flight frequencies to provide passengers with more comprehensive flight options. However, due to supply chain bottlenecks, aircraft delivery delays have resulted in capacity constraints. In the future, the Company will continue to monitor and adjust the transportation capacity of various routes based on market supply and demand and fleet movement status. Regional route planning is outlined below.

A. Northeast Asian Routes:

China Airlines continues to increase flight frequencies at various destinations in Japan and South Korea to meet the travel needs of the public. In 2025, service to Ishigaki Island was resumed and frequencies on the Busan, Takamatsu, and Kagoshima routes were increased. Additionally, the Fukuoka route from Kaohsiung was launched, service to Kumamoto was resumed, and frequencies on the Tokyo and Okinawa routes were increased, balancing the development of travel markets in the north and south.

B. Southeast Asian Routes:

In response to the gradual expansion of the industry supply chain into Southeast Asia, China Airlines has steadily increased flight frequencies to restore service levels across Southeast Asian routes. In October 2025, we further increased frequencies on the Chiang Mai route to strengthen the North American transfer market. We continue to monitor market demand on all routes and are prepared to enhance our existing destination network when opportunities arise.

C. Cross-Strait Routes:

Cross-strait passenger routes to Beijing, Shanghai, Guangzhou, Shenzhen, Xiamen, Chengdu, Fuzhou, and Wuhan are maintained, with frequencies and capacity to be gradually expanded according to policy developments and market demand. Hong Kong flights also maintain stable operations, preserving China Airlines' market share advantage.

D. Long-Haul Routes:

In addition to existing destinations such as Los Angeles, Ontario, San Francisco, Vancouver, New York, and Seattle, the Phoenix route launched in December 2025. Plans are in place to increase frequencies on the New York route in 2026, with subsequent attention to be paid to market demand to evaluate opportunities for increasing frequencies on existing routes and opening up potential new markets.

E. European Routes:

Maintaining service to destinations including Frankfurt, Amsterdam, London, Rome, Vienna, and Prague, frequencies on the London route were increased in November 2025, and plans are in place to increase frequencies on the Prague route in 2026, with short-term frequency increases to be made continuously based on market demand for each route.

F. Australia and New Zealand Routes:

China Airlines continues to operate passenger flights to Sydney, Melbourne, Brisbane, and Auckland to maintain our competitive advantage.

1.2.2 Cargo Service

In 2025, under the influence of multiple factors including trade policies, tariff adjustments, and geopolitical changes, global supply chains underwent de-risking shifts and restructuring. Southeast Asia, with its abundant labor force and tariff advantages, emerged as the preferred destination for supply chain relocation. At the same time, the rapid rise of the AI industry, coupled with the United States' temporary tariff exemptions on semiconductor and AI-related export products from the Asia-Pacific region, further drove growth in export demand from Taiwan and Southeast Asian markets. In response to market dynamics, China Airlines actively adjusted its route network layout and sales strategies. In addition to mitigating the impact of cargo flow fluctuations, the company also captured mainstream cargo opportunities. Leveraging the geographical advantage of Taiwan as an operational hub, China Airlines not only handled import and export cargo within Taiwan but also continued to develop transit cargo through Taiwan, resulting in steady cargo operations in 2025 with significant growth compared to the previous year.

China Airlines also continues to modernize its cargo fleet. In May 2025, we introduced ten additional Boeing 777F cargo aircrafts. Our current cargo fleet operates with a total of 18 aircraft, comprising ten 777Fs and eight 744Fs. The 744F offers payload advantages for specialized oversized cargo and nose-loading capabilities, highlighting its utility for regional cargo collection and specialized freight transport. Meanwhile, the 777F delivers superior fuel efficiency, demonstrating significant fuel savings on long-haul routes. This combination of aircraft types supports cargo diversification. China Airlines flexibly deploys cargo aircraft types according to operational conditions at each station, allocating capacity to maximize overall cargo aircraft efficiency and maintain a leading position among fellow Taiwanese carriers. To address varying market characteristics across regions, we implement tailored operational strategies as follows:

A. Long-Haul Routes:

We utilize our dual-aircraft fleet capacity on North American routes under the current schedule, maintaining stable operations in North America while strengthening the Central and South American markets. Simultaneously, we continue to secure air freight export demand from various Japanese industries by arranging regular round-trip cargo aircraft flights between Osaka-Chicago and Nagoya-Chicago, deepening our presence in Japan's exports to North America. We also enhance capacity utilization efficiency by adding a Tokyo stop on the Los Angeles-Taipei return flights, thereby optimizing Taipei-Tokyo flight frequencies. Furthermore, a new freighter service to Toronto, Canada was launched in February 2025, and a passenger flight to Phoenix, USA was inaugurated in December, further expanding the company's presence in North American business locations and proactively deploying cargo route networks to capture relevant air logistics opportunities ahead of the market.

B. European Routes:

In 2025, European freighter services operated approximately 7 flights per week, including 3 to Luxembourg, 2 to Amsterdam, and 2 to Frankfurt, with additional charter flights added in response to market demand. Intermediate stops in India (Delhi, Mumbai) and Dubai were utilized to generate two-segment revenue and improve flight efficiency. The time-advantage of belly space on direct passenger flights to London, Vienna, Rome, and Prague was fully leveraged for cargo solicitation, supplemented by stable and extensive truck services to expand European market share to major cities and increase revenue.

C. Regional Routes:

As U.S. reciprocal tariff policies have accelerated the relocation of production bases, the company adjusted its freighter route network accordingly, reducing flights to China and Hong Kong while increasing the frequency of Southeast Asia flights (gradually increasing from 13 flights per week in October 2024 to 20 flights per week from June 2025). This was combined with passenger aircraft belly capacity to leverage the synergies of the dense route network, ensuring that overall fleet operations align with market development trends and cargo business needs. Additionally, in line with regional capacity growth, we are strengthening sales efforts in both Southeast and Northeast Asian regional markets, flexibly adjusting routes and increasing flight frequencies according to market conditions, effectively enhancing regional profitability.

1.3 Development Strategies

1.3.1 Optimizing Fleet Operations Scale

China Airlines continues to optimize its fleet, with ongoing deliveries of next-generation Airbus A321neo / A350-900 and Boeing 787 passenger aircraft planned for 2026. For our cargo fleet of ten Boeing 777F cargo aircrafts had been delivered by the end of 2025. New-generation aircraft offer improved fuel efficiency, contributing to reduced carbon emissions and environmental sustainability. These aircraft also provide enhanced service quality and lower unit costs, improving route profitability and strengthening overall competitiveness. In response to aircraft delivery delays caused by global supply chain issues following the pandemic, China Airlines has maintained stable capacity through measures such as improving aircraft utilization rates, extending lease periods, and evaluating additional aircraft leasing opportunities.

1.3.2 Stable Codeshare Partnerships, Strengthening Network Benefits

China Airlines was the first Taiwanese carrier to join a global airline alliance. During 2025, we maintained codeshare partnerships with 22 airlines, leading Taiwanese carriers. Beyond our own routes, China

Airlines actively expands in global markets. In 2025, we extended our network through alliance cooperation, adding 20 codeshare routes. An additional 6 codeshare routes are planned for progressive implementation in 2026, extending our reach to primary and secondary cities in Northeast Asia, Southeast Asia, Europe, and North America, connecting with China Airlines' main routes. Moving forward, we will continue to deepen our cooperation across various alliance domains and explore potential partnerships with growth potential to enhance overall network effectiveness and boost passenger revenue.

1.3.3 The Company continues to align with international organizations' sustainability development strategies.

China Airlines actively responds to and implements the United Nations Sustainable Development Goals (UN SDGs), and continues to collaborate with IATA, AAPA, SkyTeam, and various international organizations to promote sustainable aviation development. The company formulates specific action plans and participates in global initiatives in accordance with the United Nations Sustainable Development Goals. At the same time, China Airlines is actively introducing digitalization in ground and in-flight services to optimize operational processes, reduce resource consumption, and strengthen carbon management and emissions reduction measures. The company has passed the Science Based Targets initiative (SBTi) review and signed a Sustainable Aviation Fuel (SAF) cooperation memorandum of understanding, demonstrating its commitment to mitigating climate change. Going forward, China Airlines will continue to deepen ESG (Environmental, Social, and Governance) as a core corporate strategy, strengthen the sustainable governance framework, and regularly review the effectiveness of sustainability goal implementation, aligning with international standards and working hand-in-hand with global partners to jointly promote the sustainable development of the aviation industry and realize the vision of sustainable corporate operations.

1.3.4 Optimizing cross-industry cooperation to enhance product added value

China Airlines integrates a diverse range of cross-industry collaborations, including overseas travel insurance, city shuttle services, car rentals, and hotel bookings, to create a comprehensive service and experience covering everything from ticket purchase to the entire journey. To optimize Dynasty member's active cycle of mileage accumulation and redemption, China Airlines shall expand cross-industry collaboration to increase the scope of global members' mileage accumulation and redemption across various industries. As a response strategy and means to enhance the overall mileage membership program and benefits, the Company plans to develop a Dynasty mileage-related cross-industry collaboration store, hotel, car rental, and shopping consumption third-party cross-industry platform solutions to facilitate global members' mileage accumulation and redemptions.

1.3.5 Dual aircraft type freighters plus passenger aircraft belly capacity, expanding diverse cargo sources

With all new 777F aircraft delivered by May 2025, the total fleet has reached 10 aircraft, complemented by the existing 8 744F aircraft, balancing both high efficiency and large capacity. The new 777F aircraft can effectively improve and enhance aircraft utilization rates and fuel consumption, while the 744F's large payload capacity highlights its strengths in regional freight consolidation and special cargo loading. The combination of both aircraft types with passenger belly capacity helps diversify cargo sources, meet different market demands, and enhance product competitiveness.

1.3.6 Dynamically Reviewing and Optimizing the Air Network

North American routes are a key revenue focus for China Airlines. In 2025, the fuel efficiency advantages of the 777F are being leveraged to continue expanding long-haul routes. In addition to increasing flight frequencies on North American routes based on market demand (e.g., Toronto service will increase from the current 2 flights per week to 3 flights per week starting March 2026), this will effectively enhance market share in North America. In response to regional market fluctuations and seasonal agricultural/fishery product demands, China Airlines has strategically adjusted our route network to enhance cargo capacity. Following a systematic review of flight schedules on regional routes including Japan and Southeast Asia, schedule arrangements have been appropriately adjusted to address the different characteristics and transportation needs of key cargo types such as AI servers, semiconductor equipment, automobiles, fashion apparel, and consumer electronics. Starting January 2026, Southeast Asia flights will be increased from 20 to 21 flights per week to respond to the robust growth in local market export demand, further strengthening regional freight consolidation capabilities and enhancing transshipment efficiency to create more business opportunities.

1.3.7 Keeping a Close Watch on the Aviation Freight Industry

China Airlines continuously monitors international developments, industry policies, supply chain dynamics, and consumer demand trends. We adapt our operations to emerging industries including e-commerce, semiconductor-related cargo, AI technology, and green energy by dynamically adjusting and optimizing flight schedules to maximize revenue.

1.3.8 Promoting Diversified Operational Strategies

To meet the various demands of suppliers and consider the traditional peak and off-peak seasons in the cargo transportation industry, China Airlines strive to secure annual chartered flights or chartered air freight to ensure aircraft utilization and load factors, stabilize market freight rates, and boost Company revenue. Each station actively promotes time-sensitive product and service offerings, striving for high-value cargo such as semiconductor manufacturing equipment, pharmaceutical and biotechnology cold chain products, aircraft materials, and more, providing the fastest flight transportation services. Through the establishment of cooperative incentive programs and multi-point regional freight consolidation solutions with global multinational agents, the company aims to stabilize core cargo sources and seize opportunities to increase cargo volume. Additionally, the company continues to maintain strong cooperative relationships with integrated express carriers and interline partners to expand network coverage.

1.3.9 Expand Opportunities in Cold Chain Cargo Services

China Airlines has greatly improved its cold chain cargo services in response to the growing demand for air cargo (such as pharmaceuticals, vaccines, etc.). This has been achieved by promoting temperature-controlled container, developing comprehensive operational standards for active and passive temperature-controlled cargo, and upgrading refrigeration/freezing facilities for cargo across all routes. China Airlines being the first airlines in Taiwan to obtain the CEIV Pharma certification (The IATA Center of Excellence for Independent Validators in Pharmaceutical Logistics, CEIV Pharma) successfully passed the rigorous audit again in October 2025 to further extend its certification; continuing to provide diversified and high-quality temperature-controlled cargo services to global customers, gaining international recognition and praise for its cargo professionalism. In 2025, China Airlines handled over 2,600 temperature-controlled containers, maintaining a steady operational performance since 2024. Furthermore, China Airlines has signed contracts with Envirotainer, Csafe, and Dokasch, enabling the provision of suitable cooperation models based on customer needs, effectively enhancing operator convenience and promotional efforts.

1.3.10 Expanding cooperation with third-party online sales platforms to develop new customer segments

China Airlines continues to expand its cooperation with third-party online sales platforms WebCargo by Freightos and cargo.one, providing one-stop space search, real-time quotation, and online booking services, enabling customers to quickly find suitable space and complete reservations. Leveraging the internet's cross-regional and time-zone-free characteristics, the company strengthens its digital sales strategy and brand exposure, thereby reaching new customer segments in different global markets, expanding new cargo sources, and improving overall market share.

1.4 The Effect of External Competition, Legal Environment, and the Overall Business Environment

According to S&P Global's December 2025 forecast, global economic growth will reach 2.7% in 2026, slightly higher than the estimated 2.7% growth rate for 2025. Various major institutions predict that Taiwan's economic growth rate in 2025 will be between 2.1% and 4%, which is relatively stable compared to the global performance. For the aviation industry, the development trend of AI technology and applications is clear, continuously driving growth in related hardware demand. Semiconductor companies are simultaneously expanding production capacity, stimulating import/export and business travel demand, which will continue to boost aviation passenger and cargo demand.

IATA estimates that the aviation industry's net profit margin will remain at 3.9% in 2026 (same as 2025), indicating that the industry's profit structure is gradually stabilizing, supported by high passenger load factors and sustained demand. However, aircraft supply constraints have become a structural factor affecting industry development. Aviation operators need to adopt more precise fleet planning and operational efficiency management to cope with the dual pressures of cost and growth. In the new year, China Airlines will continue to strengthen governance and operational resilience, prudently plan for growth momentum, and steadily advance its sustainable development goals.

Chairman:

Manager:

Head of Accounting:

Corporate Governance Report

2.1 Information on Directors, President, Senior Executive Vice Presidents, First-level Executives and Deputy Executives, and Heads of Departments and Branch Units

2.2 Implementation of Corporate Governance

2.3 Information Regarding the Company's Audit Fee and Independence

2.4 The Company's Chairman, Presidents, or Accounting Officers Holding any Positions in the Company's Independent Auditing Firm or its Affiliates During recent year

2.5 Recent Annual and as of the Printing Date of the Annual Report, the Changes in the Transfer and Pledge of Shares of Directors, Managers, and Shareholders Holding More Than 10% of the Shares

2.6 Relationships among the Top Ten Shareholders

2.7 Ownership of Shares in Affiliated Enterprises

II. Corporate Governance Report

2.1 Information on Directors, President, Senior Executive Vice Presidents, First-level Executives and Deputy Executives, and Heads of Departments and Branch Units

2.1.1 Directors / Independent Directors

A. Information on Experience (Education), Date Elected (Started), etc.

2026/03/29

Title	Name	Nationality/ Country of Origin	Gender & Age	Date First Elected	Date Elected (Note 1)	Term (Years) (Note 2)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Executives, Directors, or Supervisors Who Are Spouses or within Two Degrees of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Directors	China Aviation Development Foundation	R.O.C.	-	1988/07/07	2024/05/30	3	1,867,341,935	30.86%	1,867,341,935	30.52%	-	-	-	-	-	-	-	-	-	-
	Representative: Kao, Shing-Hwang	R.O.C.	Male / 65	2021/03/11	2024/05/30	3	62,809	0.00%	62,809	0.00%	0	0.00%	0	0.00%	President, China Airlines Co., Ltd.; Senior Vice President, China Airlines Co., Ltd.; Vice President, Flight Operations Div., China Airlines Co.; Assistant Vice President, Flight Operations Div., China Airlines Co., Ltd. Bachelor's Degree, National Cheng Kung University	Chairman, China Airlines Co., Ltd.; Chairman, China Airlines Hotel Co., Ltd.; Chairman, China Airlines (Asia) Co., Ltd.; Chairman, China Airlines Industrial Park Co., Ltd.; Chairman, Huamei Investment Co.; Director, China Airlines Development Foundation	None	None	None	None
Director	China Aviation Development Foundation	R.O.C.	-	1988/07/07	2024/05/30	3	1,867,341,935	30.86%	1,867,341,935	30.52%	-	-	-	-	-	-	-	-	-	-

Title	Name	Nationality/ Country of Origin	Gender & Age	Date First Elected	Date Elected (Note 1)	Term (Years) (Note 2)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Executives, Directors, or Supervisors Who Are Spouses or within Two Degrees of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
	Representative: Chen, Charles C.Y.	R.O.C.	Male / 64	2000/07/01	2024/05/30	3	190,166	0.00%	190,166	0.00%	155,849	0.00%	0	0.00%	Director, Wan Hai Lines Ltd.; Chairman, United Test and Assembly Center Group (UTAC Group) Chairman, Epistar Corporation; Director, Regent International Hotel Group; Director, Ascendas Group; Director, ITEQ Corporation; Adjunct Associate Professor, Department of Quantitative Finance, National Tsing Hua University MBA, New York University, U.S.A.	Chairman, Eyon Holding Group; Vice Chairman, Taiwan Air Cargo Terminal Ltd.; Vice Chairman, Taian Insurance Co., Ltd.; Chairman, Sunshine Shihlin Development Co.,Ltd.; Board Director, Shihlin Paper Corporation; Chairman, Wan Hai International Pte. Ltd.; Chairman, Chen-Yung Foundation; President, Wan Hai Lines (Japan), Ltd.; Board Director, Wan Hai Lines (Malaysia) Sdn Bhd; Senior Board Member, Wan Hai Lines (Singapore) Pte Ltd.	None	None	None	None
Director	Representative: Ting, Kwang-Hung	R.O.C.	Male / 53	2008/01/28	2024/05/30	3	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Chairman, Central Trading & Development Corp.; Visiting Professor, National Taiwan Normal University BA in Finance, Boston University, U.S.A.; Visiting Researcher, Pepperdine University, USA	Group Chairman, Phu My Hung Holdings Group	None	None	None	None
Director	Representative: Chen, Ta-Chun	R.O.C.	Male / 63	2024/05/30	2024/05/30	3	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Deputy Mayor of Taichung City; Director of Taichung City Government Social Affairs Bureau; Chief of Staff for the Deputy Speaker of the Legislative Yuan; National Assembly Representative; Democratic Progressive Party Central Executive Committee Member/Central Review Committee Member; Associate Professor at National Taichung Institute of Technology; Associate Professor at the General Education Center of National Taichung University of Science and Technology; Director of China Aviation Development Foundation; Director of Highwealth Construction Corp.	Director, China Aviation Development Foundation; Independent Director, Highwealth Construction Corp.; Director, Mandarin Airlines Ltd.	None	None	None	None

Title	Name	Nationality/ Country of Origin	Gender & Age	Date First Elected	Date Elected (Note 1)	Term (Years) (Note 2)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Executives, Directors, or Supervisors Who Are Spouses or within Two Degrees of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Director	Representative: Chen, Maun-Jen	R.O.C.	Male / 75	2021/08/12	2024/05/30	3	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Chairman, Chundi Enterprise Co., Ltd.; Chairman, Hipower Autotech Co., Ltd.; President, Taiwan Golf & Country Club; Special Assistant to Chairman, GSK Technologies Inc.; Sales Supervisor, Chin Fong Machine Industrial Co. Ltd. MBA, Tulane University, U.S.A.	Vice Chairman, Chundi Enterprise Co., Ltd.; Chairman, Maoyuan Technology Co., Ltd.; Chairman, Maodi Environmental Co., Ltd.; Vice Chairman, Chinese Taipei Golf Association; Director, Taiwan–Japan Relations Association; Honorary Chairman, Rotary Educational Foundation of the Republic of China; Executive Director, Taiwan New Century Cultural and Educational Foundation	None	None	None	None
Director	Representative Huang, Shih-Hui	R.O.C.	Female / 55	2025/05/28	2025/05/28	2	96,770	0.00%	0	0.00%	0	0.00%	0	0.00%	General Manager, Fukuoka Branch, China Airlines Ltd.; General Manager, New York Branch, China Airlines Ltd.; General Manager, Kaohsiung Branch, China Airlines Ltd.; Deputy General Manager, Novotel Taipei Taoyuan International Airport; Bachelor of International Relations, Faculty of Humanities and Culture, Tokai University, Japan; Master of Aviation Management, Griffith University, Australia	Director, Tigerair Taiwan Co., Ltd.	None	None	None	Note 3
Director	Representative Huang, Huei-Jen	R.O.C.	Female / 45	2024/05/30	2024/05/30	3	966	0.00%	0	0.00%	0	0.00%	0	0.00%	Representative and Member of Council, China Airlines Employees Union EMBA in Law, National Chengchi University	Secretary General, China Airlines Enterprise Union	None	None	None	Note 3
Director	Representative Chang, Gwo-Wei	R.O.C.	Male / 55	2024/05/30	2026/05/30	3	0	0.00%	0	0.00%	7,000	0.00%	0	0.00%	Technician, Line Maintenance Department, China Airlines Co., Ltd.; Member Representative, China Airlines Enterprise Union; Director, China Airlines Enterprise Union; Department of Civil Engineering, Vanung University	Chairman, Maintenance Factory Enterprise Union, China Airlines Co., Ltd.; Deputy Director, International Affairs Department, National Federation of Industrial Unions	None	None	None	Note 3
Director	National Development Fund of The	R.O.C.	-	2012/06/15	2024/05/30	3	519,750,519	8.59%	519,750,519	8.50%	-	-	-	-	-	-	-	-	-	-

Title	Name	Nationality/ Country of Origin	Gender & Age	Date First Elected	Date Elected (Note 1)	Term (Years) (Note 2)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Executives, Directors, or Supervisors Who Are Spouses or within Two Degrees of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
	Representative: Wei, Chien-Hung	R.O.C.	Male / 66	2024/05/30	2024/05/30	3	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Professor, Department of Transportation and Communication Management Science and Institute of Telecommunications Management, National Cheng Kung University; Chairman, Chunghwa Post Co., Ltd.; Director, Mega Financial Holding Co., Ltd.; Director, Research Center for Smart City Transportation and Networks / Green Roads and Infrastructure, National Cheng Kung University; Director-General, Transportation Bureau, Tainan City Government Ph. D in Civil Engineering, University of Maryland USA	Professor Emeritus, National Cheng Kung University	None	None	None	None
	Representative: Shon, Zheng-Yi	R.O.C.	Male / 56	2025/05/28	2025/05/28	2	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Vice President for Research and Development, Tainan University of Technology; Dean, College of Management, Tainan University of Technology; Professor, Department of International Business and Master's Program, Tainan University of Technology; Independent Director, Axiomtek Co., Ltd.; Independent Director, Asia Pacific Telecom Co., Ltd. Ph.D. in Transportation Management Science, National Cheng Kung University; Master of Business Administration, Graduate Institute of Mainland China Studies, Tamkang University; Bachelor of Engineering, Department of Information Management, Chinese Culture University	Director, Taoyuan International Airport Corporation, Ltd.; Independent Director, Yang Ming Marine Transport Corporation; Director, International Air Transport Association Director, International Transportation Society; Director, International Chinese Transportation Professionals Association	None	None	None	None

Title	Name	Nationality/ Country of Origin	Gender & Age	Date First Elected	Date Elected (Note 1)	Term (Years) (Note 2)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Executives, Directors, or Supervisors Who Are Spouses or within Two Degrees of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Independent Director (Public)	Chang, Hsieh Gen-Sen	R.O.C.	Female / 69	2018/06/27	2024/05/30	3	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Advisor to Legislator, Legislative Yuan; Managing Partner, Xin-An Certified Public Accountants Partner-in-Charge, Chang-Ke Certified Public Accountants; Adjunct Associate Professor, Chinese Culture University; Chief Financial Officer, AmeriMech Corporation, USA Senior Accountant, International Accounting Firm, USA; Accountant, Southern California Office, American Automobile Association; Independent Director, Lasertek Corporation MBA, University of California, Irvine, U.S.A.	Member, Audit Committee, China Airlines Co., Ltd.; Member, Remuneration Committee, China Airlines Co., Ltd.	None	None	None	None
Independent Director	Huang, Hsieh-Hsing	R.O.C.	Male / 65	2021/08/12	2024/05/30	3	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Founder, Zhongshan United Certified Public Accountants; Chairman, Taiwan Provincial CPA Association; Director, Accounting Research and Development Foundation, Republic of China; Member, CPA Disciplinary Committee, Financial Supervisory Commission; Chairman, New Taipei City Tax Agents Association; Chairman, Think Tank Committee; Director, College of Law Foundation, National Chengchi University; Director, Academic Development Foundation, National Chengchi University Master of Law, College of Law of National Chengchi University; Master of Business Management, National Sun Yat-sen University	Convener, Audit Committee and Remuneration Committee, China Airlines Co., Ltd.; Managing Partner, Zhongshan United Certified Public Accountants; Honorary Chairman, Taiwan Provincial CPA Association; Independent Director, TECO Electric & Machinery Co., Ltd.; Convener, Audit Committee, TECO Electric & Machinery Co., Ltd.; Member, Remuneration Committee, TECO Electric & Machinery Co., Ltd.; Director, National Federation of CPA Associations of the Republic of China; Chairman, Taxation and Fiscal Committee, National Federation of CPA Associations of the Republic of China Chairman,Taxation Committee, CPA Associations R.O.C. (Taiwan)	None	None	None	None

Title	Name	Nationality/ Country of Origin	Gender & Age	Date First Elected	Date Elected (Note 1)	Term (Years) (Note 2)	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Executives, Directors, or Supervisors Who Are Spouses or within Two Degrees of Kinship			Remarks
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Independent Director	Hwang, Yih-Ray	R.O.C.	Male / 59	2024/05/30	2024/05/30	3	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Chairman, National Fede ration of CPA Associations of the R.O.C. MBA, University of Massachusetts, USA	Managing Partner (Head Office), Qunzhi United Certified Public Accountants; Director, Huaku Development Co., Ltd.; Chairman, Weidu Investment Co., Ltd.; Member, Audit Committee, China Airlines Co., Ltd.; Convener, Sustainability and Risk Committee, China Airlines Co., Ltd.	None	None	None	None
Independent Director	Lin, Yu-Fen	R.O.C.	Female / 55	2024/05/30	2024/05/30	3	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Independent Director, Chunghwa Telecom Co., Ltd.; Independent Director, Bank SinoPac Co., Ltd.; Independent Director, Sinbon Electronics Co., Ltd.; Supervisor, EDAT Communication Technology Co., Ltd. Bachelor of Political Science and Law, National Taiwan University	Managing Partner, Fame & Honor Law Offices; Supervisor, EDAT Communication Technology Co., Ltd.; Independent Director, Chief Telecom Inc.; Member, Audit Committee, China Airlines Co., Ltd.; Member, Sustainability and Risk Committee, China Airlines Co., Ltd.	None	None	None	None
Independent Director	Lin, Kuo-Chang	R.O.C.	Male / 58	2024/05/30	2024/05/30	3	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Chairman, Yilan Bar Association; Branch Director, Yilan Branch, Legal Aid Foundation Director, Kuo Kuang Power Co., Ltd.; Supervisor, ITE Advanced Semiconductor Co., Ltd.; Adjunct Lecturer, National Ilan University; Lecturer, Yilan Community University; Director, Ju Ming Culture and Education Foundation Master of Law in National Taipei University	Practicing Attorney, Lin Kuo-Chang Law Offices; Supervisor, Kuo Kuang Power Co., Ltd. Supervisor, Huan Neng Shipping Co., Ltd.; Member, Audit Committee, China Airlines Co., Ltd. Member, Sustainability and Risk Committee, China Airlines Co., Ltd.	None	None	None	None

Note 1: The date of appointment refers to the date on which directors were elected at the Annual General Meeting of Shareholders. Information on the reassignment of representatives of China Airlines Development Foundation is as follows: 1. Kao, Shing-Hwang was reassigned to replace Hsieh, Su-Chien as the juridical person representative, taking office on January 17, 2025. 2. Chen, Ta-Chun was reassigned to replace Chen, Han-Ming as the juridical person representative, taking office on March 10, 2025. 3. Huang, Shih-Hui was reassigned to replace Hsieh, Wei-Cheng as the juridical person representative, taking office on June 6, 2025. 4. Chang, Gwo-Wei was reassigned to replace Su, Pei-Hsuan as the juridical person representative, taking office on January 1, 2026.

Note 2: The average tenure of members of the Company's 23rd Board of Directors is 5.5 years; the consecutive tenure of all Independent Directors does not exceed 3 terms.

Note 3: To avoid the potential impact of concurrent employee roles on the objectivity of Board oversight, with the exception of Directors Huang, Shih-Hui, Huang, Huei-Jen, and Chang, Gwo-Wei, who concurrently serve as employees, all other members of the 23rd Board of Directors do not hold concurrent positions as employees of the Company.

2.1.1.2 Major Shareholders Among Institutional Shareholders

2026/03/29

Name of Institutional Shareholders	Major Shareholders
China Aviation Development Foundation	A non-corporate organization. In February 1988, all 27 shareholders of the Company (Note) gifted the shares held and 100% of the shareholders' equity to set up the foundation, which was reported to the Ministry of Transportation and Communications on March 2 of the same year. Its establishment was approved on July 6 of the same year.
National Development Fund of The Executive Yuan	Government

Note: Sourced from the Charter for Donations to the China Aviation Development Foundation

Donor	Donation	Amount
Wu, Yueh	10,977,697 common shares of China Airlines and the profits	NT$2,530,666,534
Tsu, Jung-Chun	5,872,874 common shares of China Airlines and the profits	NT$1,353,861,897
Tien, Hsi	515,938 common shares of China Airlines and the profits	NT$118,938,155
Chang, Lin-Te	239,214 common shares of China Airlines and the profits	NT$55,145,599
Chang, Chih-Chen	515,938 common shares of China Airlines and the profits	NT$118,938,155
Lan, Ping-Chuan	515,938 common shares of China Airlines and the profits	NT$118,938,155
Fu, Jui-Yuan	515,938 common shares of China Airlines and the profits	NT$118,938,155
Hsu, Kang-Liang	2,026 common shares of China Airlines and the profits	NT$467,049
Shih, Kuang-Lin	2,026 common shares of China Airlines and the profits	NT$467,049
Liu, Chiung-Kuang	239,214 common shares of China Airlines and the profits	NT$55,145,599
Han, Te-Hui	239,214 common shares of China Airlines and the profits	NT$55,145,599
Yeh, Chih-Fang	239,214 common shares of China Airlines and the profits	NT$55,145,599
Hung, Yang-Fu	239,214 common shares of China Airlines and the profits	NT$55,145,599
Liu, Ping-Kuan	239,214 common shares of China Airlines and the profits	NT$55,145,599
Chang, Tang-Tien	239,214 common shares of China Airlines and the profits	NT$55,145,599
Li, Hsueh-Yen	239,214 common shares of China Airlines and the profits	NT$55,145,599
Li, Chi-Tang	239,214 common shares of China Airlines and the profits	NT$55,145,599
Wang, Yu-Ken	239,214 common shares of China Airlines and the profits	NT$55,145,599
Yuan, Chin-Han	239,214 common shares of China Airlines and the profits	NT$55,145,599
Fan, Kuang-Hua	239,214 common shares of China Airlines and the profits	NT$55,145,599
Liu, Hui-Chun	239,214 common shares of China Airlines and the profits	NT$55,145,599
Yeh, I-Fan	239,214 common shares of China Airlines and the profits	NT$55,145,599
Chen, Chung-Yu	239,214 common shares of China Airlines and the profits	NT$55,145,599
Yang, Hung-Ting	239,214 common shares of China Airlines and the profits	NT$55,145,599
Tsai, Ming-Yung	222,205 common shares of China Airlines and the profits	NT$51,224,474
Wang, Wei-Ming	515,938 common shares of China Airlines and the profits	NT$118,938,155
Huang, Jen-Sheng	515,938 common shares of China Airlines and the profits	NT$118,938,155
Total	23,999,880 common shares and the profits	NT$5,532,645,517

2. Professional qualifications and independence analysis of directors

Criteria / Name	Professional Qualifications and Experiences	Independence analysis	Concurrent positions at other public companies Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Kao, Shing-Hwang Directors	■ Education: Bachelor's Degree, National Cheng Kung University ■ Professional Qualifications and Experiences: Chairman, China Airlines Co., Ltd.; Chairman, China Airlines Hotel Co., Ltd.; Chairman, China Airlines (Asia) Co., Ltd.; Chairman, China Airlines Industrial Park Co., Ltd.; Chairman, Huamei Investment Co.; Director, China Airlines Development Foundation ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Not applicable	None
Chen, Charles C.Y. Director (Sustainability and Risk Committee Member)	■ Education: Master of Business Administration, National Tsing Hua University; Master of Business Administration, Graduate School of Business Administration, New York University ■ Professional Qualifications and Experiences: Chairman, Eyon Holding Group; Vice Chairman, Taiwan Air Cargo Terminal Ltd.; Vice Chairman, Taian Insurance Co., Ltd.; Chairman, Sunshine Shihlin Development Co.,Ltd.; Board Director, Shihlin Paper Corporation; Chairman, Wan Hai International Pte. Ltd.; Chairman, Chen-Yung Foundation; President, Wan Hai Lines (Japan), Ltd.; Board Director, Wan Hai Lines (Malaysia) Sdn Bhd; Senior Board Member, Wan Hai Lines (Singapore) Pte Ltd. ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Not applicable	None
Ting, Kwang-Hung Director (Sustainability and Risk Committee Member)	■ Education: BA in Finance, Boston University, U.S.A. ■ Professional Qualifications and Experiences: Chairman, Central Trading & Development Corp.; Visiting Professor, National Taiwan Normal University; BA in Finance, Boston University, U.S.A.; Visiting Researcher, Pepperdine University, USA ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Not applicable	None
Chen, Ta-Chun Director	■ Education: Doctorate in Business Administration, Macau University of Science and Technology. ■ Professional Qualifications and Experiences: Director, China Airlines Development Foundation; Independent Director, Highwealth Construction Co., Ltd.; Chairman, Mandarin Airlines Ltd.; Deputy Mayor, Taichung City Government; Director-General, Social Affairs Bureau, Taichung City Government; Chief of Staff, Office of the Vice President, Legislative Yuan; National Assembly Delegate; Central Executive Committee Member / Central Review Committee Member, Democratic Progressive Party; Associate Professor, National Taichung Institute of Technology ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Not applicable	One Currently serves as Independent Director of Highwealth Construction corp.
Chen, Maun-Jen Director	■ Education: MBA, Tulane University, U.S.A. ■ Professional Qualifications and Experiences: Vice Chairman, Chundi Enterprise Co., Ltd.; Chairman, Maoyuan Technology Co., Ltd.; Chairman, Maodi Environmental Co., Ltd.; Vice Chairman, Chinese Taipei Golf Association; Director, Taiwan–Japan Relations Association; Honorary Chairman, Rotary Educational Foundation of the Republic of China; Executive Director, Taiwan New Century Cultural and Educational Foundation ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Not applicable	None

Criteria / Name	Professional Qualifications and Experiences	Independence analysis	Concurrent positions at other public companies Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Huang, Shih-Hui Director	■ Bachelor of International Relations, Faculty of Humanities and Culture, Tokai University, Japan; Master of Aviation Management, Griffith University, Australia ■ Professional Qualifications and Experiences: Chairman, Tigerair Taiwan Ltd.; General Manager, Fukuoka Branch, China Airlines Ltd.; General Manager, New York Branch, China Airlines Ltd.; General Manager, Kaohsiung Branch, China Airlines Ltd.; Deputy General Manager, Novotel Taipei Taoyuan International Airport ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Not applicable	None
Huang, Huei-Jen Director	■ Education: EMBA in Law, National Chengchi University ■ Professional Qualifications and Experiences: Flight Attendant, China Airlines Co., Ltd.; Secretary General, China Airlines Enterprise Union ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Not applicable	None
Chang, Gwo-Wei Director	■ Education: Department of Civil Engineering, Vanung University ■ Professional Qualifications and Experiences: Chairman, Maintenance Factory Enterprise Union, China Airlines Co., Ltd.; Technician, Line Maintenance Department, China Airlines Co., Ltd.; Deputy Director, International Affairs Department, National Federation of Industrial Unions ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Not applicable	None
Wei, Chien-Hung Director	■ Education: Ph. D in Civil Engineering, University of Maryland USA ■ Currently serves as Director of the Green Road and Infrastructure Research Center at National Cheng Kung University. Previous positions include Professor at the Department of Transportation and Communication Management Science and Institute of Telecommunications Management at Cheng Kung University, Chairman of Chunghwa Post Co., Ltd., Director of Mega Financial Holding Co., Ltd., and Director of the Smart City Transportation and Network Research Center at National Cheng Kung University. ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Not applicable	None
Shon, Zheng-Yi Director	■ Education: Bachelor's Degree, National Cheng Kung University ■ Director, Taoyuan International Airport Corporation, Ltd.; Independent Director, Yang Ming Marine Transport Corporation; Director, International Air Transport Association Director, International Transportation Society; Director, International Chinese Transportation Professionals Association ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Not applicable	One Currently serves as Independent Director of Highwealth Construction Corp.
Chang, Hsieh Gen-Sen Independent Director (Public) (Audit Committee; Remuneration Committee)	■ Education: MBA, University of California, Irvine, U.S.A. ■ Advisor to Legislator, Legislative Yuan; Managing Partner, Xin-An Certified Public Accountants Partner-in-Charge, Chang-Ke Certified Public Accountants; Adjunct Associate Professor, Chinese Culture University; Chief Financial Officer, AmeriMech Corporation, USA; Senior Accountant, International Accounting Firm, USA; Accountant, Southern California Office, American Automobile Association; Independent Director, Lasertek Corporation ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Meets the independence requirements set forth in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. (Note)	None

Criteria / Name	Professional Qualifications and Experiences	Independence analysis	Concurrent positions at other public companies Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Huang, Hsieh-Hsing Independent Director (Audit Committee; Remuneration Committee)	■ Education: Master of Law, College of Law of National Chengchi University; Master of Business Management, National Sun Yat-sen University ■ Professional Qualifications and Experiences: Founder, Zhongshan United Certified Public Accountants; Chairman, Taiwan Provincial CPA Association; Director, Accounting Research and Development Foundation, Republic of China; Member, CPA Disciplinary Committee, Financial Supervisory Commission; Chairman, New Taipei City Tax Agents Association; Chairman, Think Tank Committee; Director, College of Law Foundation, National Chengchi University; Director, Academic Development Foundation, National Chengchi University ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Meets the independence requirements set forth in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. (Note)	One Currently serves as Independent Director and Convener of the Audit Committee and Member of the Compensation Committee of TECO Electric & Machinery Co., Ltd.
Hwang, Yih-Ray Independent Director (Audit Committee Member; Sustainability and Risk Committee Member)	■ Education: MBA, University of Massachusetts, USA ■ Professional Qualifications and Experiences: Chairman, National Federation of CPA Associations of the Republic of China; Managing Partner (Head Office), Qunzhi United Certified Public Accountants; Director, Huaku Development Co., Ltd.; Chairman, Weidu Investment Co., Ltd.; Member, Audit Committee, China Airlines Co., Ltd.; Convener, Sustainability and Risk Committee, China Airlines Co., Ltd. ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Meets the independence requirements set forth in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. (Note)	None
Lin, Yu-Fen Independent Director (Audit Committee; Sustainability and Risk Committee Member)	■ Education: Bachelor of Political Science and Law in National Taiwan University ■ Professional Qualifications and Experiences: Managing Partner, Fame & Honor Law Offices; Supervisor, EDAT Communication Technology Co., Ltd.; Independent Director, Chief Telecom Co., Ltd.; Member, Audit Committee, China Airlines Co., Ltd.; Member, Sustainability and Risk Committee, China Airlines Co., Ltd. ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Meets the independence requirements set forth in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. (Note)	One Independent Director, Chief Telecom Co., Ltd.
Lin, Kuo-Chang Independent Director (Audit Committee; Sustainability and Risk Committee Member)	■ Education: Master of Law in National Taipei University ■ Professional Qualifications and Experiences: Chairman, Yilan Bar Association; Branch Director, Yilan Branch, Legal Aid Foundation; Director, Kuo Kuang Power Co., Ltd.; Supervisor, ITE Advanced Semiconductor Co., Ltd.; Adjunct Lecturer, National Ilan University; Lecturer, Yilan Community University; Director, Ju Ming Culture and Education Foundation ■ Has not experienced any circumstances listed in Article 30 of the Company Act.	Meets the independence requirements set forth in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. (Note)	None

Note: The Company conducts an annual review of the qualifications of its independent directors. None of the five independent directors, their spouses, second-degree relatives, or third-degree direct blood relatives are individual shareholders holding more than 1% of the Company's shares or ranked among the top 10 shareholders. They are also not directors, supervisors, or employees of the Company or its affiliated enterprises. Furthermore, none of the five independent directors serve as directors, supervisors, or employees of companies listed under Articles 3.1.5 to 3.1.8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. Aside from their roles as independent directors and committee members, they do not provide audit or other professional services to the Company. Therefore, all five independent directors meet the independence requirements.

C. Board Diversity and Independence

(1) Board Diversity:

a. The Company advocates and respects board diversity. To strengthen corporate governance and promote a sound board structure, the Company believes that diversity enhances overall performance. Board members are selected based on merit, with a range of complementary expertise across industries. This includes diversity in basic composition (such as age, gender, and nationality), as well as industry experience and relevant skills (such as in aviation, shipping, hospitality, finance and accounting, legal and compliance, IT, and public services), and competencies such as business judgment, management, leadership, and crisis response. These enhance the board's decision-making professionalism and benefit the Company's operations and long-term development.

b. The board's diversity, complementarity, and implementation exceed the standards set out in China Airlines' Corporate Governance Best Practice Principles, Article 20. The Company will continue to review and amend its board diversity policy in line with board operations, business models, and development needs, including but not limited to two main aspects: basic attributes and values, and professional knowledge and skills. This ensures board members possess the necessary knowledge, skills, and competencies to fulfill their duties.

c. The average tenure of the Company's directors is 5.5 years. Three independent directors (Hwang, Yih-Ray; Lin, Yu-Fen; and Lin, Kuo-Chang) have served less than three years; Independent Director Chang, Hsieh Gen-Sen will serve for 8 years. None of the independent directors have served more than three consecutive terms. All board members are nationals of the Republic of China (Taiwan). The composition includes five independent directors (33%) and three directors who are also employees (20%). In terms of age distribution: one director is aged 40–50, seven directors aged 51–60, and seven directors over the age of 61.

d. The Company is also committed to gender equality in board composition. The target proportion of female directors is 25%. The current board includes four female members (two of whom are independent directors), achieving a female representation of 27%. The Company will continue efforts to further increase the proportion of female board members.

e. The Company's implementation of the board diversity policy is as follows:

Name \ Diversity Core	Basic								Experience									Expertise		
	Nationality/ Country of Origin	Gender	Employee	Age			Duration		Airline	Transportation	Service	Finance	Architecture	Banking, Insurance and Real Estate	Commerce and Supply Chain	Information and Technology	Metals and Machinery	Law	Accounting	Type of Risk
				40-50	51-60	Over 61	Under 3 Year	6-9 Year												
Kao, Shing-Hwang	Republic of China	Male	-	-	-	V	-	-	V	V	V	○	-	-	V	○	○	-	○	V
Chen, Charles C.Y.	Republic of China	Male	-	-	-	V	-	-	-	V	V	○	—	V	V	○	-	-	—	V
Ting, Kwang-Hung	Republic of China	Male	-	—	V	-	-	-	-	—	V	V	V	V	-	-	-	-	○	V
Chen, Ta-Chun	Republic of China	Male	-	-	-	V	-	-	V	V	V	○	-	-	V	-	-	○	-	V
Chen, Maun-Jen	Republic of China	Male	-	-	-	V	-	-	-	-	V	-	○	-	V	V	V	-	-	V
Chang, Gwo-Wei	Republic of China	Male	V	-	V	-	-	-	V	V	V	-	V	-	-	-	V	-	-	○
Huang, Huei-Jen	Republic of China	Female	V	V	-	-	-	-	V	V	-	-	-	-	-	-	-	V	-	○
Huang, Shih-Hui	Republic of China	Femal e	V	-	V	-	-	-	V	V	V	○	-	-	V	○	-	-	O	V
Wei, Chien-Hung	Republic of China	Male	-	-	-	V	-	-	-	V	V	-	V	○	-	V	-	-	-	V
Shon, Zheng-Yi	Republic of China	Male	-	-	V	-	-	-	V	V	○	○	-	-	○	V	-	-	○	V
Independent Director Lin, Kuo-Chang	Republic of China	Male	-	-	V	-	V	-	-	-	V	-	-	-	-	-	-	V	-	V
Independent Director Huang, Hsieh-Hsing	Republic of China	Male	-	-	-	V	-	-	-	-	V	V	-	○	-	-	-	-	V	V
Independent Director Chang, Hsieh Gen-Sen	Republic of China	Female	-	-	-	V	-	V	-	-	V	V	-	-	-	-	-	-	V	V
Independent Director Huang, Yih-Ray	Republic of China	Male	-	-	V	-	V	-	-	-	V	V	-	V	-	-	-	-	V	V
Independent Director Lin, Yu-Fen	Republic of China	Female	-	-	V	-	V	-	-	-	V	-	-	-	-	V	-	V	-	V

Note 1: V indicates full proficiency; O indicates partial proficiency.

Note 2: Among the 15 directors of the 23rd Board (including 5 independent directors), the board collectively possesses capabilities in business judgment, leadership and decision-making, business management, international market insight, and crisis response, along with diverse industry experience and professional skills. In terms of experience in the aviation, transportation, and tourism industries, Chairman Kao, Shing-Hwang possesses many years of senior management experience in airlines, with comprehensive command of flight operations and corporate governance. In the areas of marketing and brand management, Director Charles C.Y. Chen, Director Ting, Kwang-Hung, and Director Chen, Maun-Jen have extensive track records in marketing strategy planning, market development, and brand management, contributing to the enhancement of the Company's overall market competitiveness. In the area of labor relations and organizational governance, Director Chang, Gwo-Wei and Director Huang, Huei-Jen both serve as labor directors, possessing frontline practical experience in the aviation industry and labor-management affairs. Director Chang, Gwo-Wei currently serves as a Maintenance Technician at the Maintenance Factory of China Airlines Ltd., and has previously served as a member representative, director, and Chairman of the Enterprise Union of the Maintenance Factory of China Airlines Enterprise Union, with extensive familiarity in aviation maintenance operations, on-site management, and labor-management negotiations. Director Huang, Huei-Jen has long been involved in labor-management communications and employee rights-related matters, and is able to provide the Board with diverse and practical advice from both employee and corporate governance perspectives, promoting organizational communication and sustainable governance. In addition, Director Huang, Shih-Hui is also an employee director with extensive experience in aviation industry management and operations. He is well-versed in route management, market deployment, and organizational management, and currently serves as Chairman of

Tigerair Taiwan Co., Ltd. He has practical expertise in low-cost carrier operating models and international market development, and is able to provide professional insights on the company's operational strategies and industry trends. In terms of professional oversight and corporate governance, Independent Director Huang, Hsieh-Hsing, Independent Director Chang, Hsieh Gen-Sen, and Independent Director Hwang, Yih-Ray have professional backgrounds in accounting or finance, along with practical experience in practice, management, or teaching, effectively strengthening the company's financial supervision, risk control, and internal control systems; Independent Director Lin, Yu-Fen and Independent Director Lin, Kuo-Chang have extensive practical experience in the legal field, providing solid support for the company's compliance framework and corporate governance structure. Regarding public affairs, policy, and cross-domain integration capabilities, Director Chen, Ta-Chun previously held key positions in local government and possesses extensive social resources, with expertise in cross-departmental coordination, data integration, and resource matching, as well as multiple professional competencies in law, finance, marketing, and business management; Director Wei, Chien-Hung has a strong academic and practical foundation in transportation policy, smart city development, and logistics management, and is dedicated to bridging research outcomes with practical applications. Furthermore, Director Shon, Zheng-Yi has an academic and practical background in traffic management and international business operations, has long been engaged in research related to transportation and aviation, and has participated in the governance of large-scale transportation and airport enterprises, enabling him to provide professional advice on the company's operational strategies and industry development trends.

(2) Board Independence

a. Of the 15 directors, 5 are independent directors, representing 33% of the board. To enhance the independence and effectiveness of board operations, the Company has established the Regulations for the Scope of Duties of Independent Directors. All independent directors act in accordance with these regulations and maintain independence from management and related parties. They are capable of providing effective oversight of board activities.

b. There are no spousal or second-degree family relationships among the directors. When board proposals involve a conflict of interest with the director or the legal entity they represent, the director must disclose the conflict and abstain from discussions and voting. They are also not allowed to act as proxy for other directors during such votes. These practices ensure the objectivity and independence of board decisions

2.1.2 Information on President, Senior Executive Vice Presidents, First-level Executives and Deputy Executives, and Heads of Departments and Branch Units

2026/03/29

Title	Name	Nationality/Country of Origin	Gender	Effective Date	Shareholding		Spouse's / Minor's Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Managers Who Are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
President	Chen, Han-Ming	R.O.C.	Male	2025/03/10	0	0.00%	0	0.00%	0	0.00%	Chairman, Tigerair Taiwan Co., Ltd. Master of Business Administration, Birmingham City University, UK	Chairman, Prime Development Co., Ltd.; Director, Chyn-Tay Bearing Co., Ltd.; Director, Taiwan-Hong Kong Economic and Cultural Co-operation Council; Director (President), the Board of Directors and Supervisors of the Yanping High School Alumni Association; Director, CAL Hotel Co., Ltd.; Chairman, China Airlines (Asia) Co., Ltd.; Director, CAL-Dynasty International, Inc.; Chairman and President, Dynasty Properties Co., Ltd.; Director and Chairman, CAL Park Co., Ltd.	None	None	None	None
Senior Vice President	Lee, Jung-Hui	R.O.C.	Male	2025/08/31	0	0.00%	0	0.00%	0	0.00%	Vice President, Maintenance Div.; President, Mandarin Airlines Co., Ltd. Master's Degree, Department of Mechanical and Materials Engineering, Tatung University	Director, Kaohsiung Airport Catering Services Ltd.; Chairman, Taiwan Aircraft Maintenance and Engineering Co., Ltd.; Director, Mandarin Airlines Ltd.; Director, Taoyuan International Airport Services Co., Ltd.	None	None	None	None
Senior Vice President	Peng, Pao-Chu	R.O.C.	Female	2023/05/31	3,434	0.00%	0	0.00%	0	0.00%	Vice President, Corporate Development Office; Vice President, Passenger Sales & Marketing Div. Bachelor's Degree in Foreign Languages and Literatures, National Taiwan University	Director, CAL Hotel Co., Ltd.; Director, Mandarin Airlines, Ltd.; Director, Tigerair Taiwan Co., Ltd.; Director, Taiwan Aircraft Maintenance and Engineering Co., Ltd.; Chairman, Sabre Travel Network (Taiwan) Ltd.	None	None	None	None
Senior Vice President	Chen, I-Chieh	R.O.C.	Male	2021/03/18	6,161	0.00%	0	0.00%	0	0.00%	Vice President, Finance Div.; Vice President, Investment Development & Management Div. Master's Degree in Business Administration, National Taipei University	Director, Mandarin Airlines, Ltd.; Director, Tigerair Taiwan Co., Ltd.; Director, Taiwan Aircraft Maintenance and Engineering Co., Ltd.; Chairman, Sabre Travel Network (Taiwan) Ltd.; Director, CAL Hotel Co., Ltd.	None	None	None	None
Senior Vice President	Chen, I-Ko	R.O.C.	Male	2025/09/27	23,541	0.00%	0	0.00%	0	0.00%	Vice President, Corporate Safety Office; Vice President, Flight Operations Div. Associate Degree, Department of Materials Science, United College	Director, CAL Hotel Co., Ltd.; Director, Mandarin Airlines, Ltd.	None	None	None	None

Title	Name	Nationality/Country of Origin	Gender	Effective Date	Shareholding		Spouse's / Minor's Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Managers Who Are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Senior Vice President (VW)	Lo, Ya-Mei	R.O.C.	Female	2022/03/15	0	0.00%	0	0.00%	0	0.00%	Special Assistant To Chairman, Chairman Office; Senior Vice President (VW), President Office Master's Degree, Department of Political Science, National Taiwan University	Director, CAL Hotel Co., Ltd.; Director, Mandarin Airlines Ltd.; Director, China Pacific Catering Services Co., Ltd.	None	None	None	None
Senior Vice President (VC)	Chang, Cheng-Hao	R.O.C.	Male	2025/08/31	11,803	0.00%	0	0.00%	0	0.00%	President, Mandarin Airlines Co., Ltd.; Vice President, Corporate Development Office Master's Degree, Aviation Management, Cranfield University, UK	Director, Airport Air Terminal (Xiamen) Co., Ltd.; Director, Airport Air Cargo Service (Xiamen) Co., Ltd.; Director, Taiwan Air Cargo Terminal Ltd.; Director & President, China Airlines (Asia) Co., Ltd.; Director, Dynasty Aerotech International Corp.	None	None	None	None
General Audit Office Chief Auditor	Fang, Juo-Ling	R.O.C.	Female	2018/05/11	0	0.00%	0	0.00%	0	0.00%	Vice President, Administration Div.; Deputy Auditor General, General Audit Office. Master's Degree, Institute of Management Science, Georgia State University, U.S.A.	Supervisor, Taiwan Airport Service Co., Ltd.; Supervisor, China Pacific Catering Services Ltd.; Supervisor, CAL Park Co., Ltd.; Supervisor, CAL Hotel Co., Ltd.	None	None	None	None
General Audit Office Deputy Auditor General	Hsiung, Chia-Ling	R.O.C.	Female	2024/10/16	0	0.00%	0	0.00%	0	0.00%	Auditor Manager Master's Degree, Department of Transportation and Logistics Management, NYCU	Supervisor, Taiwan Aircraft Maintenance and Engineering Co., Ltd.	None	None	None	None
General Audit Office Deputy Auditor General	Shih, Hsueh-Sha	R.O.C.	Female	2025/04/16	68,258	0.00%	0	0.00%	0	0.00%	Assistant Vice President, Finance Div.; Chief Financial Officer, CAL Hotel Co., Ltd. Master's Degree, Department of Finance & Accounting, University of Southampton	Supervisor, Sabre Travel Network (Taiwan) Ltd.	None	None	None	None
Vice President, Data Protection Officer, Cyber Security & Personal Data Protection Div. Company Secretary Corporate Governance Officer	Ho, Hui-Fen	R.O.C.	Female	2025/03/01 2025/05/01	0	0.00%	0	0.00%	0	0.00%	Deputy Auditor General, General Audit Office; Assistant Vice President, Finance Div. Master's Degree, Department of Accounting, Soochow University	Supervisor, China Pacific Catering Services Ltd.	None	None	None	None
Assistant Vice President, Chief Information Security Officer (CISO) Cyber Security & Personal Data Protection Div.	Wang, Chang-Shu	R.O.C.	Male	2023/02/01	1,000	0.00%	0	0.00%	0	0.00%	General Manager, Commercial System Dept., Information Management Div.; General Manager, Information Management Div. of Mandarin Airlines Ltd. Master's Degree, from Shih Hsin University of Law	None	None	None	None	None

Title	Name	Nationality/Country of Origin	Gender	Effective Date	Shareholding		Spouse's / Minor's Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Managers Who Are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Vice President, Human Resources Div.	Lee, Pei-Chen	R.O.C.	Female	2023/02/16	13,430	0.00%	144	0.00%	0	0.00%	Assistant Vice President, Human Resources Div.; General Manager, Human Resources Development Dept., Human Resources Div. Master's Degree, Graduate Institute of International Human Resource Development, National Taiwan Normal University	Director, Taoyuan International Airport Services Co., Ltd.; Director, Taiwan Airport Services Co., Ltd.	None	None	None	None
Assistant Vice President, Human Resources Div.	Lee, Jing-Ting	R.O.C.	Female	2023/02/16	12,685	0.00%	0	0.00%	0	0.00%	General Manager, Medical Center, Human Resources Div.; General Manager, Operations Management Department, Flight Operations Division Master's Degree in Business Management, Utah State University	None	None	None	None	None
Vice President, Flight Operations Div.	Chen, Chwen-Der	R.O.C.	Male	2024/02/01	105,199	0.00%	0	0.00%	0	0.00%	Vice President, Corporate Safety Office; Vice President, Flight Operations Div. Master's Degree, Executive Master Of Business Administration of National Cheng Chi University	None	None	None	None	None
Assistant Vice President, Flight Operations Div.	Kang, Yi-Chuan	R.O.C.	Male	2020/11/01	191,000	0.00%	0	0.00%	0	0.00%	Assistant Vice President, Flight Operations Dep. Mandarin Airlines.; General Manager, Crew Scheduling Dept., Flight Operations Div. Master's Degree, Department of Transportation & Logistics Management, NYCU	None	None	None	None	None
Assistant Vice President, Flight Operations Div.	Lin, Tien-Chu	R.O.C.	Male	2025/10/01	0	0.00%	0	0.00%	0	0.00%	Assistant Vice President, Flight Operations Dep. Tigerair Taiwan Co., Ltd.; General Manager, Flight Operations Training Department, Flight Operations Div. Bachelor of Science in Flight Training, Republic of China Air Force Academy (ROCAFA)	None	None	None	None	None
Assistant Vice President, Flight Operations Div.	Hsieh, Cheng-Tao	R.O.C.	Male	2024/08/16	40,000	0.00%	7,893	0.00%	0	0.00%	Lead Chief Pilot, Operations Management Dept., Flight Operations Div.; A350 Chief Pilot, A350 FLEET, Flight Operations Div. Associate Degree, Department of Marine Engineering, National Kaohsiung University of Science and Technology	None	None	None	None	None

Title	Name	Nationality/Country of Origin	Gender	Effective Date	Shareholding		Spouse's / Minor's Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Managers Who Are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Flight Operations Div. Assistant Vice President	Wang, Bin	R.O.C.	Male	2024/08/16	0	0.00%	0	0.00%	0	0.00%	Lead Chief Pilot, Operations Management Dept., Flight Operations Div.; Chief Pilot, A350 Fleet, Flight Operations Div.; Chief Pilot, 744-400 Fleet, Flight Operations Div.; Assistance Chief Pilot, 744-400 Fleet, Flight Operations Div. Bachelor's Degree, NTU Department of Chemical Engineering	None	None	None	None	None
System Operation Control Div. Vice President	Chiu, Chang-Hsin	R.O.C.	Male	2022/12/01	2,049	0.00%	0	0.00%	0	0.00%	Special Assistant To President; Vice President, In-Flight Service Supply Chain & Marketing Div. Master of Applied Finance, The University of Queensland, Australia	None	None	None	None	None
System Operation Control Div. Assistant Vice President	Wang, Dah-Chang	R.O.C.	Male	2025/05/31	842	0.00%	0	0.00%	0	0.00%	Control Manager, Flight Control Dept., System Operation Control Div.; Assistant General Manager,Flight Dispatch Department, System Operation Control Div. Department of Electrical Engineering, Kuang Wu Institute of Technology and Commerce	None	None	None	None	None
System Operation Control Div. Assistant Vice President	Tsai, Hsieh-Liang	R.O.C.	Male	2022/10/06	0	0.00%	0	0.00%	0	0.00%	Control Manager, Flight Control Department, System Operation Control Div.; General Manager, Flight Dispatch Department, System Operation Control Div. Associate's Degree, Department of Chemical Engineering of Nanya Institute of Technology	None	None	None	None	None
Passenger Sales & Marketing Div. Vice President	Chen, Ya-Ni	R.O.C.	Female	2026/01/12	0	0.00%	0	0.00%	0	0.00%	Assistant Vice President, Passenger Sales & Marketing Div.; Marketing Director, Taiwan Master's Degree, Department of Transportation and Logistics Management, NYCU	Director, Sabre Travel Network (Taiwan) Ltd.; Director, Everest Investment Holdings Ltd.	None	None	None	None

Title	Name	Nationality/Country of Origin	Gender	Effective Date	Shareholding		Spouse's / Minor's Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Managers Who Are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Passenger Sales & Marketing Div. Assistant Vice President	Wei, Yi-Ching	R.O.C.	Female	2026/10/12	0	0.00%	0	0.00%	0	0.00%	General Manager, Commercial Planning Dept, Passenger Sales & Marketing Div.; General Manager, Customer Relations Dept., Corporate Communications Office Bachelor of Business Administration in International Business, Tamkang University	None	None	None	None	None
Passenger Sales & Marketing Div. Assistant VP of Project, New FFT Project Team	Kung, Yuan-Jau	R.O.C.	Male	2023/09/01	9,062	0.00%	0	0.00%	0	0.00%	Assistant VP Of Project, Customer Experience & Marketing Optimization Office, Ground Services Div.; General Manager, Xiamen Office Master's Degree, Department of Computer Science and Engineering of Tatung University	None	None	None	None	None
Vice President and Treasurer, Finance Div.	Yen, Yang	R.O.C.	Female	2023/12/01	75,089	0.00%	0	0.00%	0	0.00%	Assistant Vice President, Finance Div.; Assistant Vice President, Corporate Development Office. Master's Degree,Financial Management of City University Of New York Baruch College	Supervisor, Taiwan Aircraft Maintenance and Engineering Co., Ltd.; Supervisor, Dynasty Aerotech International Corp.; Supervisor, Kaohsiung Airport Catering Services Ltd.; Supervisor, Mandarin Airlines, Ltd.; Supervisor, Taoyuan International Airport Services Co., Ltd.	None	None	None	None
Finance Div. Assistant Vice President	Wang, Ching-Ting	R.O.C.	Female	2021/09/01	78,415	0.00%	0	0.00%	0	0.00%	Chief of Finance Div.Tiger Air Taiwan; General Manager, Budget Control Dept.Finance Div. Master's Degree, Department of Finance of National Chung Hsing University	Supervisor, CAL Hotel Co., Ltd.; Director, Dynasty Properties Co., Ltd.	None	None	None	None
Finance Div. Assistant Vice President	Wu, Shun-Yee	R.O.C.	Male	2024/09/14	1,000	0.00%	0	0.00%	0	0.00%	General Manager, Netherlands Branch; General Manager, Italy Branch Associate Degree, Department of Business Management of China University of Technology	Supervisor, China Pacific Laundry Services Ltd.	None	None	None	None
Finance Div. Assistant Vice President	Hsu, Hsin-Yi	R.O.C.	Female	2025/04/16	62,553	0.00%	0	0.00%	0	0.00%	Chief financial officer, Tigerair Taiwan Co., Ltd.; Accounting Manager, Engineering Division Eastern Washington University Master of Business Administration, Eastern Washington University, EWU	Supervisor, Taiwan Air Cargo Terminal Ltd.; Director, Dynasty Hotel of Hawaii, Inc.	None	None	None	None

Title	Name	Nationality/Country of Origin	Gender	Effective Date	Shareholding		Spouse's / Minor's Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Managers Who Are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Corporate Safety Office Vice President	Hsiung, Shih-Ching	R.O.C.	Male	2025/09/27	1,620	0.00%	0	0.00%	0	0.00%	Assistant Vice President, Flight Operations Div.; Lead Training Chief, Tigerair Taiwan Co., Ltd.; General Manager, Flight Operations Training Dept., Flight Operations Div. Master's Degree in Accounting and Management, National Taiwan University	None	None	None	None	None
Corporate Safety Office Assistant Vice President	Yu, Yueh Han	R.O.C.	Male	2018/12/06	0	0.00%	0	0.00%	0	0.00%	Vice President Of Safety, Security, Quality & Environment, Tigerair Taiwan Co., Ltd.; General Manager, Safety Dept., Corporate Safety Office Master's Degree, Department of Mechanical and Electromechanical Engineering, National Sun Yat-sen University	None	None	None	None	None
Vice President, Legal & Insurance Div	Shan, Jia-Ling	R.O.C.	Female	2022/01/16	0	0.00%	0	0.00%	0	0.00%	Legal & Insurance Div. Assistant Vice President Master's Degree of Mcgill Air & pace Law	Director, China Pacific Catering Services Co., Ltd.	None	None	None	None
Corporate Communications Office Vice President	Lu, Shwu-Huoy	R.O.C.	Female	2020/10/11	22,605	0.00%	0	0.00%	0	0.00%	General Manager, Malaysia Branch; Assistant Vice President, Corporate Development Office Executive Master of Business Administration, National Central University	None	None	None	None	None
Corporate Communications Office Assistant Vice President	Ou, Mei-Ling	R.O.C.	Female	2025/11/01	721	0.00%	75	0.00%	0	0.00%	General Manager, Media Affairs Department, Corporate Communications Office; General Manager, Corporate Affairs Dept., Corporate Communications Office Master's Degree, Business Administration in Shipping and Transportation Management, National Taiwan Ocean University	None	None	None	None	None
Corporate Communications Office Assistant Vice President	Kuo, Mu-Fang	R.O.C.	Female	2025/11/01	4,243	0.00%	0	0.00%	0	0.00%	General Manager, Corporate Affairs Department, Corporate Communications Office; General Manager, Image Advertising Affairs Dept. Department, Corporate Communications Office Master's Degree of Johnson Wales, Hospitality University	None	None	None	None	None

Title	Name	Nationality/Country of Origin	Gender	Effective Date	Shareholding		Spouse's / Minor's Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Managers Who Are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Administration Div. Vice President	Huang, Hui-Na	R.O.C.	Female	2021/07/31	16,661	0.00%	0	0.00%	0	0.00%	Vice President, Administration Div.; Assistant Vice President, Finance Div. Master's Degree, Department of Business Administration, Soochow University	Director, CAL Park Co., Ltd.; Director, Dynasty Aerotech International Corp	None	None	None	None
Administration Div. Assistant Vice President	Chen, Mei-Fen	R.O.C.	Female	2021/04/01	1,024	0.00%	0	0.00%	0	0.00%	General Manager, Office Support Dept.Administration Div.; Senior Administrator, Ground Services Standard Dept., Ground Services Div. Bachelor Degree, Department of English, Providence University	None	None	None	None	None
Information Management Div. Vice President	Lu, Shih-Ming	R.O.C.	Male	2023/02/16	24,917	0.00%	0	0.00%	0	0.00%	Vice President, Human Resources Div.; General Manager, Hong Kong Branch Master's Degree, Department of Management Information Systems, National Chengchi University	Director, Sabre Travel Network (Taiwan) Ltd.; Director, Taiwan Air Cargo Terminal Ltd.	None	None	None	None
Information Management Div. Assistant Vice President	Liu, Duan-Shiuh	R.O.C.	Male	2017/04/20	92,068	0.00%	0	0.00%	0	0.00%	Assistant Vice President, Ground Services Div.; Assistant Vice President, Information Management Div. Master's Degree, Department of Industrial Engineering and Management, National Taipei University of Technology	None	None	None	None	None
Information Management Div. Assistant Vice President	Hsiao, Ren-Tau	R.O.C.	Male	2024/12/01	0	0.00%	0	0.00%	0	0.00%	Director, Information Office Of Mandarin Airlines,Information Management Division; General Manager, Commercial System Department, Information Management Div. Master's Degree, Department of Transportation and Logistics Management, NYCU	None	None	None	None	None
Cabin Crew Div. Vice President	Lin, Herng Shan	R.O.C.	Male	2023/09/17	0	0.00%	0	0.00%	0	0.00%	General Manager, Hong Kong Branch; Assistant Vice President, Corporate Communications Office Master's Degree, Department of Aviation Management, RMIT University, AU	Director, China Pacific Laundry Services Ltd.	None	None	None	None

Title	Name	Nationality/Country of Origin	Gender	Effective Date	Shareholding		Spouse's / Minor's Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Managers Who Are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Cabin Crew Div. Assistant Vice President	Chen, Ching-Mei	R.O.C.	Female	2025/07/16	6,321	0.00%	0	0.00%	0	0.00%	General Manager, Human Resources Development Department, Human Resources Division; General Manager Administration Department, Cabin Crew Div. Master's Degree, Business Administration, National Taipei University	None	None	None	None	None
Cabin Crew Div. Assistant Vice President	Yu, Yau	R.O.C.	Female	2025/06/30	36,654	0.00%	89,076	0.00%	0	0.00%	Special Assistant To Chairman, Mandarin Airlines Co., Ltd.; Senior Assistant To Vice President, Corporate Safety Office Executive Master of Business Management, National Sun Yat-sen University	None	None	None	None	None
Assistant Vice President, Cabin Crew Div.	Yang, Tai-Ju	R.O.C.	Female	2025/08/16	1,566	0.00%	0	0.00%	0	0.00%	General Manager, Cabin Crew Standard Departmen, Cabin Crew Division; Manager, Regulation & Procedures Section Cabin Crew Standard Department, Cabin Crew Division Master's Degree, Department of Finance, National Chung Hsing University	None	None	None	None	None
Corporate Development Office Vice President	Tsai, Chih-Hung	R.O.C.	Male	2025/05/16	0	0.00%	0	0.00%	0	0.00%	Vice President, Engineering Div.; President, Taiwan Aircraft Maintenance and Engineering Co., Ltd. Master's Degree, Department of Maintenance Engineering and Asset Management, The University of Manchester	Director, CAL-Dynasty International, Inc.	None	None	None	None
Corporate Development Office Assistant Vice President	Wei, Lin-Sun	R.O.C.	Male	2024/12/23	2,125	0.00%	0	0.00%	0	0.00%	General Manager, Schedule Planning Department, Corporate Development Office; General Manager, Okinawa Branch Master's Degree, Department of Mechanical Engineering, NTU	None	None	None	None	None
Corporate Development Office Assistant Vice President	Chang, Chiung-Wen	R.O.C.	Female	2026/10/09	0	0.00%	0	0.00%	0	0.00%	General Manager, Brand Development Department, Corporate Development Office; General Manager, International Affairs & Alliances Dept., Corporate Development Office Master of Business Administration, State University of New York	None	None	None	None	None

Title	Name	Nationality/Country of Origin	Gender	Effective Date	Shareholding		Spouse's / Minor's Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Managers Who Are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Corporate Development Office Sustainability Officer	Cheng, Chih-Jen	R.O.C.	Male	2025/05/16	0	0.00%	0	0.00%	0	0.00%	General Manager, Brand Development Department, Corporate Development Office; General Manager, International Affairs & Alliances Dept., Corporate Development Office Master of Environmental Economics and Environmental Management, University of York, UK	None	None	None	None	None
In-Flight Supply Chain & Marketing Div. Vice President	Tsao, Jyh-Fen	R.O.C.	Female	2021/07/16	9,522	0.00%	1,343	0.00%	0	0.00%	President, Mandarin Airlines, Ltd.; Vice President, Passenger Marketing Div. Master of International Hotel Management, University of Surrey, UK	Director, CAL Hotel Co., Ltd.; Director, Mandarin Airlines Ltd.; Director, China Pacific Catering Services Co., Ltd.	None	None	None	None
Assistant Vice President, In-Flight Service Supply Chain & Marketing Div.	Pan, Mei-En	R.O.C.	Female	2025/05/16	0	0.00%	0	0.00%	0	0.00%	General Manager, Cabin Crew Standard Departmen, Cabin Crew Division; Manager, Regulation & Procedures Section Cabin Crew Standard Department, Cabin Crew Division Master's Degree, Department of Business Administration, Soochow University	None	None	None	None	None
In-Flight Supply Chain & Marketing Div. Assistant Vice President	Liu, Chien-Wen	R.O.C.	Male	2024/05/07	0	0.00%	0	0.00%	0	0.00%	General Manager, Planning & Marketing Department, Inflight Supply Chain & Marketing Division; General Manager, Cabin Crew Management Dept., Cabin Crew Div. Master's Degree, Department of Business Administration, College of Management of Chiayi University	None	None	None	None	None
Ground Services Div. Vice President	Hsu, Hsueh Wen	R.O.C.	Male	2024/05/27	13,149	0.00%	0	0.00%	0	0.00%	Assistant Vice President, Ground Services Div.; General Manager, Xiamen Office Bachelor's Degree, Department of Business Administration of Feng Chia University	Director, China Pacific Laundry Services Ltd.; Director, Taoyuan International Airport Services Co., Ltd.	None	None	None	None
Ground Services Div. Assistant Vice President	Hwang, Hung-Mei	R.O.C.	Female	2025/09/28	777	0.00%	0	0.00%	0	0.00%	General Manager, The United Kingdom Branch Marketing Director, Taipei Branch, Taiwan Executive Master of Business Administration, Soochow University	None	None	None	None	None

Title	Name	Nationality/Country of Origin	Gender	Effective Date	Shareholding		Spouse's / Minor's Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Managers Who Are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Assistant Vice President, Ground Services Div.	Roan, Ming-Tzong	R.O.C.	Male	2024/05/27	13,297	0.00%	0	0.00%	0	0.00%	General Manager, Ground Services Training Dept.; General Manager, Customer Service, Taoyuan International Airport Bachelor's Degree, Department of Foreign Languages and Literature, Chinese Culture University	None	None	None	None	None
Vice President, Cargo Sales, Marketing & Services Div.	Hsueh, Po-Wen	R.O.C.	Male	2025/11/10	328	0.00%	0	0.00%	0	0.00%	Vice President, Cargo Sales, Marketing & Services, Ground Services Div.; Assistant Vice President, Cargo Sales, Marketing & Services Div. Bachelor's Degree, Department of Tourism, Chinese Culture University	Director, Dynasty Aerotech International Corp; Director, Taiwan Air Cargo Terminal Ltd.; Director, Eastern United International Logistics (Holdings) Ltd.	None	None	None	None
Assistant Vice President, Cargo Sales, Marketing & Services Div.	Yao, Shan-Wen	R.O.C.	Male	2025/11/10	0	0.00%	0	0.00%	0	0.00%	General Manager, Cargo Marketing & Planning Department, Cargo Sales, Marketing & Services Division; Marketing Director, Cargo Sales & Services Taiwan Master's Degree, Department of Mechanical and Electromechanical Engineering, National Sun Yat-sen University	None	None	None	None	None
Vice President, Ground Services Div.	Shih, Ching Yun	R.O.C.	Male	2025/11/10	2,410	0.00%	0	0.00%	0	0.00%	General Manager, Cargo Sales & Services, Taiwan; Assistant Vice President, Cargo Sales, Marketing & Services Division Bachelor's Degree, Department of Journalism, Chinese Culture University	Director, Taiwan Air Cargo Terminal Ltd.	None	None	None	None
Assistant Vice President, Cargo Sales, Marketing & Services Div.	Lu, Cheng-Hsun	R.O.C.	Male	2025/11/10	0	0.00%	0	0.00%	0	0.00%	General Manager, Cargo Sales & Services, Europe; General Manager, Cargo Quality Assurance Department, Cargo Sales, Marketing & Services Div. Master's Degree, Department of Political Science, Chinese Culture University	None	None	None	None	None
General Manager, Cargo Sales & Services, Taiwan	Lin, Yu-Hsuan	R.O.C.	Female	2025/11/10	0	0.00%	0	0.00%	0	0.00%	Marketing Director, Cargo Sales & Services, Taiwan; General Manager, Cargo Sales & Services, Mainland China Master's Degree, Business Administration (MBA), The University of Texas at Arlington	Director, Chung-Hwa Express Co., Ltd.	None	None	None	None

Title	Name	Nationality/Country of Origin	Gender	Effective Date	Shareholding		Spouse's / Minor's Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Managers Who Are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Aircraft Maintenance Vice President, Maintenance Div.	Li, Chih-Wei	R.O.C.	Male	2025/08/31	10,295	0.00%	0	0.00%	0	0.00%	President (CEO), Taiwan Aircraft Maintenance and Engineering Co. Ltd.; Vice President, Corporate Safety Office Bachelor's Degree, Department of Air Transport, Kainan University	Chairman, Dynasty Aerotech International Corp.; Director, Taiwan Aircraft Maintenance and Engineering Co., Ltd.	None	None	None	None
Aircraft Maintenance Assistant Vice President	Shen, Chien-Hua	R.O.C.	Male	2025/05/16	0	0.00%	0	0.00%	0	0.00%	General Manager, Line Maintenance Dept., Maintenance Division; Duty Manager, Base Maintenance Dept. Maintenance Division Master's Degree Program, Department of Aerospace Engineering, Tamkang University	None	None	None	None	None
Assistant Vice President, Maintenance Div.	Tseng, Kuo-Liang	R.O.C.	Male	2025/08/31	5,927	0.00%	0	0.00%	0	0.00%	Chief Engineer, System Engineering Department, Engineering Division; General Manager, Base Maintenance Dept., Maintenance Div. Master's Degree, Department of Mechanical and Electromechanical Engineering, National Sun Yat-sen University	None	None	None	None	None
Vice President, Engineering Div.	Shih, Ching-Kai	R.O.C.	Male	2025/05/16	0	0.00%	0	0.00%	0	0.00%	Assistant Vice President, Maintenance Div.; General Manager, Line Maintenance Dept., Maintenance Div. Bachelor's Degree, Department of Air Transport of Kainan University	Chairman, Dynasty Aerotech International Corp.; Director, Taikoo (Xiamen) Landing Gear Services Co., Ltd.; Director, HAECO Composite Structures (Jinjiang) Co., Ltd.	None	None	None	None
Assistant Vice President, Engineering Div.	Chou, Chih-Lung	R.O.C.	Male	2025/05/16	2,618	0.00%	0	0.00%	0	0.00%	Assistant Vice President, Inflight Supply Chain & Marketing Division; Assistant Vice President, Engineering Division Bachelor's Degree, Business Administration, National Taiwan University	None	None	None	None	None
Vice President, Quality Assurance Div.	Hwu, Janq-Keh	R.O.C.	Male	2025/08/31	0	0.00%	0	0.00%	0	0.00%	Assistant VP of Project, Engineering Div.; General Manager, Quality Control Department Engineering Division Executive Master of Business Administration, National Central University	None	None	None	None	None

Title	Name	Nationality/Country of Origin	Gender	Effective Date	Shareholding		Spouse's / Minor's Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Positions	Managers Who Are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	%	Shares	%	Shares	%			Title	Name	Relationship	
Assistant VP of Project, EMO Engineering Project Office, Maintenance Div.	Lu, Chien-Yuan	R.O.C.	Male	2024/03/01	0	0.00%	0	0.00%	0	0.00%	General Manager, Equipment & Facility Maintenance Department, Maintenance Div.; General Manager, Realty & Construction Management Department, Administration Div. Bachelor's Degree, NTUST Department of Civil and Construction Engineering	None	None	None	None	None
Vice President, Taiwan	Feng, Cheng-Yu	R.O.C.	Male	2024/06/21	0	0.00%	0	0.00%	0	0.00%	General Manager, Kaohsiung Branch; General Manager, Shanghai Office Associate Degree, Department of Veterinary Medicine of National Pingtung Agricultural College	Director, Sabre Travel Network (Taiwan) Ltd.	None	None	None	None
Vice President, Japan	Lee, Yi-Chou	R.O.C.	Male	2024/06/21	323	0.00%	0	0.00%	0	0.00%	Vice President, Taipei Branch, Taiwan; General Manager, Thailand Branch Associate's Degree, Department of Tourism from Tamsui Institute of Business Administration	Director, Infini Travel Information, Inc.	None	None	None	None
Vice President, Mainland China	Chu, Te-Hsiu	R.O.C.	Male	2024/05/27	155,702	0.00%	0	0.00%	0	0.00%	Vice President, Ground Services, Ground Services Division; General Manager, Shanghai Office Bachelor Degree, Department of Chinese Literature of Chinese Culture University	None	None	None	None	None
Vice President, Europe	Hua, Te-Lin	R.O.C.	Male	2024/10/14	9,964	0.00%	0	0.00%	0	0.00%	Vice President, Cargo Sales, Marketing & Services, Ground Services Div.; Assistant Vice President, Cargo Sales, Marketing & Services Div. Master's Degree, Department of Business Administration, College of Management of Chiayi University	None	None	None	None	None
Vice President, Oceania	Yeh, Jin-Fu	R.O.C.	Male	2024/12/23	10,276	0.00%	0	0.00%	0	0.00%	Assistant Vice President, Corporate Development Office; Assistant Vice President, Administration Div. Master's Degree, Department of Transportation and Communication Management, National Cheng Kung University	None	None	None	None	None

Note 1: The date of selection (appointment) will be considered the on board date.

Note 2: During the aforementioned period, the Company's President, Senior Executive Vice Presidents, first-level executives and deputy executives, and heads of departments and branch units have not been employed by the certifying accounting firm or its affiliated enterprises, nor have they held shares under others' names.

2.1.3 Remuneration of Directors, President, and Vice President

A. Remuneration of Directors

<table>
<tr><th rowspan="3">Title</th><th rowspan="3">Name
(Note 1)</th><th colspan="8">Remuneration</th><th colspan="4" rowspan="2">Total Remuneration
(A+B+C+D)
and Ratio to Net Gain (%)
(Note 10)</th></tr>
<tr><th colspan="2">Base Compensation (A)
(Note 2)</th><th colspan="2">Retirement Pension (B)</th><th colspan="2">Bonus to Directors (C)
(Note 3)</th><th colspan="2">Allowances (D)
(Note 4)</th></tr>
<tr><th>CAL</th><th>Consolidated Subsidiaries of CAL
(Note 7)</th><th>CAL</th><th>Consolidated Subsidiaries of CAL
(Note 7)</th><th>CAL</th><th>Consolidated Subsidiaries of CAL
(Note 7)</th><th>CAL</th><th>Consolidated Subsidiaries of CAL
(Note 7)</th><th colspan="2">CAL</th><th colspan="2">Financial Condition Report Consolidated Subsidiaries of CAL
(Note 7)</th></tr>
<tr><td>Directors</td><td>Hsieh, Su-Chien</td><td rowspan="18">8,943</td><td rowspan="18">11,627</td><td rowspan="18">9,837</td><td rowspan="18">9,837</td><td rowspan="18">0</td><td rowspan="18">0</td><td rowspan="18">8,522</td><td rowspan="18">10,068</td><td rowspan="18">27,303</td><td rowspan="18">0.19%</td><td rowspan="18">31,533</td><td rowspan="18">0.21%</td></tr>
<tr><td>Directors (effective 03/10)</td><td>Kao, Shing-Hwang</td></tr>
<tr><td>Director</td><td>Chen, Han-Ming</td></tr>
<tr><td>Director</td><td>Chen, Charles C.Y.</td></tr>
<tr><td>Director</td><td>Ting, Kwang-Hung</td></tr>
<tr><td>Director</td><td>Chen, Maun-Jen</td></tr>
<tr><td>Director</td><td>Chen, Ta-Chun</td></tr>
<tr><td>Director</td><td>Wei, Chien-Hung</td></tr>
<tr><td>Director</td><td>Shon, Zheng-Yi</td></tr>
<tr><td>Director</td><td>Xie Wei-Cheng</td></tr>
<tr><td>Director</td><td>Su, Pei-Hsien</td></tr>
<tr><td>Director</td><td>Huang, Huei-Jen</td></tr>
<tr><td>Director</td><td>Huang, Shih-Hui</td></tr>
<tr><td>Independent Director</td><td>Hwang, Yih-Ray</td></tr>
<tr><td>Independent Director</td><td>Lin, Yu-Fen</td></tr>
<tr><td>Independent Director</td><td>Lin, Kuo-Chang</td></tr>
<tr><td>Independent Director</td><td>Chang, Hsieh Gen-Sen</td></tr>
<tr><td>Independent Director</td><td>Huang, Hsieh-Hsing</td></tr>
<tr><td colspan="14">1. State the policy, system, standard, and structure of independent directors' remuneration as well as the association between the remuneration amount and factors, such as responsibilities, risks, and contributed time: The remuneration of the independent directors of the Company shall be handled in accordance with the Articles of Association and shall be determined by the Board of Directors with reference to the standards among related industries and listed companies, and shall be paid as fixed remuneration, transportation fees, and attendance fees.</td></tr>
</table>

B. Director Remuneration by Compensation Level

Range of Remuneration	Total remuneration of the first four categories (A+B+C+D)		Total remuneration of the first seven categories (A+B+C+D+E+F+G)	
	CAL (Note 8)	Consolidated Subsidiaries of CAL (H) (Note 9)	CAL (Note 8)	Consolidated Subsidiaries of CAL (I) (Note 9)
Under NT$1,000,000	Chen, Han-Ming; Chen, Charles C.Y.; Ting, Kwang-Hung; Chen, Maun-Jen; Chen, Ta-Chun; Wei, Chien-Hung; Shon, Zheng-Yi; Xie Wei-Cheng; Su, Pei-Hsien; Huang, Huei-Jen; Huang, Shih-Hui; Hwang, Yih-Ray; Lin, Yu-Fen; Chang, Hsieh Gen-Sen; Huang, Hsieh-Hsing	Chen, Charles C.Y.; Ting, Kwang-Hung; Chen, Maun-Jen; Wei, Chien-Hung; Shon, Zheng-Yi; Xie Wei-Cheng; Su, Pei-Hsien; Huang, Huei-Jen; Hwang, Yih-Ray; Lin, Yu-Fen; Lin, Kuo-Chang; Chang, Hsieh Gen-Sen; Huang, Hsieh-Hsing	Chen, Charles C.Y.; Ting, Kwang-Hung; Chen, Maun-Jen; Chen, Ta-Chun; Wei, Chien-Hung; Shon, Zheng-Yi; Xie Wei-Cheng; Hwang, Yih-Ray; Lin, Yu-Fen; Lin, Kuo-Chang; Chang, Hsieh Gen-Sen; Huang, Hsieh-Hsing	Chen, Charles C.Y.; Ting, Kwang-Hung; Chen, Maun-Jen; Wei, Chien-Hung; Shon, Zheng-Yi; Xie Wei-Cheng; Hwang, Yih-Ray; Lin, Yu-Fen; Lin, Kuo-Chang; Chang, Hsieh Gen-Sen; Huang, Hsieh-Hsing
NT$1,000,000 (inclusive)-NT$2,000,000 (exclusive)	-	Chen, Han-Ming; Chen, Ta-Chun; Huang, Shih-Hui; Kao, Shing-Hwang	-	Chen, Ta-Chun
NT$2,000,000 (inclusive)-NT$3,500,000 (exclusive)	-	-	Su, Pei-Hsien; Huang, Huei-Jen; Huang, Shih-Hui	Su, Pei-Hsien; Huang, Huei-Jen; Huang, Shih-Hui
NT$3,500,000 (inclusive)-NT$5,000,000 (exclusive)	-	-	Chen, Han-Ming	-
NT$5,000,000 (inclusive)-NT$10,000,000 (exclusive)	Kao, Shing-Hwang	-	Kao, Shing-Hwang	Kao, Shing-Hwang; Chen, Han-Ming
NT$10,000,000 (inclusive)-NT$15,000,000 (exclusive)	Hsieh, Su-Chien	Hsieh, Su-Chien	Hsieh, Su-Chien	Hsieh, Su-Chien
Total	18 people	18 people	18 people	18 people

Unit: NT$ thousands 2025/12/31

Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A + B + C + D + E + F + G) to Net Loss (%) (Note 10)				Compensation paid to the Presidents and Senior Vice Presidents from an Invested Company or Parent Company Other Than the Company's Subsidiary (Note 11)
Salary, Bonuses, and Allowances (E) (Note 5)		Severance Pay (F)		Employees' Compensation (G) (Note 6)								
				CAL		Consolidated Subsidiaries of CAL (Note 7)						
CAL	Consolidated Subsidiaries of CAL (Note 7)	CAL	Consolidated Subsidiaries of CAL (Note 7)	Employees' Compensation in Cash	Employees' Compensation in Stocks	Employees' Compensation in Cash	Employees' Compensation in Stocks	CAL		Consolidated Subsidiaries of CAL (Note 7)		
12,021	13,781	0	0	401	0	401	0	39,725	0.27%	45,715	0.31%	None

2. Except for the disclosure seen in the above table, the remuneration received by the Directors of the Company for the services provided for all companies in the financial report (such as serving as a consultant who is not an employee) in the most recent year: None.

Note 1: Chairman Hsieh, Su-Chien passed away on January 16, 2025, and was succeeded by Chairman Kao, Shing-Hwang on March 10, 2025. Aside from independent directors, all other directors are representatives of the Company's juridical person shareholders China Aviation Development Foundation, National Development Fund (Executive Yuan).

Note 2: Refers to director remuneration over the past year (includes director salary, additional compensation, various bonuses, and incentive pay).

Note 3: As stipulated in the Company's Articles of Incorporation, directors are not awarded bonuses.

Note 4: Refers to relevant business expenses incurred by directors (including travel expenses, various allowances, and using company cars).

Note 5: Refers to salary, bonuses, and allowances received by directors who are also employed by the Company (including as president, vice president, other managers, or regular employee) over the past year and includes salary, additional compensation, various bonuses, incentive pay, travel expenses, various allowances, and using company cars. The Company didn't carry out employee stock options, employee restricted stock awards and participation in a cash capital increase.

Note 6: Refers to employee compensation (including stock or cash) received by directors who are also employed by the Company (including as president, vice president, other managers, or regular employee) over the past year, and the amount of employee compensation approved for distribution by the Board for the most recent year must be disclosed. On March 11, 2026, the Company's Board of Directors resolved to approve the 2025 Employee Compensation Plan.

Note 7: The total remuneration provided by the Company and subsidiaries to directors is disclosed per the consolidated financial report.

Note 8: The remuneration distributed to each member of the Company's Board is disclosed as a range and the names of Directors are disclosed by range of compensation received.

Note 9: The total remuneration provided by the Company and subsidiaries to Directors is disclosed per the consolidated financial report and names of Directors are disclosed by range of compensation received.

Note 10: Net income after tax refers to the net income after tax for the most recent year; for those who have adopted International Financial Reporting Standards, net income after tax refers to the net income after tax in the individual or separate financial reports for the most recent fiscal year. The Company's net income after tax in the individual financial reports for the year 2025 was NT$14,700,319.

Note 11: (1) The directors of the Company do not receive any remuneration related to the reinvestment of enterprises other than subsidiaries.
(2) Compensation refers to pay, bonuses (including bonuses to employees, directors, or supervisors), or expenses paid in the execution of business to Company directors who serve as a director, supervisor, or manager of an invested company other than a company subsidiary.

Note 12: (1) Aside from Hsieh, Su-Chien and Kao, Shing-Hwang, all other directors received a travel allowance.
(2) Transportation subsidies for Director Ting, Kwang-Hung partially donated to the China Airlines Employee Union.
(3) Directors who also serve as employees of the Company are Director Kao, Shing-Hwang; Director Wei, Yung-Yeh; Director Chao, Kang; Director Su, Pei-Hsien; and Director Huang, Huei-Jen.

The content is provided for information disclosure and not tax purposes.

C. President and Senior Vice President Remuneration

Title	Name (Note 1)	Salary (A) (Note 2)		Retirement Pension (B)		Bonuses and Allowances (C) (Note 3)	
		CAL	Consolidated Subsidiaries of CAL (Note 5)	CAL	Consolidated Subsidiaries of CAL (Note 5)	CAL	Consolidated Subsidiaries of CAL (Note 5)
Directors (01/01-03/10)	Kao, Shing-Hwang	26,575	26,575	0	0	23,383	31,162
Directors (effective 03/10)	Chen, Han-Ming						
Senior Vice President	Peng, Pao-Chu						
Senior Vice President	Lai, Ming-Hui						
Senior Vice President	Chen, I-Ko						
Senior Vice President	Chen, I-Chieh						
Senior Vice President	Sun, Jia-Min						
Senior Vice President	Lee, Jung-Hui						
Senior Vice President	Lo, Ya-Mei						
Senior Vice President	Liu, Der-Chuan						
Senior Vice President	Chang, Cheng-Hao						

D. President and Senior Vice President Remuneration by Compensation Level

Range of Remuneration	Name of President and Senior Vice President	
	CAL (Note 6)	Financial Condition Report Consolidated Subsidiaries of CAL (E) (Note 7)
Under NT$1,000,000	-	-
NT$1,000,000 (inclusive)-NT$2,000,000 (exclusive)	Lee, Jung-Hui; Chang, Cheng-Hao	-
NT$2,000,000 (inclusive)-NT$3,500,000 (exclusive)	Kao, Shing-Hwang; Chen, I-Ko	Chen, I-Ko; Lee, Jung-Hui; Chang, Cheng-Hao
NT$3,500,000 (inclusive)-NT$5,000,000 (exclusive)	Chen, Han-Ming; Sun, Jia-Min; Liu, Der-Chuan	Kao, Shing-Hwang
NT$5,000,000 (inclusive)-NT$10,000,000 (exclusive)	Peng, Pao-Chu; Lai, Ming-Hui; Chen, I-Chieh; Lo, Ya-Mei	Chen, Han-Ming; Peng, Pao-Chu; Lai, Ming-Hui; Chen, I-Chieh; Lo, Ya-Mei; Liu, Der-Chuan; Sun, Jia-Min
Total	11 people	11 people

Note 1: President Kao, Shing-Hwang concurrently serves as Director. Their remuneration is listed above and also in the Remuneration of Directors table.

Note 2: Refers to president and senior vice president salaries, additional compensation, and severance pay over the past year.

Note 3: Refers to various bonuses, incentive pay, travel expenses, various allowances, and company cars distributed to presidents and senior vice presidents over the past year. The Company didn't carry out employee stock options, employee restricted stock awards and participation in a cash capital increase.

The content is provided for information disclosure and not tax purposes.

Unit: NT$ thousands 2025/12/31

Employees' Compensation (D) (Note 4)				Total Remuneration (A+B+C+D) and Ratio to Net Gain (%) (Note 8)				Compensation paid to the Presidents and Senior Vice Presidents from an Invested Company or Parent Company Other Than the Company's Subsidiary (Note 9)
CAL		Consolidated Subsidiaries of CAL (Note 5)		CAL		Consolidated Subsidiaries of CAL (Note 5)		
Employees' Compensation in Cash	Employees' Compensation in Stocks	Employees' Compensation in Cash	Employees' Compensation in Stocks					
1,216	0	1,216	0	51,448	0.35%	59,226	0.40%	None

Note 4: Refers to the employee compensation (including stocks and cash) for the president and senior vice presidents approved by the Board of Directors for the most recent year. On March 11, 2026, the Company's Board of Directors resolved to approve the employee compensation plan for 2025.

Note 5: The total remuneration provided by the Company and subsidiaries to Company presidents and senior vice presidents is disclosed per the consolidated financial report.

Note 6: The remuneration distributed to each president and senior vice president is disclosed as a range and the names of the presidents and vice presidents are disclosed by range of compensation received.

Note 7: The total remuneration provided by the Company and subsidiaries to presidents and senior vice presidents is disclosed per the consolidated financial report and names of the presidents and vice presidents are disclosed by range of compensation received.

Note 8: Net income after tax refers to the net income after tax for the most recent year; for those who have adopted International Financial Reporting Standards, net income after tax refers to the net income after tax in the individual or separate financial reports for the most recent fiscal year. The Company's net income after tax in the individual financial reports for the year 2025 was NT$14,700,319.

Note 9: (1) The President and Senior vice presidents of the Company did not receive any compensation from subsidiaries or invested companies other than the subsidiaries.
(2) Compensation refers to the remuneration, compensation (including employee, director and supervisor compensation), and business execution expenses received by the President and Senior vice presidents of the Company in their roles as directors, supervisors, or managers of invested companies other than subsidiaries.

E. Employees' Compensation in the Management Team

Unit: NT$ thousands 2025/12/31

Title	Name	Employees' Compensation in Stocks	Employees' Compensation in Cash	Total	Ratio of Total Amount to Net Income (%)
President	Chen, Han-Ming				
Director	Su, Pei-Hsien				
Director	Huang, Huei-Jen				
Director	Huang, Shih-Hui				
Senior Vice President	Lo, Ya-Mei				
Senior Vice President	Chen, I-Ko				
Senior Vice President	Peng, Pao-Chu				
Senior Vice President	Lee, Jung-Hui				
Senior Vice President	Chen, I-Chieh				
Senior Vice President	Chang, Cheng-Hao				
Senior Vice President	Liu, Der-Chuan				
Senior Vice President	Sun, Jia-Min				
Senior Vice President	Lai, Ming-Hui				
Chief Auditor	Fang, Juo-Ling				
Vice President, Maintenance Div.	Li, Chih-Wei				
Vice President	Ho, Hui-Fen				
Vice President	Shan, Jia-Ling				
Vice President	Hsiung, Shih-Ching				
Vice President	Chen, Chwen-Der				
Vice President	Lu, Jo-Pu				
Vice President	Hsueh, Po-Wen				
Vice President	Shih, Ching Yun				
Vice President	Lu, Shwu-Huoy				
Vice President	Lee, Pei-Chen				
Vice President	Huang, Hui-Na				
Vice President	Yen, Yang				
Vice President	Lin, Herng Shan				
Vice President	Tsao, Jyh-Fen	0	10,191	10,191	0.069%
Vice President	Chiu, Chang-Hsin				
Vice President	Hsu, Hsueh Wen				
Vice President	Tsai, Chih-Hung				
Vice President	Lu, Shih-Ming				
Vice President	Shih, Ching-Kai				
Vice President	Hwu, Janq-Keh				
Vice President	Lin, Yu-Hsuan				
Vice President	Chu, Te-Hsiu				
Vice President	Hua, Te-Lin				
Vice President	Huang, Ta-Fang				
Vice President	Hsiao, Jui-Fu				
Vice President	Wang, Wei				
Deputy Auditor General	Shih, Hsueh-Sha				
Deputy Auditor General	Hsiung, Chia-Ling				
Assistant Vice President	Wang, Chang-Shu				
Assistant Vice President	Yu, Yueh Han				
Assistant Vice President	Lin, Tien-Chu				
Assistant Vice President	Hsieh, Cheng-Tao				
Assistant Vice President	Kang, Yi-Chuan				
Assistant Vice President	Wang, Bin				
Assistant Vice President	Tsai, Hsieh-Liang				
Assistant Vice President	Wang, Dah-Chang				
Assistant Vice President	Pan, Yun-Hau				
Assistant Vice President	Chen, Ya-Ni				
Assistant Vice President	Kung, Yuan-Jau				
Assistant Vice President	Lu, Cheng-Hsun				
Assistant Vice President	Yao, Shan-Wen				
Assistant Vice President	Kuo, Mu-Fang				

Title	Name	Employees' Compensation in Stocks	Employees' Compensation in Cash	Total	Ratio of Total Amount to Net Income (%)
Assistant Vice President	Ou, Mei-Ling				
Assistant Vice President	Lee, Jing-Ting				
Assistant Vice President	Chen, Mei-Fen				
Assistant Vice President	Wang, Ching-Ting				
Assistant Vice President	Wu, Shun-Yee				
Assistant Vice President	Hsu, Hsin-Yi				
Assistant Vice President	Yu, Yau				
Assistant Vice President	Chen, Ching-Mei				
Assistant Vice President	Yang, Tai-Ju				
Assistant Vice President	Pan, Mei-En				
Assistant Vice President	Liu, Chien-Wen				
Assistant Vice President	Hwang, Hung-Mei				
Assistant Vice President	Roan, Ming-Tzong				
Assistant Vice President	Wei, Lin-Sun				
Assistant Vice President	Chung, Jen-Chieh				
Assistant Vice President	Liu, Duan-Shiuh				
Assistant Vice President	Hsiao, Ren-Tau				
Assistant Vice President	Shen, Chien-Hua				
Assistant Vice President	Tseng, Kuo-Liang				
Assistant Vice President	Chou, Chih-Lung				
Assistant Vice President	Lu, Chien-Yuan				
Assistant Vice President	Chen, Jo-Ching				
Assistant Vice President	Tsai, Jiunn-Chin				
Assistant Vice President	Lin, Chin-Chun				
Assistant Vice President	Yeh, Jin-Fu				
Assistant Vice President	Shih, Hui-Huang				
Assistant Vice President	He, Cheng				
Assistant Vice President	Shen, Ming				
Assistant Vice President	Tsao, Jiin-Wen				
Assistant Vice President	Huang, Yuan-Yua				
Assistant Vice President	Chang, Ching-Ping				
Assistant Vice President	Chuang, Ming-Che				
Assistant Vice President	Pan, Wen-Tsung				
Assistant Vice President	Tao, Chien-Cheng				
Sustainability Officer	Cheng, Chih-Jen				

Note 1: Individual names and titles are disclosed, but the distributed compensation is disclosed as a grand total.

Note 2: The remuneration allocated to managerial personnel for the most recent fiscal year, as approved by the Board of Directors (includes both cash and stock-based compensation). In cases where the estimated remuneration for the current year cannot be determined, the proposed allocation is calculated based on the proportion of the actual distribution in the previous year. Net Income After Tax refers to the net income after tax for the most recent fiscal year. For entities adopting International Financial Reporting Standards (IFRS), this is based on the net income after tax in the standalone or separate financial reports of the latest year. On March 11, 2026, the Board of Directors approved the employee remuneration plan for fiscal year 2025.

Note 3: The management team includes:
(1) Presidents and their equivalent
(2) Vice presidents and their equivalent
(3) Assistant vice presidents and their equivalent
(4) Chief financial officers
(5) Chief accounting officers
(6) Other individuals authorized to manage affairs and sign documents on behalf of the Company

Note 4: If directors, presidents, or vice presidents have collected employee compensation (including stocks and cash), they should fill out this chart together.

2.1.4 The Comparison Between the Remuneration for Directors, Presidents, and Vice Presidents in the Most Recent Two Fiscal Years and the Remuneration Policy for Directors, Presidents, and Vice Presidents

A. The ratio of the total remuneration paid by the Company and by all companies included in the consolidated financial reports for the two most recent fiscal years to directors, presidents, and vice presidents of the Company, to their net income (loss)

Title	The ratio of the total remuneration paid in 2024 to net loss		The ratio of the total remuneration paid in 2025 to net income	
	CAL	Consolidated Subsidiaries of CAL	CAL	Consolidated Subsidiaries of CAL
Director	0.19%	0.25%	0.27%	0.31%
Presidents and Senior Vice Presidents	0.32%	0.37%	0.35%	0.40%

B. The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with business performance

As stipulated in the Articles of Incorporation, the Board of Directors is authorized to set the chairman's remuneration in accordance with the Company's policies regarding manager compensation and based on the extent of his or her participation in the Company's operations. The travel allowances and remuneration of other directors are determined by the Board in reference to the compensation levels provided by related-industries and public companies.

In accordance with Article 29 of the Company Act, president and senior vice president's remuneration is set by the Board of Directors' resolution based on salary-related regulations. Bonuses and employee compensation are calculated based on the Company's overall operating performance and the employee's individual performance achievement rate.

C. Procedure for Establishing Remuneration

In the case of remuneration for board members and managers, as per regulation, the Company's Salary and Remuneration Committee meets regularly to assess and set salaries and remuneration, which are implemented after submission to the Board of Directors.

D. Linkage to Business Outcomes

(1) The remuneration of the president has already been determined based on his professional capability and the Company's operations and financial situation. The Senior Vice Presidents are evaluated based on the work performance evaluation regulation of the Company, which includes 40% of personal performance management and 60% double the annual work evaluation. The criteria include financial aspect, customer aspect, internal process aspect, safety aspect, growth and learning aspect, etc.

(2) Pursuant to Chapter 5, Article 25 of the Articles of Incorporation, if the Company makes profits in the year, no less than 3% of the profit shall be distributed as employee remuneration in either stock or cash. According to the internal regulations, work performance bonus is distributed based on the Company's management goals in different stages. Specifically, 60% accounts for personal performance and 40% accounts for the job title.

E. Linkage to Future Risk

Major decision-making at operational levels of the Company always takes into consideration risks and balances various risk factors. Major decision-making performance will be reflected in the Company's profits, thereby relating to salaries and remuneration to management levels. Specifically, the salaries and remuneration of the chairman of the board, the president, and senior vice presidents are linked to results and managing future risk.

2.2 Implementation of Corporate Governance

2.2.1 Board Operations and Evaluation

A. From January 1, 2025 to March 29, 2026 a total of 12 meetings of the Board of Directors were held. The average attendance rate was 95.73%. Director attendance is detailed below:

Title	Name (Note 1)	Actual Number of Attendances	Number of proxy attendances	Actual Attendance Rate (Note 2)	Juridical Person Shareholder Represented	Remarks
Directors	Kao, Shing-Hwang	11	0	100%	China Aviation Development Foundation	Newly Appointed on January 17, 2025 Directors elected on March 10, 2025
Director	Chen, Charles C.Y.	12	0	100%	China Aviation Development Foundation	None
Director	Ting, Kwang-Hung	11	1	92%	China Aviation Development Foundation	Proxy representation by Hsieh, Shih-Chien on January 13, 2025
Director	Chen, Maun-Jen	12	0	85%	China Aviation Development Foundation	None
Director	Huang, Huei-Jen	11	0	92%	China Aviation Development Foundation	Leave of absence on November 26, 2025
Director	Chen, Ta-Chun	8	1	89%	China Aviation Development Foundation	Newly appointed on March 10, 2025 Proxy representation by Huang, Shih-Hui on March 11, 2026
Director	Huang, Shih-Hui	4	2	67%	China Aviation Development Foundation	Newly Appointed on June 6, 2025 Proxy representation by Chen, Ta-Chun on August 8, 2025 Proxy representation by Chen, Ta-Chun on January 19, 2026
Director	Chang, Gwo-Wei	2	0	100%	China Aviation Development Foundation	Newly Appointed on January 1, 2026
Director	Shon, Zheng-Yi	6	0	100%	National Development Fund of The Executive Yuan	Newly Appointed on May 28, 2025
Director	Wei, Chien-Hung	12	0	100%	National Development Fund of The Executive Yuan	None
Independent Director	Hwang, Yih-Ray	12	0	100%		None
Independent Director	Huang, Hsieh-Hsing	11	1	92%		Proxy representation by Committee Member Hwang, Yih-Ray on April 10, 2025
Independent Director	Lin, Yu-Fen	12	0	100%		None
Independent Director	Lin, Kuo-Chang	12	0	100%		None
Independent Director	Chang, Hsieh Gen-Sen	12	0	100%		None
Directors	Hsieh, Su-Chien	1	0	100%	China Aviation Development Foundation	Termination on January 16, 2025
Director	Chen, Han-Ming	2	0	67%	China Aviation Development Foundation	Leave of absence on January 13, 2025 Termination on March 10, 2025
Director	Su, Pei-Hsien	8	0	100%	China Aviation Development Foundation	Termination on January 16, 2025

Other mentionable items:

1. With the operations of the Company by the Board of Directors, should any one of the following situations arise, the Board Meeting date, session, content of the resolution, opinions of all independent directors, and the Company's response to these comments shall be properly recorded:
   (1) Matters listed under Article 14-3 of the Securities and Exchange Act: The Company has set up an Audit Committee, hence, this does not apply.
   (2) Other matters during decision-making by the Board not listed in Article 14-3 of the Securities and Exchange Act but were opposed by independent directors or directors stating they have reservations, and their opinion has been recorded or submitted in a written statement: None.
2. Should a director recuse him or herself from a decision about which he or she has a conflict of interest, the name of the director, contents of the resolution, reasons for recusal, and the results of the vote should be noted:

Meeting Date	Agenda Content	Directors Recused for Conflicting Interest	Reason for Recusal	Participation in Voting
January 13, 2025 The 4th Meeting of the 23rd Board of Directors	Year-end bonuses and incentive compensation for Chairman and managers for 2024	Chairman, Hsieh, Shih-Chien	Personal interest in this matter	With the exception of Chairman Hsieh, Shih-Chien, who recused himself from discussion and voting in accordance with the law, all other attending directors approved the motion.
	Salary Adjustment for Chairman and managers for 2025	Chairman, Hsieh, Shih-Chien	Personal interest in this matter	With the exception of Chairman Hsieh, Shih-Chien, who recused himself from discussion and voting in accordance with the law, all other attending directors approved the motion.
	Electronic gift vouchers for Chairman and managers for 2025 Lunar New Year Dinner	Chairman, Hsieh, Shih-Chien	Personal interest in this matter	With the exception of Chairman Hsieh, Shih-Chien, who recused himself from discussion and voting in accordance with the law, all other attending directors approved the motion.
	Adjustment of seasonal bonuses (gifts) for major festivals for Chairman and managers	Chairman, Hsieh, Shih-Chien	Personal interest in this matter	With the exception of Chairman Hsieh, Shih-Chien, who recused himself from discussion and voting in accordance with the law, all other attending directors approved the motion.
March 10, 2025 The 4th Interim Meeting of the 23rd Board of Directors	Appointment of President	Director, Chen, Han-Ming	Personal interest in this matter	With the exception of Director Chen, Han-Ming, who recused himself from discussion and voting in accordance with law, all other attending directors approved the motion.
2025/04/10 The 1st Interim Meeting of the 23rd Board of Directors	Kao, Shing-Hwang Chairman	Kao, Shing-Hwang Chairman	Personal interest in this matter	With the exception of Chairman Kao, Shing-Hwang, who recused himself from the discussion and vote in accordance with the law, all other attending directors approved the resolution.
	Removal of Non-Compete Restrictions for 23rd Board Directors-Elect	Kao, Shing-Hwang Chairman Chen, Charles C.Y. Director Ting, Kwang-Hung Director Chen, Ta-Chun Director Chen, Maun-Jen Director Su, Pei-Hsien Director Huang, Huei-Jen Director Lin, Yu-Fen Independent Director	Personal interest in this matter	Directors with conflicts of interests recused themselves in sequence, did not participate in relevant discussions and voting, while the remaining attending directors approved the motion.
2025/05/09 The 6th Meeting of the 23rd Board of Directors	Sale of B787 Flight Simulator to the Aerospace Industrial Development Corporation	Kao, Shing-Hwang Chairman Chen, Charles C.Y. Director Ting, Kwang-Hung Director Chen, Ta-Chun Director Chen, Maun-Jen Director Su, Pei-Hsien Director Huang, Huei-Jen Director	Personal interest in this matter	Directors with conflicts of interests recused themselves in sequence, did not participate in relevant discussions and voting, while the remaining attending directors approved the motion.
2025/08/8 The 7th Meeting of the 23rd Board of Directors	Employee Remuneration for Chairman and Managers in 2024	Kao, Shing-Hwang Chairman	Personal interest in this matter	With the exception of Chairman Kao, Shing-Hwang, who recused himself from the discussion and vote in accordance with the law, all other attending directors approved the resolution.
2026/01/19 The 9th Meeting of the 23rd Board of Directors	Chairman and Managers' 2025 Year-End Bonus and 2026 Incentive Payment	Kao, Shing-Hwang Chairman	Personal interest in this matter	With the exception of Chairman Kao, Shing-Hwang, who recused himself from the discussion and vote in accordance with the law, all other attending directors approved the resolution.
	Chairman and President's Salary Increase for 2026	Kao, Shing-Hwang Chairman	Personal interest in this matter	With the exception of Chairman Kao, Shing-Hwang, who recused himself from the discussion and vote in accordance with the law, all other attending directors approved the resolution.
2026/03/11 The 10th Meeting of the 23rd Board of Directors	Removal of Non-Compete Restrictions for 23rd Board Directors-Elect	Director Huang, Shih-Hui; Director Chen, Ta-Chun (represented by Director Huang, Shih-Hui as proxy)	Personal interest in this matter	With the exception of Director Huang, Shih-Hui and Director Chen, Ta-Chun (represented by Director Huang, Shih-Hui as proxy), who recused themselves from the discussion and vote in accordance with the law, all other attending directors approved the resolution.

3. Board of Directors' functional improvement goals for the last year and the current year (such as forming an audit committee and improving information transparency) in addition to the implementation of assessments:
   (1) To enhance information transparency, safeguard shareholder rights, and strengthen the prevention of insider trading, the Company has proactively disclosed its intellectual property management plan and its implementation status, as well as the enforcement status of its insider trading prevention measures, on the corporate website.

(2)	To promote the professional development of Board members and reinforce corporate governance practices, the Company organizes continuing education programs for directors twice a year. In 2025, the Company complied with the required training hours as stipulated in the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE/TPEx-listed companies.
(3)	The Company has procured directors' liability insurance for all Board members and reported the relevant details to the Board, thereby mitigating and dispersing the legal liability risks associated with their duties.

Note 1: For directors that are juridical persons, the name of the juridical person shareholder and its representatives must be disclosed.

Note 2:
(1) When a director resigns before the year's end, the remark column shall have the date of resignation and actual attendance rate (%) calculated based on the number of meetings held during the period prior to resignation and the actual number of meetings attended by him/her.
(2) If there is a change of directors prior to the end of the year, both the new and old directors shall be included in the table. The remark column shall note whether the director has been re-elected or newly elected and the date of the (re)election. Actual attendance rate (%) is calculated based on the number of meetings held during the period of service and the actual number of meetings attended by him/her.

B. Evaluation of the Board of Directors

Evaluation Cycle	Evaluation Period	Scope of Evaluation	Evaluation Method	Evaluation Content
(1) Engage in one internal evaluation per year.	2025/01/01-2025/12/31	Covers the evaluation of the board as a whole, the individual directors, and functional committees	Evaluation by the business team of the Board of Directors, self-evaluation by the Board members, and performance evaluation by the functional committee members	(1) Board of Directors' performance evaluation: (2) 11 metrics in total, including 5 measurement parameters, i.e., the degree of participation in the Company's operations, the Board of Directors' decision-making quality, the composition and structure of the Board of Directors, the selection and continual education of Directors, and internal control. (3) Individual Director Performance Evaluation: (4) 18 metrics in total, including 6 measurement parameters, i.e., mastery of Company's goals and tasks, recognition of Directors' responsibilities, participation in Company's operations, internal relationship management and communication, Director's expertise and continual education, and internal control. (5) Evaluating Functional Committee Performance Evaluation: (6) 10 metrics in total, including 5 measurement parameters, i.e., the degree of participation in the Company's operations, functional committee responsibility awareness, decision-making quality of functional committee, composition and member selection of functional committee, and internal control.
(2) An external evaluation shall be carried out every three years by an external, professional, and independent organization or a team of experts and scholars.	2023/01/01-2023/12/31	Covers the evaluation of the board as a whole, and the functional committee	External evaluation form of the Functional Committees and the observation of the Board Meeting	The evaluation aspects cover the engagement of company operation, decision-making improvement by the Board of Directors, the composition and structure of the Board of Directors, the selection and appointment of the Board of Directors, continuous learning, internal control, corporate governance, and operating performance evaluation.

2.2.2 Audit Committee

The Audit Committee convened 11 meetings from January 1, 2024 to March 30, 2025. The attendance of Committee members is as follows:

Title	Name	Actual Number of Attendances	Number of proxy attendances	Attendance Rate (%)	Remarks
Independent Director (Convener)	Huang, Hsieh-Hsing	10	1	90.91%	Proxy representation by Committee Member Hwang, Yih-Ray on April 10, 2025
Independent Director	Chang, Hsieh Gen-Sen	9	1	81.82%	Proxy representation by Committee Member Huang, Hsieh-Hsing on December 19, 2025 Leave of absence on January 19, 2026
Independent Director	Hwang, Yih-Ray	10	1	90.91%	Proxy representation by Committee Member Huang, Hsieh-Hsing on March 10, 2025
Independent Director	Lin, Yu-Fen	11	0	100%	None
Independent Director	Lin, Kuo-Chang	11	0	100%	None

Other mentionable items:

1. Qualifications of Audit Committee Members:
   Independent Director Huang, Hsieh-Hsing; Independent Director Chang, Hsieh Gen-Sen; Independent Director Hwang, Yih-Ray; Independent Director Lin, Yu-Fen; and Independent Director Lin, Kuo-Chang, all possess professional capabilities in finance and accounting, as well as extensive experience in management. They have proficiency in corporate governance, accounting information, financial analysis, industry development, and technological application insights, enhancing the quality of corporate governance and the supervisory function of the Audit Committee.
2. Key functions of the Audit Committee:
   The Committee consists of three independent directors. The key functions of the year are to assist the Board of Directors in supervising the Company on the fair presentation of the relevant financial reports, the appointment (dismissal) of a CPA and its independence and performance, the auditing of the Company's internal control system, compliance with related laws, regulations, and rules of the Company (such as, internal control system, acquisition or disposal of assets, derivative commodity transactions, loaning funds to others, providing endorsements or guarantees for others), and other matters included in its statutory functions (appointment and dismissal of financial supervisors or internal audit executive, mergers, and acquisition-related matters).
3. In the operation of the Audit Committee, should one of the below situations arise, the date of the Board Meeting, session, content of the resolution, result of the Audit Committee resolution, and the Company's response to these views must be properly recorded:
   (1) Matters listed under Article 14-5 of the Securities and Exchange Act:

<table>
<tr><th>Meeting Date</th><th>Agenda Content</th><th>Outcome of Voting by the Board of Auditors and the Company's Handling of the Board's Views</th><th>Outcome of the Board of Directors' Decision</th></tr>
<tr><td>2025/03/10
The 4th Meeting of the Audit Committee of the 23rd Board of Directors</td><td>1. 2024 Standalone and Consolidated Financial Report
2. Engagement and remuneration of the certified public accountants for fiscal year 2025
3. Providing an endorsement guarantee of NT$2 billion in financing to Taiwan Aircraft Maintenance and Engineering Co., Ltd.
4. Evaluation of Internal Control System Effectiveness and Statement for 2024
5. Lease of 3 additional A321neo aircraft</td><td rowspan="4">Passed to the Board of Directors with unanimous approval by all attending members.</td><td>2025/03/10
Approved unanimously by all attending directors at the 5th meeting of the 23rd Board of Directors.</td></tr>
<tr><td>2025/04/10
The 3rd Interim Meeting of the Audit Committee of the 23rd Board of Directors</td><td>Profit distribution and cash dividend amount for 2024</td><td>2025/04/10
Approved unanimously by all attending directors at the 5th Interim Meeting of the 23rd Board of Directors.</td></tr>
<tr><td>2025/05/09
The 5th Meeting of the Audit Committee of the 23rd Board of Directors</td><td>1. Q1 2025 Consolidated Financial Report
2. Sale of B787 Flight Simulator to the Aerospace Industrial Development Corporation</td><td>2025/05/09
Approved unanimously by all attending directors at the 6th meeting of the 23rd Board of Directors.</td></tr>
<tr><td>2025/06/25
The 4th Meeting of the Audit Committee of the 23nd Board of Directors</td><td>Introduction of A321neo and A350-900</td><td>2025/06/25
Approved unanimously by all attending directors at the 6th Interim Meeting of the 23rd Board of Directors.</td></tr>
</table>

2025/08/8 The 6th Meeting of the Audit Committee of the 23rd Board of Directors	1. Q2 2025 Consolidated Financial Report 2. Amendment to the Procedures for Engaging in Derivatives Transactions 3. New Construction Project for the Second Phase of Composite Materials Complex Building and Engine Disassembly / Assembly Plant in the Maintenance Base		2025/08/08 Approved unanimously by all attending directors at the 7th meeting of the 23rd Board of Directors.
2025/11/07 The 7th Meeting of the Audit Committee of the 23rd Board of Directors	1. Q3 2025 Consolidated Financial Report 2. Amendment to the Procedures for Acquisition or Disposal of Assets 3. Amendments to The Seventh Issuance of Domestic Unsecured Convertible Corporate Bonds 4. 2026 Audit Plan 5. Amendments to the Internal Control System Operating Procedures, including additions, deletions, and revisions to incorporated documents. 6. Relocation and Leasing upon Expiration of the Surface Rights for the China Airlines Building		2025/11/07 Approved unanimously by all attending directors at the 8th meeting of the 23rd Board of Directors.
2025/11/26 The 5th Interim Meeting of the Audit Committee of the 23rd Board of Directors	Overall Introduction and Disposal of Passenger and Cargo Fleet		2025/11/26 Approved unanimously by all attending directors at the 7th Interim Meeting of the 23rd Board of Directors.
2025/12/19 The 6th Interim Meeting of the Audit Committee of the 23rd Board of Directors	Acquisition of Joint Venture Partner's Equity in China Pacific Catering Services Co., Ltd., with an Independent Expert engaged to issue a fairness opinion on the transaction price	Approved unanimously by all attending members.	Not applicable
2026/01/19 The 8th Meeting of the Audit Committee of the 23rd Board of Directors	Acquisition of Joint Venture Partner's Equity in China Pacific Catering Services Ltd.	Passed to the Board of Directors with unanimous approval by all attending members.	2026/01/19 Approved unanimously by all attending directors at the 5th Meeting of the 23rd Board of Directors.
2026/03/11 The 9th Meeting of the Audit Committee of the 23rd Board of Directors	1. 2025 Standalone and Consolidated Financial Report 2. Appointment and Remuneration of CPAs for 2026 3. Evaluation of Internal Control System Effectiveness and Statement for 2025		2026/03/11 Approved unanimously by all attending directors at the 10th meeting of the 23rd Board of Directors.

(2) Other matters up for decision by the Board not listed in Article 14-5 of the Securities and Exchange Act that were not passed by the Audit Committee but approved by two-thirds of the majority of the entire Board: None.

4. In situations where independent directors recuse themselves due to conflict of interest, the independent director's name, the content of the resolution, the reason for recusal, and his or her voting participation should be properly recorded: None.

5. Types of communication between independent directors, internal audit managers, and auditors (regarding issues such as Company financial and operational status, procedures, and results):

(1) In addition to the independent directors of the Company receiving the audit report monthly, the audit officer submits the annual audit plan and the implementation of independent directors through the Audit Committee and the Board of Directors. The audit officer replies to the independent director's questions, provides necessary information, strengthens the audit work in accordance with his instructions, and ensures the effectiveness of internal controls. In addition, in non-routine communication, the audit value shall be continuously improved. In case of any major violation, the independent director shall be informed immediately.

(2) Before the audit committee meeting is held in each quarter, the certified public accountant and the independent directors shall convene a communication meeting to report to the independent director and explain the audit plan, implementation situation, or review the results of the financial reports. Furthermore, the certified public accountant shall provide the financial reports and relevant necessary information to the audit committee and the Board of Directors in each quarter and attend the meeting in a non-voting capacity. Independent Directors shall contact the audit supervisor or accountants when needed for full communication.

(3) Independent Directors shall contact the audit supervisor or accountants when needed for full communication.

a. Communication between independent directors and accountants:

Means of Communication	Communication matters		Communication results	
	Primary Matter	Independent Director Suggestions	Results	Company's Response
2025/03/10 The 4th Meeting of the Audit Committee of the 23rd Board of Directors	Prior to the meeting, the accountants individually reported to and briefed the Independent Directors regarding the audit status. During the meeting, the Company's Financial Officer presented the audit results of the 2024 Standalone and Consolidated Financial Report, followed by discussion and communication addressing questions from meeting participants.	No comments at this meeting.	Unanimously approved by all attending Independent Directors.	Subsequently submitted to the Board of Directors for approval, with public filing of the 2024 Standalone and Consolidated Financial Report completed on March 17, 2025.

2025/05/09 The 5th Meeting of the Audit Committee of the 23rd Board of Directors	Prior to the meeting, the accountants individually reported to and briefed the Independent Directors on their review findings. During the meeting, the Company's Financial Officer presented the review results of the Q1 2024 Consolidated Financial report, followed by discussion and communication addressing questions from meeting participants.	No comments at this meeting.	Unanimously approved by all attending Independent Directors.	Subsequently submitted to the Board of Directors, with public filing of the Q1 2025 Consolidated Financial Report completed on May 15, 2025.
2025/08/08 The 6th Meeting of the Audit Committee of the 23rd Board of Directors	Prior to the meeting, the accountants individually reported to and briefed the Independent Directors on their review findings. During the meeting, the Company's Financial Officer presented the review results of the Q2 2025 Consolidated Financial Report, followed by discussion and communication addressing questions from meeting participants.	No comments at this meeting.	Unanimously approved by all attending Independent Directors.	Subsequently submitted to the Board of Directors, with public filing of the Q2 2025 (including first half-year) Consolidated Financial Report completed on August 14, 2025.
2025/11/07 The 7th Meeting of the Audit Committee of the 23rd Board of Directors	Prior to the meeting, the accountants individually reported to and briefed the Independent Directors regarding the review status and the audit planning and key audit matters for the 2025 fiscal year financial reports. During the meeting, the Company's Financial Officer presented the review results of the Q3 2025 Consolidated Financial Report, followed by discussion and communication addressing questions from meeting participants.	No comments at this meeting.	Unanimously approved by all attending Independent Directors.	Subsequently submitted to the Board of Directors, with public filing of the Q3 2025 (including first three quarters) Consolidated Financial Report completed on November 14, 2025.
2026/03/11 The 9th Meeting of the Audit Committee of the 23rd Board of Directors	Prior to the meeting, the accountants individually reported to and briefed the Independent Directors regarding the audit status. During the meeting, the Company's Financial Officer presented the audit results of the 2025 Consolidated Financial Report, followed by discussion and communication addressing questions from meeting participants.	No comments at this meeting.	Unanimously approved by all attending Independent Directors.	Subsequently submitted to the Board of Directors for approval, with public filing of the 2025 Annual Parent Company Financial Report and Consolidated Financial Report completed on March 16, 2026.

b. Communication Between Independent Directors and the Chief Internal Auditor:

Means of Communication	Communication matters		Communication results	
	Primary Matter	Independent Director Suggestions	Results	Company's Response
2025/01/13 The 3th Meeting of the Audit Committee of the 23rd Board of Directors	Internal Audit Report for October-December 2024	Convener Huang: 1. Inquiry regarding the timing of cash voucher usage, total amount issued, and SOP, with a reminder on the need for audit and control procedures. 2. Suggestion made to include racial discrimination issues in the employee code of conduct to facilitate prevention and management of this problem. 3. Questions raised about details regarding ground staff attitude problems when handling overweight luggage. Committee Member Huang: 1. Inquiry regarding the validity period of cash vouchers. 2. Reminder given about the severity of racial discrimination as a significant international issue, with recommendations for stringent handling. Committee Member Lin: 1. Inquiry made on the third item regarding auditor email box referrals to relevant business units for investigation, asking about the status and progress of various complaint handling processes and whether there were violations of internal regulations. 2. Inquiry about whether inappropriate remarks in the	Chief Auditor Remarks: 1. Cash vouchers are issued as service compensation. Approximately NT$100 million has been issued over the past five years, with a one-year validity period. Ground staff may issue vouchers flexibly based on operational needs or unforeseen circumstances. Details or temporary cases are decided in practice by supervisor-level or higher management. 2. The purpose of this audit is to implement inspection of issuance, usage, and inventory management. Future plans include evaluating full electronic operations, though current practices still require paper distribution. Additional explanation regarding audit procedures and samples are also provided. 3. Auditor mailbox case investigation progress: (1) Employee moonlighting does not affect discounted ticket benefits; (2) Employees' private life is generally not within the employer's jurisdiction; (3) Highway passenger safety regulations have been reiterated; (4) Misdirected waybill confirmed not to be a China Airlines bill of lading; (5) Employees who posted racially discriminatory content on social media have been summoned and warned. 4. Explanation given that passenger luggage exceeded the number of pieces allowed but the total weight was not over the limit. The ground staff were following company regulations. President Remarks:	Reported to the Board of Directors on January 13, 2025.

		aviation industry are subject to international regulations, and whether internal company regulations include provisions on racial discrimination. 3. Reference made to previous penalties imposed on another airline (Lufthansa) by the United States. Recommendation to investigate the cause and subsequently transfer findings to relevant departments to address racial discrimination issues and internalize them within company culture.	1. Cash vouchers are used, for example, when passengers have complaints during their journey. Cash vouchers can be used for duty-free goods or ticket purchases and must be strictly controlled. 2. The Company currently has regulations regarding inappropriate employee speech. 3. Human Resources Department plans to supplement regulations within reward and punishment provisions. All independent directors present were briefed and the issue was referred to the Board of Directors for continued reporting.	
2025/03/10 The 4th Meeting of the Audit Committee of the 23rd Board of Directors	Evaluation of Internal Control System Effectiveness and Statement for 2024	No comments at this meeting.	All attending independent directors approve, to be further reported to the Board of Directors.	Resolved by Board of Directors on March 10, 2025, completed public filing of Internal Control System Statement for 2024 on March 14, disclosed in 2024 Annual Report.
	Internal Audit Report for January 2025	Committee Member Chang, Hsieh: Inquiry regarding the background and details of the aircraft purchase subsidy case.	The matter was explained by the relevant management unit. All independent directors present were briefed and the issue was referred to the Board of Directors for continued reporting.	Reported to the Board of Directors on March 10, 2025.
2025/04/10 The 3rd Interim Meeting of the Audit Committee of the 23rd Board of Directors	Internal Audit Business Exchange	No comments at this meeting.	Approved by Unanimous Consent of All Independent Directors Present	None
2025/05/09 The 5th Meeting of the Audit Committee of the 23rd Board of Directors	Internal Audit Report for February-March 2025	Committee Member Chang, Hsieh: Please consider the trend of the USD exchange rate and make good use of the subsidy funds. Convener Huang: Inquiries regarding the management mechanism for membership transfers.	Chief Auditor Remarks: 1. Supplementary explanation on Amendment No. 4 of the A321 aircraft purchase contract: USD 10.714 million has been confirmed as received and the operating units will be requested to make good use of it. 2. Explanation of the detailed design of the Dynasty Flyer Program System and the newly added control measures following the review. All independent directors present were briefed and the issue was referred to the Board of Directors for continued reporting.	Reported to the Board of Directors on May 9, 2025.
2025/06/25 The 4thd Interim Meeting of the Audit Committee of the 23rd Board of Directors	Internal Audit Business Exchange.	No comments at this meeting.	Approved by Unanimous Consent of All Independent Directors Present	None
2025/08/8 The 6th Meeting of the Audit Committee of the 23rd Board of Directors	Internal Audit Report for April-June 2025	No comments at this meeting.	All independent directors present were briefed and the issue was referred to the Board of Directors for continued reporting.	Reported to the Board of Directors on August 8, 2025.
2025/11/07 The 7th Meeting of the Audit Committee of the 23rd Board of Directors	Internal Audit Report for July-September 2025	No comments at this meeting.	All independent directors present were briefed and the issue was referred to the Board of Directors for continued reporting.	Reported to the Board of Directors on March 10, 2025.
	2025 Audit Plan	Convener Huang:	Chief Auditor Remarks:	

		1. Subsidiary Tigerair Taiwan has been listed; how does China Airlines coordinate the division of audit responsibilities with it. 2. Subsidiaries are legally independent entities; however, they are consolidated in the financial reports. If a subsidiary encounters issues, the parent company will still bear joint liability. Inquiry on whether the minutes of subsidiary board meetings are all provided to China Airlines for reference. 3. The aircraft leasing and purchasing operations of the Corporate Development Division account for a significant portion of the company's costs. Committee Member Lin: 1. Inquiry on how China Airlines addresses the risks of significant matters such as aircraft purchases or leases in its audit operations. 2. Whether the audit department has sufficient manpower; explanation of the importance of adequate staffing and the need for rolling adjustments. Committee Member Chang, Hsieh: 1. Inquiry on the differences between Tigerair Taiwan's internal audit operations and those of China Airlines, and whether there are any advantageous practices worth referencing. 2. There have been recent reports that accounting firms are actively promoting AI services and capabilities. Committee Member Huang: Given that the National Tax Bureau is currently applying AI for sample selection, it is suggested that the audit function evaluate and refine its sampling methods.	1. Tigerair Taiwan, as a listed company, has established its own internal audit department; however, as it remains an affiliated enterprise of the China Airlines Group, supervisory oversight is maintained, though annual audits may not necessarily be conducted every year. 2. This plan is incorporated into the annual audit operations of the Corporate Development Division as a project sampling item. 3. The audit department's staffing and division of labor are relatively demanding; however, sampling methods will be adopted, and requests for additional manpower will be submitted to management when necessary. Attention will be given to the development and training of audit personnel. 4. Consideration is being given to incorporating AI to assist with audit case selection and risk prioritization. Colleagues are also encouraged to participate in relevant AI courses to acquire new knowledge.	
The 5th Interim Meeting of the 23rd Board of Directors Audit Committee was convened on December 19, 2024	Internal Audit Business Exchange	No comments at this meeting.	Approved by Unanimous Consent of All Independent Directors Present	None
2025/12/19 The 6th Interim Meeting of the Audit Committee of the 23rd Board of Directors	Internal Audit Business Exchange	No comments at this meeting.	Approved by Unanimous Consent of All Independent Directors Present	None
2026/01/19 The 8th Meeting of the Audit Committee of the 23rd Board of Directors	Internal Audit Report for October-December 2025	Committee Member Lin: 1. Attention was drawn to the handling of the incident involving a Tigerair Taiwan	Chief Auditor Remarks: Tigerair Taiwan has handled the matter in accordance with internal regulations, and the pilot in question has submitted	Reported to the Board of Directors on January 19, 2026.

		pilot who violated the Controlling Guns, Ammunition and Knives Act, with a recommendation that internal disciplinary standards within the Group must be consistent. 2. Discussion covered the Alaska Airlines downgrade incident, the need to strengthen collaboration processes with other airlines regarding in-flight meal services, and improvements to catering operations equipment and food safety management.	a resignation application. Other issues were clarified and addressed by the respective attending supervisors. All independent directors present were briefed and the issue was referred to the Board of Directors for continued reporting.	
The 4th Meeting of the 23rd Board of Directors Audit Committee was held on March 11, 2026	Evaluation of Internal Control System Effectiveness and Statement for 2025	Convener, Mr. Huang: 1. Inquiry was made as to whether the issue of cash transaction practices in the Vietnam case had been resolved. 2. Inquiry was made regarding the composition of the USD 5 million amount claimed by the Company. Inquiry was made as to whether other stations had similar operational issues.	Chief Auditor Remarks: 1. This case originated prior to 2012, when the branch office accepted cash transactions. An accounting staff member committed fraud by recording cash income as accounts receivable and continuously rolling over the aging schedule to prevent it from appearing overdue. Following the exposure of the fraud, the Company immediately revised its procedures for revenue and expenditure management as well as accounting operations. 2. The explanation indicated that the primary action involved writing off passenger accounts receivable remaining on the books; however, due to the extended period covered by the fraud case, it was not possible to confirm the applicable fiscal year, exchange rates, or transaction background. The Vietnamese employees involved in the case and the accounting supervisor dispatched from headquarters have both been referred to judicial authorities for legal action. 3. Vietnam's fare pricing adopts a dual-currency system in both USD and Vietnamese Dong, which is relatively complex. Other regions operate through general sales agents for settlement and clearing without issue. All attending independent directors approve, to be further reported to the Board of Directors.	Resolved by Board of Directors on March 11, 2026, completed public filing of Internal Control System Statement for 2025 on March 18, 2025, disclosed in 2025 Annual Report.

	Internal Audit Report for January 2026	Convener Huang: 1. Inquiry was made regarding the issue of cabin cleaning staff privately taking large quantities of China Airlines in-flight service supplies off the aircraft. 2. Inquiry was made regarding the protest by Huawei Enterprise against allegedly unfair tendering practices by the Kaohsiung branch of China Airlines Ground Services (CAGS).	Chief Auditor Remarks: 1. Unused or unopened supplies and meals remaining on board are to be uniformly disposed of by ground handling company cleaning personnel in accordance with regulations after the aircraft lands. The Company strictly prohibits the removal of such items from the aircraft. 2. This case involves a contract for pallet breakdown operations with a long-term partner that came up for re-tendering upon expiration. A dispute arose over staffing requirements for contract renewal. During the initial transition period for the newly awarded contractor, personnel from CAGS entered the site to provide guidance, which gave rise to questions of impartiality. The Company has requested that CAGS complete the transitional assistance as promptly as possible. All independent directors present were briefed and the issue was referred to the Board of Directors for continued reporting.	Reported to the Board of Directors on March 11, 2026.

2.2.3 Sustainability and Risk Committee Implementation Status

Originally referred to as the Risk Committee, by approval of the Board of Directors on March 10, 2025, the committee was renamed the Sustainability and Risk Committee.

The Sustainability and Risk Committee convened six meetings from January 1, 2025 to March 29, 2026. The attendance of Committee members is as follows:

Title	Name	Actual Number of Attendances	Number of proxy attendances	Attendance Rate (%)	Remarks
Independent Director (Convener)	Hwang, Yih-Ray	6	0	100%	None
Independent Director	Lin, Yu-Fen	6	0	100%	None
Independent Director	Lin, Kuo-Chang	6	0	100%	None
Director	Ting, Kwang-Hung	6	0	100%	None
Director	Chen, Charles C.Y.	6	0	100%	None

Other mentionable items:

1. Sustainability and Risk Committee Functions:
   The Committee assists the Board of Directors in reviewing the formulation, implementation results, and response measures of the company's various risk management strategies, and requires subordinate units to be responsible for the control of each major type of risk. It also reviews the formulation and implementation results of sustainable development policies, systems or related management guidelines, and specific implementation plans.
2. Expertise of Sustainability and Risk Committee Members:
   The members of the Sustainability and Risk Committee possess diverse and complementary professional backgrounds and practical experience, which are sufficient to support the Board of Directors in effectively overseeing and making decisions on sustainability and climate-related risks and opportunities. Independent Director Hwang, Yih-Ray; Independent Director Lin, Yu-Fen; and Independent Director Lin, Kuo-Chang all possess professional capabilities in finance and accounting, as well as extensive experience in management. Director Ting, Kwang-Hung and Director Chen, Charles C.Y. possess expertise in competencies such as business judgment, management, leadership, crisis response, and global market perspectives. Through the integration of the aforementioned professional competencies, the Committee is able to comprehensively supervise the Company's governance and response measures related to sustainability and climate-related issues.
3. Sustainability and Risk Committee Meeting Status and Conclusion Report:

Meeting Date	Agenda Content	Outcome of the Sustainability and Risk Committee's Decision and the Company's Handling of the Board's Views	Outcome of the Board of Directors' Decision
March 10, 2025 The 3rd Meeting of the 23rd Board of Directors Sustainability and Risk Committee	1. Safety Management Report 2. 2025 Q1 Operational Risk Management Analysis 3. Financial Status Report 4. Economic Outlook and Financial Hedging Strategies 5. Crude Oil Market Analysis and Fuel Hedging Strategies	Passed to the Board of Directors with unanimous approval by all attending members.	2025/04/10 Approved unanimously by all attending directors at the 5th Interim Meeting of the 23rd Board of Directors.
2025/05/06 The 4th Meeting of the 23rd Board of Directors Sustainability and Risk Committee	1. Safety Management Report 2. 2025 Q1 Operational Risk Management Analysis 3. Implementation Plan for International Financial Reporting Standards – Sustainability Disclosure Standards 4. (IFRS S1/S2) Progress Report Financial Status Report 5. Economic Outlook and Financial Hedging Strategies 6. Crude Oil Market Analysis and Fuel Hedging Strategies		2025/06/25 Approved unanimously by all attending directors at the 6th Interim Meeting of the 23rd Board of Directors.
2025/08/6 The 5th Meeting of the 23rd Board of Directors Sustainability and Risk Committee	1. Safety Management Report 2. Information Security and Personal Information Management Report 2025 Q3 Operational Risk Management Analysis 3. Climate Governance Report 4. Implementation Plan for International Financial Reporting Standards – Sustainability Disclosure Standards 5. (IFRS S1/S2) Progress Report Financial Status Report		2025/11/07 Approved unanimously by all attending directors at the 8th meeting of the 23rd Board of Directors.

	6. 2024 Sustainability Report 7. Economic Outlook and Financial Hedging Strategies 8. Crude Oil Market Analysis and Fuel Hedging Strategies		
2025/11/07 The 6th Meeting of the 23rd Board of Directors Sustainability and Risk Committee	1. Safety Management Report 2. Implementation Plan for International Financial Reporting Standards – Sustainability Disclosure Standards 3. (IFRS S1/S2) Progress Report 4. Financial Status Report 5. Amendments to the Sustainable Development Practice Guidelines 6. Economic Outlook and Financial Hedging Strategies 7. Crude Oil Market Analysis and Fuel Hedging Strategies		2026/01/19 Approved unanimously by all attending directors at the 9th meeting of the 23rd Board of Directors.
2026/01/19 The 1st Meeting of the 23rd Board of Directors Sustainability and Risk Committee	Termination of Engagement of Sustainability and Risk Committee Advisor		2026/01/19 Approved unanimously by all attending directors at the 9th meeting of the 23rd Board of Directors.
2026/03/11 The 7th Meeting of the 23rd Board of Directors Sustainability and Risk Committee	1. Safety Management Report 2. 2026 Q1 Operational Risk Management Analysis 3. 2025 ESG Sustainability Development Operational Results 4. Implementation Plan for International Financial Reporting Standards – Sustainability Disclosure Standards (IFRS S1/S2) Progress Report 5. Financial Status Report 6. Revisions to the Sustainable Development Practice Guidelines 7. Economic Outlook and Financial Hedging Strategies 8. Crude Oil Market Analysis and Fuel Hedging Strategies		2026/04/09 Approved unanimously by all attending directors at the 8th Interim Meeting of the 23rd Board of Directors.

2.2.4 Corporate Governance Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx-Listed Companies

Evaluation Item	Status of Implementation			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx-Listed Companies and Reasons
	Yes	No	Brief Explanation	
1. Did the Company establish its Corporate Governance Best-Practice Principles in accordance with Corporate Governance Best-Practice Principles for TWSE/TPEx-Listed Companies and did it share those principles?	V		China Airlines (hereinafter referred to as the Company)	No Difference
2. Company ownership structure and shareholder rights (1) Did the Company establish internal operational procedures for dealing with shareholder suggestions, questions, disputes, and lawsuits? Did it put these procedures into practice?	V		(1) The Company's website has a portal for shareholder services. The Method for Handling Investor Relations has been set so that investor suggestions and concerns are dealt with by shareholder service personnel and shareholder service agents according to relevant procedures. This ensures a smooth channel of communication between the Company and its shareholders and the quality of disclosed information.	No Difference
(2) Does China Airlines maintain a list of the major Company shareholders and the ultimate owners of these shareholders?	V		(2) The China Aviation Development Foundation is China Airlines' largest shareholder, and the Company is in communication and contact with it.	No Difference
(3) Did China Airlines establish and implement risk control mechanisms and firewalls at the Company and affiliated enterprises?	V		(3) The Company has established Operational Procedures for Endorsements / Guarantees, Operational Procedures for Lending Funds to Others, and Regulations Governing Management of Invested Enterprises. All capital loans and funding, endorsements/guarantees, and operational supervision and management of Company subsidiaries are in accordance with these procedures and regulations. Audit units perform quarterly audits of Company endorsements/guarantees and capital loans / funding, which are provided to the management and independent directors. The Finance Div. is responsible for overseeing implementation at invested enterprises and should any errors be noticed; a rectification deadline is set and the progress is monitored.	No Difference
(4) Did the Company establish internal standards to prevent insider trading on undisclosed information?	V		(4) The Company established the Director's Code of Conduct, Procedures for Handling Material Inside Information, and High-Level Manager Code of Conduct to specify insider trading prevention and processing of secret stock trading as well as operating information as required of employees by law. Those with access to undisclosed material inside information are prohibited from engaging in securities trading.	No Difference
3. Structure and responsibilities of the Board of Directors	V		(1) The Company's Board of Directors Composition Diversity Policy, Specific Management Objectives, and Implementation Details are on Page 17-19.	No Difference

Evaluation Item	Status of Implementation			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx-Listed Companies and Reasons
	Yes	No	Brief Explanation	
(1) Has the Company established policies calling for diversity among members of the Board of Directors and put these policies into practice?				
(2) In addition to the establishment of the Remuneration Committee and Audit Committee as required by law, did the Company establish committees with other functions of its own accord?	V		(2) In addition to setting up the Audit Committee and the Remuneration Committee according to law, to improve the risk management of the Company, the Company has voluntarily set up a Sustainability and Risk Committee with five directors (including three Independent Directors) as members. Meetings are held on a quarterly basis according to the organization regulations approved by the Board of Directors. The Committee responds to the Board of Directors and assists it in reviewing the establishment, implementation outcomes, and response measures of the Company's management strategies for overall finance, economy, flight safety, and other risks. It then submits its conclusions and recommendations to be resolved by the Board of Directors. Good operational effectiveness has been achieved.	No Difference
(3) Has the Company formulated guidelines on performance evaluation and evaluation methods for the Board of Directors and does it evaluate its performance regularly each year? Furthermore, does it report the evaluation outcomes to the Board of Directors and use them as references for deciding on the remuneration of individual directors and nomination for continuing terms as directors?	V		(3) The Company approved the Regulations Governing the Board Performance Evaluation in the 8th meeting of the 21st Board of Directors on November 7th, 2019. An internal evaluation of the Board's performance is made at the end of each year. The evaluation is divided into the performance evaluation of the entire Board of Directors, individual Board members, and functional committees. The evaluation shall be completed by the end of January of the following year. The outcomes shall be submitted by the Human Resources Department to be reported at the Board meeting held by the end of March. The evaluation shall be conducted every three years by an external, professional, and independent organization or a team of experts and scholars. The results will be applied in deciding directors' remuneration and nomination while renewing their performance. An external evaluation shall be carried out every three years by an external, professional, and independent organization or a team of experts and scholars. The evaluation results will be used as a reference for individual directors' remuneration and consideration for nomination for re-appointment. The Company has completed the Board of Directors performance self-evaluation for 2025 in accordance with the aforementioned procedures, disclosed it on the official website on January 29, 2026, and will submit it to the Board of Directors meeting in March 2026.	No Difference

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Status of Implementation</th><th rowspan="2">Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx-Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Brief Explanation</th></tr>
<tr><td>(4) Does the Company periodically assess the independence of external CPAs?</td><td>V</td><td></td><td>(4) The Company's Audit Committee annually evaluates the independence and suitability of its certified public accountants. In addition to requiring the certified public accountants to provide an Unreserved Independence Statement and Audit Quality Indicators (AQIs), the Committee also conducts an assessment based on Note 1's standards and 13 AQI indicators. After confirming that the accountants have no other financial interests or business relationships with the Company apart from the auditing and tax case fees, and that the accountants' family members do not violate the independence requirements, and referencing the AQI indicator information, the Committee confirms that the accountants and the firm have auditing experience and training hours that exceed industry averages. Furthermore, the firm has continued to introduce digital auditing tools over the past three years to improve audit quality. The results of the most recent annual evaluation were discussed and approved by the Audit Committee on March 10, 2026, and subsequently submitted to and approved by the Board of Directors on March 10, 2026, regarding the independence and suitability of the accountants.

Note 1: Standards for evaluating the independence of accountants
<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="2">Assessment results</th><th rowspan="2">Independence Compliance</th></tr>
<tr><th>Yes</th><th>No</th></tr>
<tr><td>1. Obtained Auditor's Independence Statement</td><td>V</td><td></td><td>Yes</td></tr>
<tr><td>2. Has not retained the same accountant for seven consecutive years</td><td>V</td><td></td><td>Yes</td></tr>
<tr><td>3. Not serving as the Company's Chairman, supervisor, or manager</td><td>V</td><td></td><td>Yes</td></tr>
<tr><td>4. Not a shareholder of the Company and does not receive salary from the Company</td><td>V</td><td></td><td>Yes</td></tr>
<tr><td>5. Deloitte & Touche, the appointed CPA firm, is not an affiliated entity of the Company.</td><td>V</td><td></td><td>Yes</td></tr>
<tr><td>6. The certified public accountants have not provided any non-audit services to the Company that would impair their objectivity or independence.</td><td>V</td><td></td><td>Yes</td></tr>
</table></td><td>No Difference</td></tr>
<tr><td>4. Does the TWSE/TPEx-listed company have in place an appropriate number of qualified corporate governance officers and a designated chief corporate governance manager to be responsible for corporate governance-related matters? (This is inclusive of but not limited to providing directors and supervisors with the information required to conduct business, assist directors, and supervisors in: legal compliance, handling matters related to board meetings and shareholders' meetings that are in accordance with law as well as preparing minutes of the board and</td><td>V</td><td></td><td>(1) In the 6th Meeting of the 21st Board of Directors on May 8, 2019, the Company resolved to appoint a Corporate Governance Officer. Ms. Huang Hui-Na, Head of Department, who possesses professional financial expertise and has more than three years of practical experience in corporate governance, has been appointed for this role. The main responsibilities include handling matters related to the Board of Directors and shareholder meetings in accordance with the law, preparing and monitoring the meeting minutes of the Board of Directors and shareholder meetings, assisting directors with onboarding and continuing education, providing directors with necessary information for executing their duties, and assisting directors in complying with laws, regulations, the Company's Articles of Incorporation, or contracts.

(2) The Chief Corporate Governance Officer oversees the execution of various corporate governance matters by relevant departments, including:
a. Planning and organizing annual board meeting schedules and shareholder meeting dates, among other meeting-related matters.
b. Providing directors and committee members with necessary information for conducting their duties and providing meeting materials 7 days prior to board and functional committee meetings.
c. Completing the minutes of board, functional committee, and shareholder meetings within the statutory timeframe and ensuring delivery within 20 days after the meetings.
d. Assisting directors with onboarding, continuing education, and regulatory compliance.
f. Supervising and enhancing the implementation of corporate governance practices.

(3) For the status of corporate governance officer training in 2025, please refer to page 72.</td><td>No Difference</td></tr>
</table>

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Status of Implementation</th><th rowspan="2">Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx-Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Brief Explanation</th></tr>
<tr><td>shareholders' meetings.)</td><td></td><td></td><td></td><td></td></tr>
<tr><td>5. Has the Company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers) and set up an area dedicated to stakeholders on the Company website? Does the Company respond appropriately to corporate social responsibility issues that stakeholders consider important?</td><td>V</td><td></td><td>The Company identifies stakeholders in accordance with the five principles of the AA1000 Stakeholder Engagement Standard (SES). To fully and effectively communicate with stakeholders, a spokesperson and Stakeholders Section have been created on the Company's official website to provide contact information of the departments associated with various issues, so as to facilitate stakeholders' interaction with respective personnel working on relevant issues (including contact personnel, e-mails, and telephone numbers). A webpage for communication with stakeholders has been created on the corporate social responsibility website, explaining stakeholders' issues of concern, communication channels, response frequency, and communication results. The communication situation with various stakeholders is also reported to the Board of Directors every year. The outcomes from its implementation since 2025 have been reported at the 7th meeting of the 23nd Board of Directors on March 11, 2025.
(1) Company website - Stakeholders section:
https://www.china-airlines.com/tw/en/about-china-airlines/stakeholder
(2) Company Corporate Social Responsibility (CSR) website -- stakeholder engagement:
https://calec.china-airlines.com/csr/en/index.html
(3) Explanatory table:
<table>
<tr><th>Item / Category</th><th>Key Issues</th><th>Contact Person</th><th>Channel of Communication</th><th>Frequency</th><th>Result of Communication</th></tr>
<tr><td rowspan="3">Employees</td><td rowspan="3">Governance and integrity management
Customer satisfaction
Information security
Flight safety management
Occupational Safety & Health Dept.</td><td rowspan="3">Human Resource Div.
Manager Lin
Tel: +886(0)-3-3998917</td><td>Labor-Management Conference</td><td>Four to six times per year</td><td rowspan="3">1. Customer Satisfaction: The most recent employee engagement survey was conducted in December 2024, with a score of 7.9 out of 10, which is higher than the previous survey result.
2. On January 15, 2025, CAL signed the 7th collective agreement with the Employee Union, achieving a total of 79 consensuses, with a term limit of three years.</td></tr>
<tr><td>Union</td><td>Real-time</td></tr>
<tr><td>(Wecare listens mailbox, Speak Out employee communication mailbox, Team+ real-time information platform)</td><td>Real-time</td></tr>
<tr><td rowspan="7">Customers</td><td rowspan="7">Governance and integrity management
Customer satisfaction
Information security
Flight safety management
Privacy management</td><td rowspan="7">Passenger Service
Passenger dedicated phone line: +886(0)-2-4129000
Cargo Service
Tel: +886(0)-3-3998262
Aircraft Maintenance Manager Tsai
Tel: +886(0)-3-3987215</td><td>Customer satisfaction surveys</td><td>Real-time</td><td rowspan="7">1. Net promoter score (NPS) was 73.3
2. Cargo satisfaction score was 89.1
3. Maintenance factory satisfaction score was 9.0 (Note: highest score is 10)</td></tr>
<tr><td>Global business meetings</td><td>Annually</td></tr>
<tr><td>Taiwan district business meetings</td><td>Twice per year</td></tr>
<tr><td>Discussions with travel agencies</td><td>convened as needed</td></tr>
<tr><td>Company website, industry sustainability network, Facebook, e-mail, and message</td><td>Real-time</td></tr>
<tr><td>Customer-service hotline</td><td>Real-time</td></tr>
<tr><td>Corporate customer visits</td><td>convened as needed</td></tr>
</table></td><td>No Difference</td></tr>
</table>

Evaluation Item	Status of Implementation								Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx-Listed Companies and Reasons
	Yes	No	Brief Explanation						
			Investors	Sustainable Supply Chain Management Energy management system Labor relations and communication Occupational Safety & Health Dept. Privacy management	Vice President & Spokeswoman, Corporate Communications Office: Lu, Shwu-Huoy e-mail：tpeprci@china-airlines.com Vice President, Finance Division Yen, Yang e-mail：tpeaf@china-airlines.com Finance Div. Ms. Chen Phone number: 03-3998331	Annual Shareholders' Meeting		1. Continues to announce and respond with operation-related results according to laws, regulations, and investors' demand. 2. In 2025, the Company was invited to participate in four investor conferences organized by securities firms on March 12, June 5, August 26, and November 12. During these meetings, the Company presented its overall operating performance, business plans, and outlook to institutional investors. 3. In October 2024, Taiwan Ratings Corporation affirmed China Airlines' long-term and short-term credit ratings at twA- and twA-2 respectively with a stable outlook. 4. By integrating the TCFD and TNFD frameworks, the Company discloses information on natural and climate change management in its sustainability report and has independently published a TCFD report for three consecutive years.	
						Shareholder hotline/mailbox	Real-time		
						Institutional investor conferences	Annually		
						Visits from institutional investors	convened as needed		
			Partners (Suppliers)	Governance and integrity management Customer	General Products / Items Administration Div.	Telephone, e-mail	convened as needed	1. The signing rate of the Supplier Code of Conduct for key tier-1 suppliers	

Evaluation Item	Yes	No	Status of Implementation: Brief Explanation						Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx-Listed Companies and Reasons
				satisfaction Information security Flight safety management Privacy management	Ms. Hsiao Tel: 03-3999143 Aircraft Parts Aircraft Parts Engineering Div. Mr. Lee Tel: 03-3834251 Ext.7512	Consultative conferences	convened as needed	reached 100%. 2. In 2025, the annual Sustainable Supplier Summit was held, inviting approximately 23 supplier partners to participate. 3. In 2025, a Group Sustainability and Policy Communication Meeting was held, inviting Group subsidiaries to participate, with a total of more than 70 attendees.	
						Business visits	convened as needed		
						Site inspections	At least once every 6 months		
			Society	Governance and integrity management Customer satisfaction Information security Flight safety management Attracting, cultivating, and retaining diverse talents	Corporate Development Office Ms. Chen Phone number: 03-3993263 Corporate Communications Office Mr. Hsieh Phone number: 03-3998633	Hold activities for the public good; participate in societal activities	convened as needed	1. In 2025, China Airlines contributed to charitable and public welfare causes, benefiting a total of 1,950,189 people. 2. China Airlines regards environmental protection as a key focus of its operations. In 2024, there were no major environmental pollution incidents, and the Company actively promoted energy conservation, carbon reduction, and environmental management practices, effectively implementing environmental concepts and policies.	
						Press releases and messages	Monthly convened as needed		
						Network mailbox	convened as needed Daily		
6. Has the Company appointed a professional shareholder services agent to handle shareholders' meeting matters?	V		The Company's professional services organization is CTBC Bank, which has been assigned the task of handling shareholder meeting matters.						No Difference

Evaluation Item	Status of Implementation			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx-Listed Companies and Reasons
	Yes	No	Brief Explanation	
7. Information Disclosure (1) Has the Company created a public website to disclose financial, operational, and corporate governance information?	V		(1) Dedicated units within the Company provide information to be disclosed on the China Airlines corporate website (http://www.china-airlines.com) regarding marketing, operations, finance, administration, aircraft operations, human resources, training, shareholders' meetings, the annual report, prospectus, and any material information. Through this easily available information, consumers, suppliers, and investors can better understand China Airlines' operations.	No Difference
(2) Has the Company adopted other methods of information disclosure (e.g., setting up an English website, designating a specialist responsible for gathering and disclosing Company information, setting up a spokesperson system, and uploading recordings of investor conferences onto the Company website)?	V		(2) The Company has set up an English language website, the China Airlines Corporate Website (https://www.china-airlines.com/tw/en), with the office of Public Relations as the spokesperson responsible for gathering and disclosing company information monthly and for posting corporate information to the outside world, including press releases, new interviews, and press conferences.	No Difference
(3) Does the Company publicly announce and register the annual financial report within two months of the end of the fiscal year, and publicly announce and register the first, second, and third quarter financial reports and the monthly operating status earlier than the prescribed time limit?		V	(3) The Company publicly does not announce and register the annual financial report within two months at the end of the fiscal year, nor does it publicly announce and register the first, second, and third quarter financial reports as well as the monthly operating status earlier than the prescribed time limit.	Even though the Company didn't publicly announce/register the annual financial report and the monthly operating status earlier than the prescribed time limit, all the work has been done within the time regulation.
8. Does China Airlines have other important information to facilitate better understanding of the Company's corporate governance practices	V		(1) Employee Rights and Care: Employee rights: In addition to obeying the Labor Standards Act, in 2002, the Company signed a collective agreement that remains in force today. Salaries and remuneration, benefits, and insurance are adjusted annually based on the remuneration policy and revenue. There are also procedures for merit pay and higher pay for promotions to select and promote outstanding employees. (2) Employee care: To enable employees to understand the Company's operations, management activities, and decision-making goals, and to allow employees the right to access information and express opinions, the Company has established three primary care areas:	No Difference

Evaluation Item	Status of Implementation			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx-Listed Companies and Reasons
	Yes	No	Brief Explanation	
(including, but not limited to employee rights, employee care, investor relations, supplier relations, stakeholder rights, director and supervisor training regimes, risk management policies, and risk measurement standards as well as the implementation of client policies and the Company's purchase of liability insurance for its directors and supervisors)?			a. Informational-related: 1. China Airlines has set up a China Airlines electronic bulletin board on the Company's internal information webpage to announce welfare information of the Company (such as childcare measures, various welfare subsidies, complimentary/discounted tickets, and employee stock ownership trust). We have also set up a retirement/resignation section to thoroughly explain various procedures for handling retirement/resignation. In addition, a mailbox for all employees and the Team+ real-time messaging platform has been established to inform employees of important messages. 2. Channels such as Wecare listening mailbox, Speak Out employee communication mailbox, and Team+ real-time messaging platform have been established to provide employees with two-way channels to fully express personal opinions and demands. b. Organization structure: Based on the scale and dependencies of each unit in the Company, employee relations departments or dedicated personnel have been established to be responsible for good communication channels and overall management of relations. They assist in publicizing various beneficial policies of the Company and eliminating misunderstandings by improving internal employee satisfaction, cohesiveness, feeling of identification with the Company, and work achievements at appropriate times. c. Policy-related: Periodically, labor-management conferences and supervisor-employee communication meetings are held. Employee welfare committee members also participate in meetings with various types of unions and employee representatives to tell employees about related governance actions at appropriate moments. Every resolution gives full respect to employee opinions and interests. (3) Investor relations: The Company has established Rules for Handling Investor Relations to handle all investor concerns or opinions. The Company will continue to announce and respond with operation-related results according to laws, regulations, and investors' demand. (4) Supplier relations: In accordance with the Company's Regulations Governing the Procurement and Inspection of General Items, except for patents and emergency procurement, all procurement shall be processed through open tendering. The tender announcement shall be disclosed on the Company's website to establish a transparent, open, fair, and competitive trading environment. At the same time, the Company requires suppliers to issue a Tenderer Declaration before bidding, which regulates suppliers must comply with the integrity and ethical requirements, including the principle of conflict-of-interest avoidance, anti-bribery regulations, and supplier integrity as well as requiring suppliers to abide by relevant local laws and regulations. In accordance with the Company's Regulations Governing the Procurement and Inspection of General Items, except for patents and emergency procurement, all procurement shall be processed through open tendering. The tender announcement shall be disclosed on the Company's website to establish a transparent, open, fair, and competitive trading environment. At the same time, the Company requires suppliers to issue a Tenderer Declaration before bidding, which regulates suppliers must comply with the integrity and ethical requirements, including the principle of conflict-of-interest avoidance, anti-bribery regulations, and supplier integrity as well as requiring suppliers to abide by relevant local laws and regulations. (5) Stakeholder interests: The Company website has a Stakeholder Contact section and there are other diverse communication channels and platforms to address all manners of stakeholder complaints and wishes appropriately and effectively. (6) Continual education for directors and supervisors: See P.71 for details. (7) Status of implementation for risk management policy and risk balance standards: The Company's operations are enormously impacted by both the domestic and international environment. To further improve the risk management system mechanism and reduce the effect created by interplay among risks, the Company has established a Sustainability and Risk Committee answering directly to the Board of Directors. The committee meets once per quarter and issues periodic reports to the Board of Directors. It assists the Board in the oversight of the setting and in the results and adaptive measures related to company risk management strategies. See P.45 for operation details. Moreover, to establish a solid internal governance system, the Company has additionally set up the China Airlines Procedures for Handling Important Internal Information, Ethical Code of Conduct for Directors, Ethical Code of Conduct for Senior Supervisors, and Rules for Employee Conduct in the Course of Work. (8) Implementation of customer policies: In order to continuously enhance the overall travel experience of passengers, China Airlines systematically collects passengers' satisfaction with service quality and their willingness to recommend through passenger satisfaction survey questionnaires, serving as an important basis for service improvement. Through regular analysis of questionnaire survey results, we are able to identify key passenger concerns and continuously optimize various service processes to enhance passenger satisfaction and brand loyalty. The Company proactively sends questionnaire invitation emails on a monthly basis via online surveys. The survey targets include members and non-member passengers who have provided email addresses. A questionnaire portal is also set up on the homepage of the official website for all passengers to provide feedback, in order to comprehensively collect passenger feedback on the Company's services. According to the 2025 survey results, the net promoter score (NPS) was 73.3.	

Evaluation Item	Status of Implementation			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEx-Listed Companies and Reasons
	Yes	No	Brief Explanation	
			(9) Company purchases of liability insurance for directors and supervisors: The Company purchased liability insurance for all Directors in 2026 to reduce and diversify the Directors' legal liability risks. Important contents, such as Directors' liability insurance insured amount, coverage, and premium rate, have been reported in the 10th meeting of the 23nd Board of Directors on March 11, 2026.	

9. Please elaborate on the improvements made in response to the results of the Corporate Governance Evaluation issued by the Taiwan Stock Exchange Corporate Governance Center:

The Company continues to enhance corporate governance by conducting internal assessments on items that did not receive scores, and continuously formulates various improvement measures in alignment with the regulatory authorities' corporate governance policies to enhance corporate governance.

(1) The Company's annual report and website have fully disclosed the specific management goals, current achievements, and other information of the Board members' diversification policy, providing detailed descriptions of the diversification policy and implementation situation. It has also been disclosed that the selection of Board members is based on their abilities while also considering diversity, including background information (for example, age, gender, nationality, race, birth, cultural background, etc.), experience, and skills (for example, in aviation, sea freight, transportation, finance and accounting, law and insurance, academics, electricity, technology, public utilities, etc.). Capabilities also considered are the ability to make judgments and managing a business, lead and make decisions, and have experience in crisis management sufficient to fully demonstrate that the existing Directors have a high standard of cross-industry, diversified, and complementary skills. Regarding gender equality in the makeup of the Board, the goal is to achieve a 25% ratio of female Board members. This year's Board members include four female members (with two being Independent Directors), resulting in a female Board member ratio of 26.67%. In the future the Company will continue to work to raise the target ratio of female Board members.

(2) The Company submitted the revised Operational Standards for Financial and Business Matters Among Related Parties to the Board of Directors in August 2025, adding relevant information stipulating that transactions with related parties that meet the threshold for significant transactions shall be reported to the most recent shareholders' meeting after the end of the fiscal year, so as to safeguard shareholders' rights and interests.

2.2.5 Composition, Responsibilities, and Operations of the Remuneration Committee

The objective of the Remuneration Committee is to assist the Board in implementing and assessing the Company's overall compensation and benefits policy as well as director and manager remuneration.

A. Professional Qualifications and Independence Analysis of Remuneration Committee Members

Indentity Category	Criteria / Name	Professional Qualifications and Experiences	Independence Criteria (Note 1)	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Remuneration Committee Member
Independent Director (Convener)	Huang, Hsieh-Hsing	Please refer to the information of directors and supervisors	In compliance with the independence stated in Note 1	0
Independent Director	Chang, Hsieh Gen-Sen	Please refer to the information of directors and supervisors	In compliance with the independence stated in Note 1	0
Other	He, Chun-Hui	Chairman, China Development Capital Management Consulting Co., Ltd. PhD in Economics, University of Pittsburgh, Pennsylvania, USA	In compliance with the independence stated in Note 1	2

Note 1: The independence criteria: The members of the Remuneration Committee shall be independent, including, a spouse, relative within the second degree of kinship, but not limited to, whether they are directors, supervisors or employees of the Company or its affiliated enterprise; the number and proportion of shares held by them (or in the names of others); Whether he/she is a director, supervisor or employee of a company with which the Company has a specific relationship (refer to Article 6, Paragraph 1, Paragraphs 5 to 8 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange); and the amount of remuneration received for business, legal, financial and accounting services provided by the Company or its affiliated enterprise in the last two years.

Note 2: The Remuneration Committee is composed of four members. For the Remuneration Committee Charter, please refer to the Company's website: https://www.china-airlines.com/tw/en/investor-relations/important-company-regulations (https://www.china-airlines.com/tw/en/about-china-airlines/corporate-governance?tab=MajorInternalRegulationsTab)

B. Attendance of Members at Remuneration Committee Meetings

The Company's Remuneration Committee comprises three members, with the current term running from June 14, 2024 through the end of the tenure of the 23rd Board of Directors.

From January 1, 2025 to March 29, 2026, the Remuneration Committee convened five meetings. Attendance and operational details for each fiscal year are publicly disclosed on the China Airlines official website:

Title	Name	Actual Number of Attendances	Number of proxy attendances	Attendance Rate (%)	Remarks
Independent Director (Convener)	Huang, Hsieh-Hsing	5	0	100%	None
Independent Director	Chang, Hsieh Gen-Sen	5	0	100%	None
Committee member	He, Chun-Hui	5	0	100%	None

Other mentionable items:

1. If the Board of Directors declines to adopt or modify a recommendation of the Remuneration Committee, the date of the meeting, session, the content of the motion, resolution by the Board of Directors, and the Company's response to the Remuneration Committee's opinion (if the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be recorded): None.
2. Resolutions of the Remuneration Committee objected to by members or subject to a qualified opinion and recorded or declared in writing, the date of the meeting, session, the content of the motion, all members' opinions, and the response to members' opinion should be specified: None.
3. Key functions of the Audit Committee:
The primary annual work focus of this Committee is to formulate and periodically review the policies, systems, standards, and structure for performance evaluation and compensation of Directors and managers, to periodically evaluate and determine the compensation of Directors and managers, to periodically review matters related to organizational regulations and provide recommendations to the Board of Directors for amendments, and to handle other matters referred by the Board of Directors.

2.2.6 Corporate Social Responsibility and Deviations from the Corporate Social Responsibility Best-Practice Principles for TWSE/GTSM Listed Companies

Evaluation Item	Status of Implementation			Deviations from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Brief Explanation	
1. Has the Company designated and managed full- (or part-) time personnel to implement corporate social responsibility policy with senior management authorized by the Board of Director, and do they give status reports to the Board of Directors?	V		The Company established the Corporate Sustainability Committee dedicated to promoting sustainability in 2014, which serves as the highest governing body for sustainability governance. In 2024, the Corporate Development Office established the "Sustainability Development Center" to serve as the executive secretary of the Corporate Sustainability Committee and appointed a Chief Sustainability Officer to be solely responsible for promoting sustainability operations. The Corporate Sustainability Committee held three meetings in 2025. Under the guidance of the Chairman attending the Corporate Sustainability Committee, the President serves as the chairperson, overseeing six major value working groups and a risk management group. Following the principles set forth in China Airlines' Sustainable Development Practice Guidelines, sustainability goals are established in conjunction with sustainability strategies to implement corporate sustainable development. To continuously strengthen the connection between the Corporate Sustainability Committee and the Board of Directors, the Chief Sustainability Officer reports to the Sustainability and Risk Committee and the Board of Directors twice a year on implementation progress, and reports IFRS S1/S2 operational progress on a quarterly basis. The disclosure content of the annual sustainability report was submitted to the Sustainability and Risk Committee on August 6, 2025, and to the Board of Directors on August 8, 2025. The 2025 ESG sustainability development operational results were submitted to the Sustainability and Risk Committee and the Board of Directors on March 11, 2026. In addition, starting from 2025, the Chief Sustainability Officer reports the implementation progress of the International Financial Reporting Standards – Sustainability Disclosure Standards Introduction Plan (IFRS S1/S2) to the Sustainability and Risk Committee and the Board of Directors on a quarterly basis. As the highest governance authority, the Board supervises and identifies China Airlines' external impacts across economic, environmental, and social dimensions (including human rights). Due diligence is performed through internal control and audit mechanisms for ESG information. In 2025, through ten Board meetings, the Company supervised due diligence and related impact reports on key major events, financial conditions, internal audit operations, safety management, operational risk management, information security and personal data risks, greenhouse gas inventory and verification operations, climate governance reports, human rights risks, information security, and Board performance results, and considered stakeholder engagement results.	No Difference
2. Based on the materiality principle, does the Company conduct risk assessments on environmental, social, and corporate governance issues related to the Company's operations and formulate relevant risk management policies or strategies?	V		In 2014, the Company established a Risk Committee under the Board of Directors, and on November 8, 2024, the Board approved risk management policies and procedures. To respond to corporate sustainability development trends and corporate governance needs, it was adjusted to the Sustainability and Risk Committee in 2025. The Sustainability and Risk Committee assists the Board in reviewing the Company's risk management strategies, implementation results, and response measures quarterly, and requires the responsible units to control major types of risks. Our risk management framework is based on the materiality principle to identify both traditional risks and medium-term/long-term strategic risks. All impacts and countermeasures are analyzed and proposed through Risk Identification, Risk Analysis, Risk Assessment, and Risk Control. They then are followed up on and reviewed by the Risk Management Committee under the Board of Directors. The Committee assists the Board of Directors to inspect the strategies, execution results, and countermeasures of each risk management strategy. A responsible unit will be required to control the risks. The Board of Directors is the highest governance body for risk management. In addition to directly supervising traditional risks (including security, operations, finance, cybersecurity and personal data) and medium- to long-term strategic risks through the Sustainability and Risk Committee, it also supervises medium- to long-term strategic risks (including environmental risks and emerging risks) through the Corporate Sustainability Committee - Risk Management Group.	No Difference
3. Environmental issues (1) Has China Airlines established an environmental management system that is specifically designed with the Company's operations in mind?	V		(1) Environmental management organization and system a. Since 2011, the Company has prioritized the establishment of a Corporate Environmental Committee among its peers in Taiwan. The president serves as the highest management representative, with the Corporate Safety Department serving as the executive secretary. Based on business attributes, five major environmental management committees and an Aircraft Fuel Management Task Force have been established. In conjunction with an internationally compliant risk management system, we participate in international forums, domestic and international environmental sustainability platforms, and negotiations to keep abreast of global trends. This allows us to identify and manage the environmental, energy, natural resource, and biodiversity impacts, as well as climate change risks and opportunities, associated with our headquarters, domestic and overseas subsidiaries, maintenance operations, passenger and cargo services, supply chain, value chain partners, and other operational activities, including aircraft fuel efficiency improvements. These efforts comprehensively cover our business operations. The China Airlines Corporate Environmental Committee effectively integrates strategies and resources for managing environmental, energy, climate change, natural, and biodiversity risks and opportunities through quarterly management meetings. Relevant key decisions are also routinely reported to the Board of Directors and its corresponding committees. In 2023, China Airlines	Exceeding code standards: Established regular corporate environmental risk management mechanisms and organization. Aligned with international standards, and implemented third-party verification operations, while setting, supervising, and disclosing management objectives.

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<tr><th>Yes</th><th>No</th><th>Brief Explanation</th></tr>
<tr><td></td><td></td><td></td><td>
further developed an Environmental and Energy Management Information System to enhance data collection efficiency and accuracy. In the future, we will continue expanding visualization capabilities and broadening the scope of application. In addition, to implement the environmental management supervision and inspection mechanism, the Company annually promotes Level 1 independent audits conducted by each unit, Level 2 audits conducted by the headquarters, and Level 3 external third-party audits. The Company completed the aforementioned three-level audit in December 2025 to ensure that environmental management operations comply with international standards (such as ISO 14001, ISO 50001, etc.).

b. In order to integrate environmental operations into the Company's daily operational risk management, China Airlines became the first airline and transportation operator in Taiwan to establish a corporate environmental and energy risk management mechanism, and has formulated an Environmental and Energy Policy as well as a Biodiversity Conservation Commitment to promote natural carbon sinks. China Airlines is the first airline and transport operator in Taiwan to establish a corporate environmental and energy risk management mechanism. In order to integrate environmental protection operations into the daily operational risk management operations of the enterprise, China Airlines has introduced a number of international standard management systems since 2009. It has established and improved the environmental management operation mechanisms of the enterprise, covering risk issues such as greenhouse gases, environmental management, and energy management. The Company has formulated management strategies and action measures for relevant risks and opportunities identified in various aspects of the environment. Beginning in 2017, the Company has introduced life cycle thinking and completed control over every link of the organization's operations. Considering the issues of interest to stakeholders, the Company has further improved the level and perspective of environmental and energy risk management and became comprehensively in line with the standard thinking of international enterprises' sustainable development governance. System standards covered by China Airlines' environmental management mechanism standard are as follows:
<table>
<tr><th>Standard</th><th>ISO 14064-1 Greenhouse gas inventory and management system</th><th>ISO 14001 Environmental management system</th><th>ISO 50001 Energy management system</th></tr>
<tr><td>Time of introduction</td><td>2009
(Note 2)</td><td>2012
(Note 3)</td><td>2013
(Note 4)</td></tr>
<tr><td>Scope</td><td>(1) Global aviation fuel
(2) Ground operations in Taiwan, including the Global Operations Headquarters, Maintenance Factory, Taipei Songshan Campus, Taipei Branch, and Kaohsiung Branch.
(3) Overseas regional operations, including global branches and offices.
(4) Identification and inventory of greenhouse gas emission sources from Category 1 to Category 6 in accordance with standards.</td><td>(1) Global Operations Headquarters, including governance decision-making and systems management, flight operations management, global station and group operations management, passenger and cargo services, and flight services.
(2) Maintenance Factory, including operations management and aircraft / engine maintenance operations.</td><td>Aircraft/engine maintenance operation</td></tr>
<tr><td>Expiration date of latest certification</td><td>Annual verification,</td><td>2025/03/29-2028/03/28</td><td>2025/04/12-2028/04/11</td></tr>
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<tr><td></td><td></td><td></td><td>
<table><tr><td></td><td>permanently valid</td><td></td><td></td></tr></table>
Note 1: TCFD is the Task Force on Climate-related Financial Disclosures.
Note 2: First airline and transport operator in Taiwan. Completed the transition to ISO 14064-1:2018 in 2021, and has included all global operational sites in its scope since 2024.
Note 3: First airline in Taiwan. Completed the ISO 14001:2015 conversion in 2017.
Note 4: First airline and transport operator in Taiwan. Completed the ISO 50001:2018 conversion in 2019.
</td><td></td></tr>
<tr><td>(2) Has the Company endeavored to make more efficient use of resources and use renewable materials that have a lower impact on the environment?</td><td>V</td><td></td><td>
(2) The Company's implementation of environmental and energy performance management mainly promotes various resource conservation and reuse strategies and practices based on the Environmental and Energy Management Policies, which are listed as follows:
<table>
<tr><th>Environmental and Energy Approach</th><th>Environmental and Energy Policy</th><th>Strategic Implications</th></tr>
<tr><td>Complies with environmental regulations.</td><td>Fulfill the obligation of compliance and take responsibility for environmental protection and energy conservation</td><td>• Implement a zero penalty/ticket target through regular/irregular inventories.
• Actively participate in domestic and international industry platforms and related initiatives to keep abreast of international environmental protection trends and implement risk and opportunity management.</td></tr>
<tr><td>Reserve Earth's resources</td><td>Establish a sound environmental and energy management system, develop and achieve management performance goals</td><td>• Continuously optimize and enhance the performance of the corporate environmental and energy management system.
• Formulate and track environmental sustainability goals and commitments, and implement continuous improvement of environmental and energy performance.</td></tr>
<tr><td rowspan="2">Enhancing ecological benefits</td><td>Implement environmental protection and energy conservation education, cultivate employees' autonomous awareness of environmental protection and sustainability</td><td>• Diversified channels provide appropriate training to promote employees' understanding of the environmental impact of their business activities.
• Establish incentive mechanisms to encourage colleagues to propose and implement environmentally friendly and innovative solutions.</td></tr>
<tr><td>Support green design and procurement, enhancing overall ecological benefits</td><td>• Implement green design, sustainable/local procurement, and due diligence when conducting mergers and acquisitions, investments, vendor selection, and procurement operations.
• Innovatively develop environmentally friendly and sustainable services and products.
• Promote and foster green consumption awareness and culture.</td></tr>
</table>
</td><td>Better than the principles; management with rolling adjustments and refined SDG short-, intermediate- and long-term environmental energy objective management and operational performance. Reduce the use of single-use plastics, extend the life cycle of goods, and create value from a circular economy.</td></tr>
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<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Status of Implementation</th><th rowspan="2">Deviations from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Brief Explanation</th></tr>
<tr><td></td><td></td><td></td><td>
<table>
<tr><td></td><td>Promote a low-carbon operational environment, continuously improve environmental protection and energy-saving performance</td><td>• Promote environmental protection and energy conservation measures based on business attributes (including products, services, transportation, and administrative support) to reduce environmental impact.
• Increase the proportion of low-carbon and renewable energy used in commercial facilities and transportation services throughout the entire value chain.</td></tr>
<tr><td></td><td>Practice waste management and circular economy, minimize energy resource consumption and environmental impact</td><td>• Minimize resource usage, maximize resource efficiency and effectiveness.
• Introduce circular economy concepts to manage waste and resource issues.
• Inventory energy, resource consumption, and environmental impact hotspots, and develop coping strategies and mitigation measures.</td></tr>
<tr><td>Environmental and Energy Approach</td><td>Environmental and Energy Policy</td><td>• Strategic Implications</td></tr>
<tr><td>Fulfill social responsibility</td><td>Practice waste management and circular economy to minimize energy and resource consumption and environmental impact</td><td>• Implement supply chain environmental risk management, engagement and audits through the Supplier (including Group) Code of Conduct.
• Promote environmental protection and energy-saving initiatives, strengthen communication, engagement, and cooperation to enhance the environmental sustainability awareness of internal and external stakeholders.</td></tr>
</table>
In response to the issue of restricting single-use plastics, which has received significant international attention in recent years, the Company established the Passenger Service Waste Working Group in 2019, collaborating with suppliers to develop innovative products, reduce the use of single-use plastics, extend the lifecycle of items, reduce waste generation, and create circular economy business opportunities. For cargo transportation, we also use the plastic film recycling platform promoted by the Environmental Protection Administration to prioritize the purchase and use of tarpaulin made of 40% to 60% of mixed recycled materials, further improving the re-use percentage of packaging plastics.

In 2022, the Company developed several eco-friendly service items made from recycled materials, such as: wrinkle bags and travel bags made from recycled eco-friendly yarn, and commemorative aluminum time boxes sold after refurbishing retired meal carts. In 2023, continuing the sustainability concept, the Company launched second-generation eco-fashion small bags, coin purses, and other recycled products. In 2024, the Company further launched the third-generation China Airlines Sustainable Life Vest Bag to maximize the benefits of waste resource utilization and recycling.</td><td></td></tr>
<tr><td>(3) Does the Company assess the potential corporate risks and opportunities created by climate change in the present and future and does it take measures to deal with climate-related issues?</td><td>V</td><td></td><td>(3) The Company's climate change risk and opportunity management is as follows:
a. Climate risk and opportunity management mechanisms
With respect to specific issues, the Company has established functional task forces under the corporation's Environmental Committee, including the following task forces: Carbon management task force, sustainable alternative fuels research project team, and TCFD work task force, among others, to facilitate cooperation among units and flexible allocation of required resources.
b. Climate risk and opportunity response measures
Through our carbon management and TCFD working group, the Company identifies environmental risks and opportunities, considers external regulations and technological developments, and adjusts the scope of risk management. The first</td><td>Better than the guidelines
Exceeding code standards: established regular corporate environmental risk management mechanisms and organization, aligned with international standards and</td></tr>
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			independent TCFD report was completed in 2020, being a global pioneer. It was submitted to the Board's functional subcommittee for review, and key points were disclosed on the CSR website https://calec.china-airlines.com/csr/en/index.html. In 2024, the Company further followed the Task Force on Nature-Related Financial Disclosures (TNFD), integrating TCFD operating mechanisms to improve management of natural and climate issues. In response to domestic financial regulatory requirements and international sustainability disclosure trends, the Company promoted the "International Financial Reporting Standards – Sustainability Disclosure Standards Introduction Plan (IFRS S1/S2)" project in 2025. Given the high degree of consistency and continuity between climate-related information disclosed under TCFD and the requirements of IFRS S2, the Company uses the TCFD management and disclosure framework as an important basis for aligning with the IFRS S2 climate disclosure standards. Additionally, China Airlines introduced an internal carbon pricing mechanism. In the initial phase, based on international carbon regulatory frameworks and operational costs of SAF and renewable energy, a carbon price of 100 euros/ton of carbon was established as a decision-making reference for company operations and carbon reduction initiative implementation. China Airlines established a climate governance structure through the Sustainability Committee, Environmental Committee, and TCFD operating platform. Implementation results are submitted to the Board of Directors annually for supervision and management to ensure continued progress along the carbon reduction pathway.Climate change goals, and the mitigation and adaptation strategies and actions Climate change goals and their mitigation and adaptation strategies and implementations	implemented third-party verification operations, while setting, supervising, and disclosing management/reduction targets; issued an independent TCFD report.

Item	Response	Goal	Implementations in 2025
Governance	Strengthen climate governance operations	Report to the Board of Directors on climate governance annually	1. A climate governance report (including natural resources and biodiversity issues) has been submitted to the Board of Directors' Risk Committee. 2. A report on the Company's and Group's greenhouse gas management progress and performance is submitted to the Board of Directors quarterly.
	Enhance the management, supervision, and cross-departmental operations	Implement corporate governance and comply with green finance requirements	1. Implement and promote TCFD and refer to relevant standards and guidelines such as SASB, IFRS S2, and TNFD. 2. Continuously promote the cross-unit information operation platform.
Item	Response	Goal	Implementations in 2025
Strategy	Promote TCFD framework	Improve and enhance the management of quantitative financial information	1. Promote SOP operating procedures 2. Continue to promote cross-unit information operation platforms
	Climate response strategy and management	Enhance the resilience of climate change risk response	1. Integrated climate risk and opportunity issues into the Company's overall strategic planning and implemented relevant actions. 2. Incorporated the impact of climate change into the Company's route planning and operational performance review and formulated contingency strategies and operational adjustment plans. 3. Develop forest and biodiversity conservation policies and management measures, incorporating them into supply chain management operations.

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				Participate in important engagements	Improve the understanding of international climate change issues and relevant standard requirements	1. Participated in important international and Taiwan climate policy platforms for engagements to grasp policy development trends and the right to speak up. 2. Develop accounts to help the industry, government, and academia promote local SAF development strategies. 3. Continue active participation in the IAGOS-PGGM scientific research. 4. Participate and implement initiatives for forest and biodiversity conservation.	
			Type of Risk	Strengthen the carbon risk management mechanism of the corporate value chain	Enhance the resilience of climate change risk response	1. Integrated the environmental risk management mechanism of the corporate value chain, continued to implement and expand the promotion of key suppliers' greenhouse gas surveys and climate and energy risk assessments, extended the detection and management depth of climate risk opportunities, and strengthened the sustainable operation capability in response to extreme climate. 2. In response to the requirements of the Financial Supervisory Commission, we have expanded the inventory of GHG emissions of overseas branches and assisted subsidiaries in consolidated financial reports to gradually build greenhouse gas management operations.	
				Strengthen the existing corporate risk management mechanism	Implement risk control and strengthen the emergency response mechanism	1. Incorporated climate factors into the existing corporate risk management mechanism to strengthen the climate risk/opportunity detection, response and control functions of each unit 2. By combining the IAGOS-PGGM project and the collected data information, as well as the output of the Company's 777F fleet turbulence detection algorithm software, contributing to the United Nations International Climate Change and IATA global turbulence research, and also enhancing the Company's own route management and operational climate resilience.	
				To address global carbon transition risks	Comply with ICAO, EU and other international carbon reduction standards	1. Participated in international aviation industry carbon offset and reduction programs. 2. Continuously strengthening the MRV operations in response to EU ETS, UK ETS, CORSIA and other mechanisms.	

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			3. Researched and implemented of carbon rights/emission trading system operations
	Promote carbon reduction and energy transformation	Achieve net-zero emissions by 2050	1. Enhanced power monitoring for energy-consuming equipment / loop by meters. 2. Continued the implementation of high energy-consuming equipment retirement/replacement. 3. Evaluated the addition of renewable energy generation facilities such as solar power and increase the installed capacity target. 4. Continued the operation of energy management system and improved management efficiency. 5. Cooperation with international oil companies for SAF promotion program.
Item	Response	Goal	Implementations in 2025
Metrics and Targets	Continuously optimize greenhouse gas inventory	Expand the scope of inventory and improve data quality	1. Continuously implementing the global operation site energy resources survey, the ISO 14064:2018 category 1~6 greenhouse gas inventory, and verification operations inside and outside the Company to improve the quality of greenhouse gas emission data. 2. Deepen and expand greenhouse gas inventory and verification operations for the Company and its overseas subsidiaries.
	Implement carbon reduction targets and KPIs	Achieve the short-term, medium-term and long-term greenhouse gas reduction targets and net-zero by 2050 and pass SBT.	1. Sign up to support the science-based targets initiative (SBTi), formulate a plan to improve oil efficiency by 26% by 2030. 2. Established about 75 KPIs for environmental protection and carbon reduction, and the Corporate Environmental Committee convened by the President will review the effectiveness of the implementation of quarterly.
	Achieve aviation carbon reduction targets	Achieve the short-term, medium-term and long-term greenhouse gas reduction targets and net-zero by 2050	1. Continuously promoting fleet renewal, airframe weight reduction, flight service optimization and maintenance improvement programs. 2. Planning fleet based on medium-term and long-term business growth and carbon reduction trends. 3. Continuously improving the efficiency of aviation fuel consumption, increasing the loading rate, tracking the development of new technologies and new low-carbon aircraft, and evaluating the introduction of new aircraft.

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<tr><td></td><td></td><td></td><td>
<table>
<tr><td rowspan="2"></td><td></td><td></td><td>4. Continuously promoting sustainable aviation fueling operations and drawing up SAF usage target: 0.5% use in 2025; 5% in 2030; 40% in 2040; and 65% in 2050.</td></tr>
<tr><td>Increase fuel efficiency</td><td>Improve the efficiency of company operations and energy consumption</td><td>1. Continue to promote the implementation of aviation fuel saving. Improve fuel efficiency.
2. Optimized airline network planning and passenger/cargo fleet size in response to the pandemic and international development trends.</td></tr>
</table>
</td><td></td></tr>
<tr><td>(4) Has the Company compiled data in the past two years on GHG emissions, water usage, and amount of waste? Has it devised policies for energy conservation, carbon emissions reduction, GHG emissions reduction, water conservation, and other waste management?</td><td>V</td><td></td><td>
(4) The Company's environmental/carbon/energy management is as follows:
a. Greenhouse gas inventory and verification
Greenhouse Gas Inventory and Assurance Status for the Most Recent Two Fiscal Years
Describe the greenhouse gas emissions (metric tons CO2e), intensity (metric tons CO2e/million NTD), and data coverage scope for the most recent two years.
The Company's individual entity and consolidated financial reporting subsidiaries have established a greenhouse gas inventory mechanism in accordance with the ISO 14064-1 greenhouse gas inventory standard issued by the International Organization for Standardization (ISO). Since 2009, the Company has actively implemented the ISO14064-1 greenhouse gas management, conducted and organized an inventory of greenhouse gas emissions generated by operations, and carried out a third-party verification. Starting from 2024, the Company conducts annual greenhouse gas emission inventories for its individual entity and consolidated financial reporting subsidiaries to fully monitor greenhouse gas usage and emission status. Furthermore, the greenhouse gas inventory data for the most recent two fiscal years has been compiled using the operational control approach to aggregate greenhouse gas emissions for the Company and all subsidiaries included in the consolidated financial reports, as described below:
<table>
<tr><th colspan="2">Year</th><th colspan="2">2024</th><th colspan="2">2025</th></tr>
<tr><td colspan="2">Item (Unit)</td><td>Total Emissions (tons CO2e)</td><td>Carbon intensity (tons CO2e/NT$ million)</td><td>Total Emissions (tons CO2e)</td><td>Carbon intensity (tons CO2e/NT$ million)</td></tr>
<tr><td rowspan="4">CAL</td><td>Scope 1</td><td>6,228,363</td><td rowspan="8"></td><td>6,528,842</td><td rowspan="8"></td></tr>
<tr><td>Scope 2</td><td>16,124</td><td>16,138</td></tr>
<tr><td>Scope 3</td><td>1,432,790</td><td>1,529,257</td></tr>
<tr><td>Subtotal</td><td>7,677,277</td><td>8,074,237</td></tr>
<tr><td rowspan="4">Consolidated Financial Report (Subsidiaries of CAL)</td><td>Scope 1</td><td>563,145.61</td><td>590,523.9</td></tr>
<tr><td>Scope 2</td><td>29,578.36</td><td>29,211.6</td></tr>
<tr><td>Scope 3</td><td>135,067.72</td><td>139,241.0</td></tr>
<tr><td>Subtotal</td><td>727,791.68</td><td>758,976.4</td></tr>
<tr><td colspan="2">Total</td><td>8,405,069</td><td>41.23</td><td>8,833,214</td><td>42.25</td></tr>
</table>
A description of the assurance status for the most recent two fiscal years up to the date of the annual report's publication, including the scope of assurance, assurance institution, assurance criteria, and assurance opinion.
<table>
<tr><th>2024</th><th>2025</th></tr>
<tr><td>The Company and its consolidated subsidiaries conduct greenhouse gas inventory operations in accordance with ISO 14064-1:2018. The aforementioned emissions have been verified by eight assurance institutions, including DNV, that comply with the regulations of Taiwan Stock Exchange Corporation, completing third-party verification in accordance with ISO 14064-3 criteria, with a verification level of reasonable assurance.</td><td>Complete assurance information for the Company and its consolidated subsidiaries will be disclosed in the Sustainability Report.</td></tr>
</table>
b. Greenhouse gas management and reduction strategy
In order to follow the international trends of carbon reduction management, we have referred to the science-based target (SBT) thinking and become Taiwan's first transportation company in setting voluntary reduction targets for aviation and ground GHG. We signed the scientific-based target initiative (SBTi) in 2024 and set
</td><td>No Difference</td></tr>
</table>

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short-, medium- and long-range use targets for sustainable aviation fuel (SAF): add 0.5% in 2025, 5% in 2030, 40% in 2040, and 65% in 2050.

Carbon Reduction Goals		Target Description	2025 Achievement Rate
Aviation	2025	Improving annual aviation fuel efficiency by 1.5%	>100%
	2030	Improve carbon emission efficiency by 26% compared to 2019 by 2030	
	2040	Achieving carbon-neutral growth (CORSIA CNG2020) (Achieve net-zero emissions by 2050)	
Ground	2025	Carbon emissions reduced by 5% compared to 2023.	<100% (Due to fleet growth and increased operations, electricity and fuel consumption increased compared to 2023, but decreased compared to 2024)
	2030	Carbon emissions reduced by 15% compared to 2023. Renewable energy installation capacity reaches 10% of contract capacity.	
	2040	Carbon emissions reduced by 60% compared to 2023. Renewable energy installation capacity reaches 15% of contract capacity (net-zero carbon emissions to be achieved by 2050)	

Greenhouse gases emitted by fuel combustion in the aviation industry account for more than 90% of the total emissions. Therefore, we are continuing to promote fleet renewal and fuel efficiency improvement measures through our dedicated Aircraft Fuel Management Team, which formulates several specific implementation measures to improve the overall fuel consumption performance with its planning, management, and implementation.

In 2025, the Company actively promoted the development and application of Sustainable Aviation Fuel (SAF). Through an international strategic partnership with Neste, the world's largest SAF producer, the Company optimized carbon reduction benefits on long-haul routes. Based on a blending ratio of 35%, the fuel is expected to be used on approximately 160 flights, achieving a carbon reduction of up to 12,200 tonnes. Additionally, through domestic partnerships with CPC Corporation, Taiwan and Formosa Petrochemical Corporation, the Company procured SAF energy supplies certified under ISCC CORSIA international certification, strengthening the resilience of the domestic aviation value chain. In terms of social impact, China Airlines led the industry by launching a Corporate Business Travel SAF Carbon Reduction Program. In 2025, the Company collaborated with major technology companies and international accounting firms to integrate sustainable fuel applications and carbon offset mechanisms into business travel, providing corporate clients with solutions to reduce carbon emissions from business travel and cargo transportation. China Airlines' procurement plan for a total of 14 Boeing next-generation wide-body passenger and freighter aircraft (777-9/777-8F) adopts outstanding fuel efficiency and environmental performance, with an estimated 25% reduction in fuel consumption and carbon emissions. The Company has broadly invited supply chain partners and corporate clients to participate, laying a cornerstone for the energy transition of Taiwan's air transport industry and continuing to advance toward the net-zero emissions goal.

In 2025, China Airlines implemented 74 ground and airborne environmental conservation measures, plus 11 flight fuel efficiency initiatives, resulting in a carbon reduction of 49,780 tons, achieving 128% of the target. For 2025, the airline is planning to implement 76 measures, with an estimated carbon reduction of 40,510 tons. Data is shown in the table below:

Item	Savings	Unit	Carbon Reduction (Tons of CO2e)
Aircraft fuel savings	18,866	Kiloliter	47,755
Ground fuel conservation	257.5	Kiloliter	666
Energy conservation	2193	1,000 kilowatt hours	1,116
Water conservation	11.9	1,000 kilowatt hours	1.84
Paper conservation	57	Tons	241.4
2025 total carbon reduction			49,780

c. Targets and achievements in energy resource reduction

The Company sets various environmental protection and energy conservation objectives in accordance with sustainable development goals (SDGs):

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Item	2025 Targets	Achievements	2026 Expected Targets
Aviation fuel efficiency	Improvement of 1.5% over 2024	>100%	Improvement of 1.5% over 2025
Ground carbon emissions	Reduction of 5% over 2023	<100%	Reduction of 8% over 2023
Water resources	Reduction of 5% over 2018	>100%	Reduction of 8% over 2018
Domestic waste	Reduction of 7% over 2018	100%	Reduction of 8% over 2018
Hazardous industrial waste	Recycling ratio reached 45% over 2018	<100%	Recycling ratio reached 45% over 2018
Paper usage	Reduction of 30% over 2018	>100%	Reduction of 30% over 2018

d. Increased energy efficiency

China Airlines continues to implement ISO 50001 energy management, fully considering energy-saving and carbon reduction benefits and incorporating them as decision factors in the design/procurement stage of major energy use, establishing energy information monitoring equipment and mechanisms superior to regulations, and comprehensively improving energy management to create low-carbon operations and office environments. In 2023, an educational training session on Environmental and Energy Regulations was held to explain recent regulatory changes, commonly confused provisions in daily operations, and improvement practices, thereby enhancing China Airlines' environmental and energy management performance. In 2024, courses on ISO 14068-1 Carbon Neutrality and ISO 14083 Transportation Emissions were held to assist the Company in integrating low-carbon strategies into upstream and downstream transportation emission management, continuously advancing the sustainable goal of net-zero carbon emissions by 2050. In 2025, ISO 14001 Advanced Course and an Introduction to the Greenhouse Gas Protocol (GHG Protocol) course were held to enhance the Company's environmental management system operational efficiency and professional knowledge in greenhouse gas inventory.

After obtaining the Diamond Green Building Label for the China Airlines headquarters park in 2017, China Airlines has continued to promote equipment renewal and optimize operational processes to improve the overall energy efficiency of the building. In response to the government's renewable energy policy, the first solar power facility was installed at Taoyuan Airport in 2019, with a commitment to increase the installed capacity to 10% of the contracted capacity by 2022. In 2024, China Airlines continued to replace energy-consuming equipment / facilities, establish energy information monitoring equipment and mechanisms exceeding regulatory requirements, and completed planning for two additional solar power generation facilities. A 193kWp facility was activated in December 2023, and another 178kWp facility was activated in Q4 2024. To deepen energy-saving and carbon reduction measures, 10 energy-saving elevators equipped with power regeneration systems were newly installed. Additionally, electric vehicle charging stations were installed in the CAL Park parking lot, improving infrastructure for vehicle electrification and encouraging employees to use electric vehicles.

In 2025, the Company's total electricity consumption was 31,679 thousand kWh, a decrease of 1.5% compared to 2024, indicating that energy management measures have gradually begun to show results. Regarding the promotion of renewable energy, as of February 2026, the Company has installed four solar photovoltaic power generation facilities at its operational sites, including facilities with installed capacities of 276 kW and 178 kW at the CAL Park, and 193 kW at the maintenance facility, with the overall installed capacity accounting for approximately 6% of the contracted capacity. Each photovoltaic system operates stably, with an average annual power generation efficiency of approximately 9,800 kWh/kW, effectively increasing the proportion of renewable energy use and continuously strengthening the low-carbon transition of the energy consumption structure. In addition, to support the electrification of ground vehicles and equipment, the CAL Park and maintenance facility continue to install charging stations to improve the infrastructure for vehicle electrification. Furthermore, regarding building energy efficiency improvements, elevator retrofitting work will commence at the CAL Park in 2025, utilizing an innovative energy recycling system to continuously meet green building standards and principles.

Regarding gasoline and diesel consumption for ground operations, a total of 905 kiloliters were consumed in 2025, a decrease of 1.7% compared to 921 kiloliters in 2024. Going forward, the Company will continue to strengthen fuel management for official vehicles, implement reminder mechanisms, and accelerate the replacement of aging vehicles and electrification efforts. Additionally, 13,398 kiloliters of sustainable aviation fuel were incorporated.

To achieve the 2050 net-zero target, China Airlines will continue to inventory and install renewable energy equipment, and through the implementation of various

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green office initiatives, achieve the operational goals of reaching 10% of contracted capacity for renewable energy installations by 2030 and 15% by 2040.

e. Improved water use efficiency

With operational recovery in 2025, China Airlines' water consumption was 105,904, a decrease of 7.4% from 2024.

To reduce water resource risks, the Company has gradually installed water meters at important water points to track and analyze water flows and high water consumption spots. It has also implemented water conservation and recycling measures, including purchasing water-saving certified products, promoting water conservation campaigns, installing rainwater harvesting systems, recycling cooling water, and introducing the Callington aircraft washing solution. In the future, the Company will continue to strengthen change management through water conservation campaigns, improving wastewater treatment efficiency, and technology upgrades, striving to achieve operational targets of reducing water consumption by 7%, 10%, and 12% in 2025, 2030, and 2040, respectively, compared to 2018.

	Unit	2024	2025
Tap water use	Kilotons	124.02	109.30
Recycled water use	Kilotons	23.18	23.08
Recycling percentage % (recycled/total tap water use)	%	18.69%	21.11%

f. Waste management

The Company's waste mainly comes from industrial waste (general / hazardous) and domestic waste generated by ground operations, as well as kitchen waste and toilet cleaning waste generated by catering vendors and cabin services. In order to reduce the environmental impact of the operation, we adopt waste reduction actions based on the waste management classification strategy (as shown in the table below): Refuse, reduce, reuse, and recycle; and the waste is finally sent to the incineration plant also undergoes the process of heat recovery for power generation (Waste To Energy, WTE). Regarding the issues of packaging, limited use of disposable plastics, and food waste management that have received high international attention in recent years, although our company does not directly manufacture or produce goods, we still actively communicate with suppliers on the development trends of environmental issues, introduce the concept of circular economy, and develop and design several eco-friendly/plastic reduction products for in-flight services.

Furthermore, in response to the internationally recognized issue of reducing cabin waste, China Airlines has implemented on-board resource sorting and recycling services across all routes, and has loaded dedicated recycling carts (eco-carts) for cabin crew to properly sort recyclable items and other materials. To fully track the flow of cabin waste, the Company actively seeks opportunities to reduce and reuse waste, food surplus, and packaging materials. Additionally, to enhance waste management practices and grasp key due diligence operations, China Airlines assembled waste management operation contacts from various facilities to visit Taiwan's professional waste management consulting think tank. This visit provided insights into Taiwan's current waste handling conditions, government regulatory developments, and contract signing considerations to reduce regulatory compliance risks and strengthen supplier management.

Waste Management Principles	Actions
Prevent	1. Encourage the use of environmentally certified products when purchasing (e.g., environmental protection, FSC, energy saving, water saving certification, etc.) 2. Optimize the operating system and promote the digitization and paperless process of flight operations, passenger / cargo services, and office activities, such as the cloud bookstore.
Reduce	1. Lease photocopiers with built-in paper usage monitoring functions to track monthly consumption. 2. Optimize maintenance processes to reduce end-of-life waste generation
Reuse	1. Wastepaper with sensitive information is shredded and pulped and then made into pulp. 2. Wastepaper meal boxes are recycled, washed, and then made into pulp. 3. Actively seek methods to reduce the toxicity of hazardous waste, and enhance the feasibility of reuse / recycling.
Recycle	1. Wastepaper with sensitive information is shredded and pulped and then made into pulp.

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	2. Wastepaper meal boxes are recycled, washed, and then made into pulp. 3. Recycling discarded tarpaulins and plastic wrappings derived from the TPE station cargo service, providing them for reuse by manufacturers 4. The waste aviation fuel generated from repair operations is recycled and refined for reuse.
Recover	1. Food waste and most of the employees' general domestic waste incinerated in accordance with quarantine regulations are used for power generation through the cogeneration equipment of the incineration plant (Waste To Energy, WTE). 2. Actively communicate with the management team of Taoyuan Airport to construct an in-house incineration plant of the airport to install heat recovery equipment.

Ground Waste Management Targets

2027	2030	2040
100% recycling of recyclable waste		
10% reduction in non-recyclable waste over 2018	12% reduction in non-recyclable waste over 2018	15% reduction in non-recyclable waste over 2018
Achieve a 47% recycling and reuse rate for industrial waste.	Achieve a 50% recycling and reuse rate for industrial waste.	Achieve a 58% recycling and reuse rate for industrial waste.
Paper usage reduced by 40% over 2018	Paper usage reduced by 50% over 2018	Paper usage reduced by 52% over 2018

Air Service Waste Management Targets

2027	2030	2040
10% reduction in air service waste compared to 2023 (Note 1)	25% reduction in air service waste compared to 2023	50% reduction in air service waste compared to 2023

Note 1: The target area for air service waste reduction is mainly cabin waste on return flights to Taiwan, excluding waste during meal preparation.

In 2025, China Airlines increased its ground waste recycling rate from 32.1% in 2025 to 35.8% through on-site inspections, enhanced advocacy, source control, and reduction of project / non-routine business-related waste. The total waste generated in 2025 was 3,941 tons. China Airlines will continue to negotiate with its supply partners to seek more cooperation opportunities in source-based environmental sustainability design, resource recycling and reuse, and disposal management. It will also continue to implement and expand its resource recycling mechanism to achieve zero waste to landfill and further move towards its zero-waste sustainability vision.

Waste Information (Unit: Tons)

Item	Service Level			
	Generation volume			Handling Method
	2023	2024	2025	
General waste	122	118	138	Incineration - Energy Recovery
	986	948	839	Incineration - Without energy recovery (delivered to the airport incinerator according to the regulations, and the addition of power generation facilities has been recommended).
Recycling	973	1,111	1,098	Reuse and Recycling - Resource Recovery
Food waste/scrap	529	461 (Note 1)	369	Reuse and Recycling
	1,610	1,863	2,095	Incineration - Energy Recovery (according to quarantine requirements)
Post-process for hazardous operational waste	11	7	4	Other disposals - Thermal treatment (such as electroplating sludge)
	1	1	0.72	Other disposals - Offshore treatment (cadmium-

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<tr><td></td><td></td><td></td><td></td><td>containing batteries)</td></tr>
<tr><td rowspan="2">Post-process for non-hazardous operational waste</td><td>194</td><td>193</td><td>139</td><td>Recycling - Resource recovery (such as waste lubricating oil)</td></tr>
<tr><td>127</td><td>113</td><td>172</td><td>Other disposals - Thermal treatment
(e.g., waste paint)</td></tr>
<tr><td>Total</td><td>4,553</td><td>4,815</td><td>4,855</td><td></td></tr>
</table>
Note 1: The scope covers the maintenance park, CAL Park, Kaohsiung branch office operations, VIP lounge services at Taiwan locations, flights returning to TPE, and catering preparation and cargo services at Taoyuan Airport. The amount of kitchen waste generated by the employee cafeteria at the CAL Park starting from August 1, 2024 has been deducted, as it has been processed into soil amendments by a food waste composting machine.

Note 2: All disposal methods are entrusted to third-party qualified vendors for removal and off-site treatment, and are verified in accordance with the contract to ensure compliance with regulations.
</td><td></td></tr>
<tr><td>4. Social issues

(1) Has the Company established management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?</td><td>V</td><td></td><td>(1) In the area of comprehensive management systems and organizational capacity, the Company not only abides by the Employee Code of Conduct and Employee Work Standards set forth in various labor laws, but also refers to the Universal Declaration of Human Rights, the United Nations Global Compact, the International Labor Organization's basic compact on core labor standards, the UN Guiding Principles on Business and Human Rights, and local laws and regulations. The Company has established a Human Rights Policy based on the aforementioned norms as guiding principles for the Company's management. The Company has also incorporated relevant training courses into its regular curriculum, striving to create an environment that respects human rights.

Convention on the Rights of Persons with Disabilities: China Airlines commits to improving its website usage requirements, allowing web users a more humane and convenient visiting experience and helping visitors achieve a harmonious user experience. We strive to enhance our experience in this area by using the Worldwide Web Consortium (W3C) Web Content Accessibility Guidelines as our best practice standard.</td><td>No Difference</td></tr>
<tr><td>(2) Does the Company establish and implement reasonable employee welfare measures (including compensation, vacation, and other benefits) that appropriately reflect the operating performance or results through employee compensation?</td><td>V</td><td></td><td>(2) Employees are the most important assets of a company. The Company has improved planning and setting the standards for the implementation of salary, work bonuses, flight-safety bonuses, vacation, preferential air tickets, and several welfare measures. The Company also offers performance bonuses, annual bonuses, year-end bonuses, promotions, and employee compensation with reference to the performance of employees at the end of each fiscal year and according to the Company's annual profit status. The Company takes this opportunity to care for its employees and treat them as the core of its sustainable operations. The average salary for all employees of the Company increased by about 4.36% in 2025. Article 41 of the Collective Agreement stipulates: At the end of the business year, in order to motivate employees' efforts, regardless of whether there is a surplus or not, employees should be given a bonus equivalent to one month's basic salary in accordance with the annual bonus distribution regulations. In addition to the bonus mentioned above, if there is a surplus, the Company shall separately allocate an amount equal to 20% of the pre-tax surplus for that year as an employee bonus. And employee compensation shall not be less than 3% of the pre-tax surplus for that year.

To enable employees to understand the Company's operations, management activities, and decision-making goals, and to allow employees the right to access information and express opinions, the Company has established:

a. Informational-related:

1. The Company's various employee welfare information (such as childcare measures, welfare subsidies, free staff travel privileges, and employee stock ownership plans) is published on the internal corporate website. There is also a dedicated retirement/resignation section that provides detailed procedures for retirement/resignation. Additionally, all employees have access to an email account and Team+ instant messaging platform for disseminating important announcements.

2. We provide employees with ample two-way channels to express their personal opinions and demands, such as setting up the WECARE listening mailbox, the Speak Your Mind employee communication mailbox, and the Team+ instant messaging platform.

b. Organization structure:

Based on the scale and nature of each unit of the Company, employee relations departments or personnel are established respectively to serve as a positive communication channel and handle related affairs. Additionally, all management levels need to pay constant attention to employees' opinions, assist in promoting the Company's policies, thereby eliminating misunderstandings and improving internal employee satisfaction, cohesion, corporate identity, and work performance in a timely manner.</td><td>No Difference</td></tr>
</table>

Evaluation Item	Status of Implementation			Deviations from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Brief Explanation	
			c. Policy-related: Regular labor-management meetings, communication meetings between supervisors and employees, employee welfare committee meetings, and various types of union/employee representative meetings are held. In these meetings, relevant governance operations can be disclosed to employees in a timely manner, and all resolutions fully respect the opinions and rights of employees.	
(3) Does the Company provide employees with a safe and healthy work environment and regularly implement health and safety education programs for employees?	V		(3) Adhering to the belief of respecting life and putting safety first, our company creates a sound working environment and healthy workplace, establishes an occupational safety and health management system in accordance with laws and regulations, and operates according to the PDCA management process. Through hazard identification, risk analysis, self-inspection and other methods, we aim to prevent accidents, reduce the frequency of hazards, and lower operational risks. Additionally, we formulate an annual occupational safety and health management plan based on the nature of our business, and strengthen our employees' awareness of occupational safety, health, and well-being through education, training, safety promotion, and health promotion initiatives. a. Work Environment and Education & Training Implementation: 1. Measures for Employee Safety and Healthy Work Environment: i. To continuously improve the work environment for employees, the company has established and implemented the AQD All-Staff Safety Reporting System to encourage employees to promptly report operational risks and improvement suggestions. In 2025, a total of 191 employee proposals were received, all of which were addressed and resolved, demonstrating the company's high regard for workplace safety issues and its ability to respond in a timely manner. ii. To prevent workplace hazards, all work sites are legally required to provide necessary safety protective equipment, emergency rescue equipment, and related safety measures for employees to access when needed. At the same time, for indoor work areas subject to legally mandated environmental monitoring such as those involving noise, organic solvents, and centrally managed air conditioning systems, monitoring is conducted regularly in accordance with applicable regulations, and all annual results comply with regulatory requirements. iii. To promote employee safety and health and prevent ergonomic hazards in the workplace, the company invited renowned physical therapists to conduct health promotion seminars on July 29, August 6, and October 1, 2025, totaling 3 sessions, with an overall participant satisfaction rate exceeding 90%. iv. To prevent biological hazards, influenza vaccination services were provided to all company employees. In 2025, a total of 3,066 employees received the vaccine company-wide, representing a vaccination rate of 30.2%. The company also continued to promote multiple measles protection measures and the MMR vaccination program. In addition to on-site vaccination services, subsidies were provided for employees who received the vaccine at external medical institutions. The proportion of employees with "measles immunity" across all job categories increased significantly, growing nearly eightfold compared to the previous year. v. To enhance employee safety during work and commuting, the company continued to conduct internal occupational safety and health awareness campaigns throughout the year via the company-wide announcement system TEAM+ and company-wide email, publishing a total of 105 awareness messages to raise employee safety awareness and reduce the risk of accidents. 2. Employee Education Policy and Its Implementation. i. To strengthen employee safety awareness, the company has established the occupational safety and health management regulation "Safety and Health Education and Training Management Procedure" and implements it in accordance with relevant regulations as the basis for promoting employee safety and health education. ii. Regarding safety and health education and training for new employees, a total of 46 sessions were held in 2025, with 845 individuals completing the training, helping new employees establish a basic understanding of occupational safety and health. iii. Regarding health education and training for in-service employees, a total of 37 sessions were held in 2025, with 9,302 individuals completing the training, continuously strengthening employees' knowledge and skills related to safety and health. iv. Regarding safety and health education and training for supervisors, a total of 13 sessions were held in 2025, with 56 individuals completing the	No Difference

Evaluation Item	Status of Implementation			Deviations from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Brief Explanation	
			training, aimed at enhancing supervisors' awareness of their responsibilities in occupational safety and health management and oversight. v. Regarding other safety and health-related education and training, a total of 15 sessions were held in 2025, with 2,494 individuals completing the training, covering a diverse range of safety and health topics to comprehensively enhance employee safety literacy. b. In alignment with international labor development trends and adherence to domestic and international occupational safety and health standards, the company has established an autonomous safety and health management system since 2016 and continues to promote systematic management and risk control. The Company's Taoyuan headquarters (February 2025) and the maintenance facility (September 2025) have both passed third-party certification body renewal audits for ISO 45001:2018, CNS 45001:2018, and TOSHMS, and all certifications remain valid. The scope of certification covers operational management of air transportation, passenger and cargo services, and aircraft maintenance operations, with risk-tiered management implemented according to different operational types and job categories, ensuring the management mechanisms of safety and health planning, execution, inspection, and improvement are fully in place. c. In 2025, the total number of employees was approximately 10,313. A total of 42 occupational accidents occurred during the year, with the number of affected individuals accounting for 0.41% of the total workforce. The overall Frequency Rate (FR) of disabling injuries was 2.06, the Severity Rate (SR) of disabling injuries was 18, and the Frequency-Severity Indicator (FSI) was 0.19, all of which are below the averages published by the Ministry of Labor for the aviation transportation industry from 2022 to 2024 (FR: 2.46, SR: 36, FSI: 0.29). These indicators show a downward trend compared to the previous two years. Based on an analysis of the causes of occupational accidents during the year, most were attributed to unsafe behaviors. Going forward, the company will continue to strengthen occupational accident prevention awareness campaigns and related education and training, enhance employee safety awareness, reduce the risk of accidents, and foster a safe, healthy, and friendly work environment. d. No fire incidents occurred in 2025. Self-defense firefighting organization drills were conducted in two sessions on May 22 and November 14, 2025. e. Establishing a Safe and Healthy Workplace: 1. In coordination with the Civil Aviation Administration, Ministry of Transportation and Communications, and the Occupational Safety and Health Administration, Ministry of Labor, the Company implements the Airline Infectious Disease Prevention Preparedness and Response Management Plan. This plan covers three key epidemic prevention indicators: routine preparedness, workplace safety and health, and emergency response, as well as 25 underlying indicators, which are reviewed and adjusted on an ongoing basis. The Company actively implements aviation epidemic prevention measures to ensure passenger health rights while providing employees with a safer working environment. In 2025, the company continued to cooperate with the Taiwan Centers for Disease Control (CDC) of the Ministry of Health and Welfare to enhance the IHR Designated Port Core Capacities, in order to strengthen the country's port quarantine emergency response capabilities and ensure the health and safety of employees and the public, as well as the continued operation of port facilities. 2. In addition to legally required AEDs on passenger aircraft, all office locations are equipped with AEDs exceeding regulatory requirements. Regular company-wide CPR+AED training courses ensure employees can immediately locate and skillfully operate AEDs during emergencies, maximizing response time. 3. Tunnel-type blood pressure monitors are installed at company office locations, allowing colleagues to measure personal blood pressure and pulse at any time. Beyond encouraging self-health management habits, the Company has established an E-Employee Health Management System where employees can access historical health examination reports, schedule physician consultation services, and record self-monitoring metrics. f. Implementing a graded health management system: 1. The Company maintains a medical department with legally mandated occupational health nurses and physician services that assist employers in job placement based on new employee physical examination results. They implement worker health protection plans, assess relevant hazards and high-risk groups, develop improvement methods, and ensure employee safety and health protection. Health examination items and frequencies exceeding regulatory requirements are provided, covering advanced screenings for common cancer indicators, cerebrovascular and cardiovascular diseases, and more. Exclusive health examination benefits are also extended to employees' dependents. The health examination participation rate in 2025 was 95.64%. 2. Employee health risk classification management is based on health examination results, with medical personnel providing one-on-one health guidance,	

Evaluation Item	Status of Implementation			Deviations from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Brief Explanation	
			customized health advice, and outpatient referral information. Flight crew members with abnormal health conditions must temporarily suspend duties, reporting to the Aviation Medical Center for flight suspension/resumption assessment and related procedures in accordance with Civil Aviation Law and aviation personnel physical examination standards. The Company legally provides occupational medicine specialists for on-site health consultation services. Beyond employee health consultations, these specialists assist with abnormal workload-induced disease prevention plans, job selection, job assignment, work resumption, and workplace maternity health protection programs. 3. Company lactation rooms are equipped with bottle sterilizers and dedicated breast milk refrigerators, with access control systems and designated maintenance personnel to enhance security. For female employees who are pregnant, within one year postpartum, or continuing to breastfeed for more than one year, maternity health protection questionnaires are distributed through the employee health management system, tiered management is implemented, and professional evaluations and interviews are conducted by physicians. g. Diverse Health Promotion Activities Based on health check results, employee needs, and seasonal conditions, physicians, dietitians, and experts from various fields are regularly invited to conduct diversified health promotion activities and health seminars, such as the “Age is Just a Number, Perfect Body Challenge,” “How to Lose Stress Weight and Overcome Metabolic Syndrome,” “Building a Body That Can Eat and Stay Fit,” “Work Without Fatigue, Stronger Body: Comprehensive Exercise Seminar,” and “Self Care for Muscle and Joint Relief: How to Use Resistance Bands and Massage Balls.” In 2025, the Company also held a “Health and Stress Relief Day” at the CAL Park, featuring six themed health booths and food trucks, creating an event fair to encourage employees to enjoy outdoor activities, food, and engagement. Employees were called upon to enthusiastically participate in blood donation, collaborating with the Taiwan Blood Services Foundation – Hsinchu Donation Center to collect over 80 bags, totaling 20,250 cc of blood.	
(4) Has the Company established an effective career skill development training program for employees?	V		(4) In order to nurture the Company's human resources, it has a Training Advisory Committee, which is responsible for the planning of annual education and training for all colleagues, including training for new hires and on-the-job training for general employees, professional development courses, the training of management capacity of supervisors, etc., Simultaneously, to deepen the Company's various levels of management professionals and broaden the horizon of potential talents, strategic and management occupational training was held on a regular basis to sharpen employees' necessary knowledge and skills. These training are in accordance with the Company's operational development strategy. In addition, since 2005, the Company has established a Management Talent Training and Development System to nurture talents with international vision and management capabilities. This helps strengthen managerial knowledge of management professionals through job experience, management course training, and rigorous assessment systems. In 2025, a total of NT$4.56 million was invested in training and development. The total number of training hours exceeded 81,585 hours. All relevant information and data are disclosed in the Company's Corporate Sustainability Report.	No Difference
(5) In regards to customer health and safety, customer privacy, marketing and labeling of the products and services, does the Company follow relevant regulations and international standards, and formulate relevant policies and complaint procedures for consumer rights protection?	V		(5) The Company has stipulated service commitments, transportation terms and conditions, and disclaimer clauses in accordance with the law. Regarding consumer rights policies, the Company has also posted and shared on the Company's website the information security policy with its privacy protection policy and privacy protection statement. It is committed to protecting the privacy of all customers' personal information. In addition, to protect the rights and interests of passengers, reservation and ticket-related rules for flight changes have been clearly mentioned in the FAQs on the official website. Furthermore, the Company has in place consumer complaint procedures to provide consumers with complaint channels for products and services, including on the Company's website (also found in the stakeholders' section, customer feedback, and service satisfaction survey), Facebook fan page, customer service e-mail, and global branches' addresses and phone numbers. Before booking and purchasing tickets on the official website, passengers will be automatically shown important booking information and fare details for each class, including free baggage allowance, reservation change fees, refund fees, seat selection fees, mileage accrual percentage, and missed flight fees. After purchasing tickets, passengers can apply for reservation changes or refunds through the official website, customer service center, ticket counters, or other channels. Passengers can also use the Customer Feedback section on the website to make appeals or suggestions for improvement. Furthermore, for services such as duty-free goods on board and home delivery, in addition to stipulating relevant service commitments, transportation terms, and exemption clauses in accordance with the law, a Privacy Protection Policy and Statement has also been formulated and disclosed on the Company's website and through telephone recordings to protect the privacy and related rights of all customers' personal information.	No Difference

Evaluation Item	Status of Implementation			Deviations from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Brief Explanation	
(6) Has the Company formulated supplier management policies that require suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and their implementation status?	V		(6) In accordance with the Sustainable Supply Chain Management Policy Statement of the Company, since 2016, all suppliers have been required to review and sign the Supplier Code of Conduct during the bidding process, jointly committing to building a sustainable industry environment. We have developed our survey questionnaire (SAQ) with reference to the new GRI standards, ILO, UNGC, DJSI, CDP and the United Nations Declaration of Human Rights and other relevant international initiatives and evaluations. Since 2015, the Company has been conducting risk surveys on sustainable supply chains. In 2024, the Company has conducted risk surveys on 15 key suppliers, audited 64 key suppliers in the past 3 years, and hold supplier education and training to ensure that the Company has a full understanding of risky suppliers and to reduce the risk of sustainable supply chains.	No Difference
(7) Has the Company established a personal data protection policy, and disclosed its content and implementation status??	V		(7) The Company recognizes the importance of personal data. To implement personal data protection and comply with the Republic of China Personal Data Protection Act, EU General Data Protection Regulation (GDPR), and other relevant personal data protection regulations, the Company has established a privacy protection policy that is publicly disclosed on the China Airlines official website. The Company's privacy protection policy implementation scope includes the China Airlines official website, China Airlines app, cargo website, duty-free product reservation website, and eMall/home delivery website. The Company's privacy protection policy primarily includes: a. Data Collection and Usage: The Company collects and uses personal data within authorized specific purposes in a reasonably secure manner. b. Individual Rights Exercise: Individuals wishing to exercise personal data rights under Personal Data Protection Act Article 3 and GDPR Articles 15-21 (querying, modifying, deleting, restricting data use, and withdrawing consent) may apply through the DPO public mailbox (DPO@china-airlines.com). The Company will respond within statutory timeframes. c. Third-Party Cooperation: To fulfill transportation services, under certain circumstances, the Company provides or shares personal data with specific third parties, such as travel agencies, codeshare partners, outsourced suppliers, government agencies, etc., requiring third parties to comply with the Company's personal data protection policy. d. Data Breach Response Strategy: The Company has established a personal data breach incident response strategy and plan for incidents involving theft, alteration, leakage, or damage of personal data. e. Additionally, the Company commits to ensuring the accuracy and security of personal data, and regularly revises privacy protection policies and related statements.	No Difference
(8) Has the company formulated and disclosed an intellectual property management plan linked to operational objectives and its implementation status, and reported to the Board of Directors at least once a year?	V		(8) In accordance with Article 37-2 of the Corporate Governance Best Practice Principles for TWSE/TPEx-listed Companies, the Company has formulated an intellectual property management plan and reports its implementation status in order to establish, implement, maintain, and manage the acquisition, protection, maintenance, and utilization of intellectual property rights. 2025 Intellectual Property Management Plan a. Maintenance of the IP Control List: The Legal and Insurance Department consolidates and reviews the lists provided by various business units and continuously maintains the Company's IP control list. b. Remedies for Infringement of Intellectual Property Rights: The Legal and Insurance Department receives reports of IP rights infringement cases, evaluates the circumstances, and takes legal measures to protect the rights. c. Planning and Conducting IP Legal Education and Training: The Legal and Insurance Department organizes IP education and training as needed, and promotes and strengthens professional knowledge among all employees through team+. 2025 Intellectual Property Management Plan Implementation Status a. Maintenance of the IP Control List: a. Continued engagement of a dedicated trademark agency to represent and maintain the Company's patent rights and trademark rights. b. Patent Rights: As of October 1, 2025, the Company has a total of 2 approved and registered domestic and international patents, with 0 patents currently under application. c. Trademark Rights: As of October 1, 2025, the Company has a total of 301 approved and registered domestic and international trademarks, with 12 trademarks currently under application. b. Remedies for Infringement of Intellectual Property Rights: a. A professional IP law firm has been retained as a standing legal counsel to provide advisory analysis in the event of infringement of the Company's intellectual property rights. b. As of October 1, 2025, a total of 7 IP infringement cases have been reported, of which 6 have been reported to authorities or served with warning letters and the infringing parties have successively removed the relevant promotional materials, and 1 case is in the process of having a letter issued. c. Planning and Conducting IP Legal Education and Training: In the fourth quarter of 2025, a Friendly Reminder on Intellectual Property Rights Compliance was	

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Status of Implementation</th><th rowspan="2">Deviations from the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Brief Explanation</th></tr>
<tr><td></td><td></td><td></td><td>announced to all employees via the Company's official communication software team+, on the Legal and Insurance Department channel.
The 2025 management plan and its implementation status were submitted to the Board of Directors on November 7, 2025.</td><td></td></tr>
<tr><td>5. Does the Company refer to internationally accepted report preparation standards or guidelines to prepare its Corporate Social Responsibility (CSR) Report and other reports that disclose the Company's non-financial information? Has the aforementioned report been assured, verified, or certified by a third-party verification unit?</td><td>V</td><td></td><td>This report is prepared in accordance with the regulations governing the preparation and filing of sustainability reports by listed companies, following the GRI Standards 2021 edition published by the Global Sustainability Standards Board, with reference to the Integrated Reporting Framework (IR Framework) of the IFRS Foundation, as well as the sustainability indicators of the Sustainability Accounting Standards Board (SASB) under the IFRS Foundation, the Task Force on Climate-related Financial Disclosures (TCFD), the Taskforce on Nature-related Financial Disclosures (TNFD), and the UN Global Compact. The 2025 Sustainability Report is expected to be verified by KPMG in August 2026 in accordance with GRI Standards and the ISAE 3000 assurance standard to a limited level of assurance, with a third-party assurance statement issued and disclosed on the Company's corporate sustainability website.</td><td>No Difference</td></tr>
<tr><td colspan="5">6. If the Company has drawn up a code for CSR based on the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx-listed companies, please describe any differences between the code and the Best-Practice Principles:
To comprehensively implement corporate sustainability development and align with government initiatives and international standards, on December 19, 2024, the Company amended its Sustainability Development Practice Principles based on the revised TWSE/TPEx-listed Companies Sustainability Development Practice Principles. Through these highest guiding principles, the Company thoroughly examines operational quality and reflects this in management and execution, striving to fulfill sustainability development goals across environmental, social, and corporate governance (ESG) dimensions. No operational discrepancies were reported this year.</td></tr>
<tr><td colspan="5">7. Other important information for facilitating the understanding of CSR and its implementation:
As a leader in Taiwan's aviation industry, China Airlines considers giving back to society and creating social value as important commitments to its sustainable development. In 2025, China Airlines continued to deepen its social sustainability development strategy and responded to the United Nations Sustainable Development Goals (SDGs), focusing on four key dimensions: Promoting the Internationalization of Local Education, Strengthening Medical Aid and Humanitarian Relief Capacity, Providing Employment Development Opportunities for Disadvantaged Groups, and Comprehensively Enhancing the International Visibility of Taiwan's Local Brands. In 2025, China Airlines' total social investment amounted to NT$71.69 million. By category, business activities accounted for 75 percent, charitable activities 20 percent, and community investment 5 percent. By type of contribution, the allocation comprised in-kind donations at 49 percent, cash donations at 47 percent, volunteer services at 1 percent, and management costs at 3 percent. Through integrated resource allocation, the Company aims to expand its service reach and impact, continuously enhance social welfare for rural areas and disadvantaged groups, and foster a positive social cycle, thereby advancing its sustainability vision.</td></tr>
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2.2.7 Ethical Corporate Management and Deviations from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx-Listed Companies

Evaluation Item	Status of Implementation			Deviations from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx-Listed Companies and Reason
	Yes	No	Brief Explanation	
1. Establishment of ethical operation policies and programs (1) Has the Company formulated an ethical management policy approved by the Board of Directors and expressly stated in the regulations and external documents the policies and practices of ethical management? Do the Board of Directors and senior management commit to actively implement the management policy?	V		(1) The Company has established the Ethical Corporate Management Best-Practice Principles and Procedures for Ethical Management and Guidelines for Conduct, which were passed in 2026 at the 10th meeting of the 23rd Board of Directors. These guidelines and principles clearly spell out the Company's ethical operating policies, methods, and commitments. They are published on the CAL website and the Taiwan Stock Exchange Market Observation Post System.	No Difference
(2) Has the Company established an assessment mechanism for the risk of unethical behaviors, regularly analyzed and evaluated business activities with a higher risk of being unethical within the business scope, and formulated a plan accordingly to prevent unethical behaviors, which covers at least the preventive measures provided in Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx-listed companies?	V		(2) The Company's Ethical Corporate Management Best Practice Principles laid out various business activities with a higher risk of being unethical to be prevented within the business scope to strengthen relevant preventive measures, which include behaviors provided in the sub-paragraphs under Article 7, Paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSETPEx-listed companies.	No Difference
(3) Has the Company specified the operating procedures, behavioral guidelines, disciplinary penalties, and grievance system in its plan for unethical conduct prevention? In addition, does the Company implement these measures while also periodically reviewing and revising them?	V		(3) The Company's Procedures and Guidelines of Conduct for Ethical Management clearly laid out all unethical and prohibited conduct, a whistleblowing system, and a disciplinary system. These procedures and guidelines are implemented in the operations of all units.	No Difference
2. Implementing ethical corporate management (1) Does the Company evaluate the ethical records of the businesses in which it has dealings with and include clear ethical corporate behavior provisions in contracts with such counterparties?	V		(1) In the process of business dealings with other companies, CAL employees explain the ethical management policy and related regulations to counterparties and expressly refuse to provide directly or indirectly, promise, demand, or acceptance from any form of gratification. When signing contracts with others, CAL fully reviews the counterparty's ethical corporate behavior and includes complying with our ethical corporate management policies as a provision in contracts.	No Difference
(2) Has the Company set up a special unit affiliated to the Board of Directors to promote corporate ethical management that periodically (at least once per year) reports to the Board of Directors on the status of the implementation of ethical management policies, the plan for unethical conduct prevention, and its supervision?	V		(2) The Company's Human Resources Management Division, which is the dedicated unit for ethical management, is responsible for consolidating the ethical management implementation status in relevant departments of the Company in addition to reporting periodically to the Board of Directors once per year. The 2023 implementation status has been reported at the 8th Meeting of the 23rd Board of Directors on November 8th, 2024. In addition, the Company encourages the reporting of unethical conduct and misconduct. An independent reporting mailbox has been set up and announced. The General Audit Office reports the received cases, the handling methods, and the follow-up review and rectification to the Board of Directors.	No Difference
(3) Has the Company formulated and implemented policies to prevent conflicts of interest and does it provide appropriate ways to record any potential conflicts found?	V		(3) The Company's Procedures for Ethical Management and Guidelines for Conduct clearly states that should a conflict of interest arise in the execution of Company duties, employees shall report the situation to their direct supervisor, who should provide appropriate guidance.	No Difference
(4) Has the Company established an effective accounting system and an internal control system in efforts to implement ethical management? Does the Company's internal audit unit use the results of ethical management risk assessments to draw up relevant audit plans and does it examine their compliance with the plan for unethical conduct prevention or entrusted an accountant to perform such an audit?	V		(4) In order to continue to operate with integrity, the Company has prepared an annual audit plan based on risk assessment and conducts ad hoc audits from time to time to check the Company's accounting system, internal control system, and compliance with the dishonesty prevention program.	No Difference

Evaluation Item	Status of Implementation			Deviations from the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx-Listed Companies and Reason
	Yes	No	Brief Explanation	
(5) Does the Company periodically hold internal and external ethical corporate behavior training?	V		(5) To strengthen employees' understanding of the Company's corporate culture of integrity management, the Company has provided training to all domestic and foreign employees through the e-learning system, and has promoted ethical behavior and corporate ethics to new employees upon their arrival: 698 new employees (including 470 domestic employees and 228 foreign employees) for a total of 349 hours (0.5 hours*698 employees) in 2025, and for domestic and foreign supervisors, we provided e-learning online courses: 48 employees have been trained in 2025, for a total of 48 hours (1 hour*48 employees). We also disclose the Ethical Corporate Management Best Practice Principles and Procedures and Guidelines for Ethical Corporate Management Best Practice internally and on the official website for everyone to refer to.	No Difference
3. Operation of the Company's Violation Reporting System (1) Has the Company established a concrete violation reporting and rewards system, set up convenient reporting channels, and appointed suitable personnel to handle these cases?	V		(1) Article 20 of the Company's Procedures and Guidelines of Conduct for Ethical Management expressly provides and discloses the rules of reporting, its channel, and the processing procedures. The reporting mailbox (auditor@china-airlines.com) is notified on both the Company's website and on the internal website for the Company's internal and external personnel to use. The General Audit Office would initially determine the credibility of the case and report it to the Chairman. Reports that are investigated by the General Audit Office will be subject to special audits. Reports that are not investigated and do not involve employee discipline will be transferred to the relevant departments for handling; those involving employee discipline will be transferred to the Human Resources Department for handling. Upon receiving a complaint letter forwarded by the Chief Auditor, the relevant department should handle it in accordance with the China Airlines Corporation Procedures for Ethical Management and Guidelines for Conduct and inform the Chief Auditor's Office of the results.	No Difference
(2) Has the Company established the standard operating procedures for the investigation of received reports, the follow-up measures to be taken after the investigation is completed, and the relevant confidentiality mechanism?	V		(2) According to CAL Procedures for Ethical Management and Guidelines for Conduct, all reports of violations and related follow-up investigations are kept strictly confidential. CAL has clear and effective rewards and punishments, an appeals system, a violation reporting confidentiality mechanism, and an investigation SOP.	No Difference
(3) Does the Company have any measures in place to protect individuals from possible mistreatment arising from reporting violations?	V		(3) Employees who process violation reports must sign a written statement pledging to maintain confidentiality of the reporters and details of the case. CAL also promises to protect the whistleblower from improper punishment due to reporting.	No Difference
(4) Strengthening information disclosure Does the Company disclose the content of its Ethical Corporate Management Best-Practice Principles and their effectiveness on our website as well as the TWSE Market Observation Post System?	V		The Company's Ethical Corporate Management Best-Practice Principles and Procedures for Ethical Management and Guidelines for Conduct are shown on the China Airlines website and on the Taiwan Stock Exchange Market Observation Post System, along with the effectiveness of ethical operations and fair trade principles.	No Difference
(5) Whether the Company has established a code of ethical corporate management based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx-listed companies, please describe any differences between said code and the Best-Practice Principles: No Differences.				
(6) Other information that will assist in the understanding of Company ethical corporate management practices: None.				

2.2.8 Corporate Governance Guidelines and Regulations

The relevant rules are all made public on the Company's website (https://www.china-airlines.com/tw/en), the Company's social responsibility network (https://calec.china-airlines.com/csr/en/index.html), and the Market Observation Post System (https://emops.twse.com.tw/server-java/t58query).

2.2.9 Other Important Information Regarding Corporate Governance

A. The Organization and Operations of the Company's Internal Auditing

The Company's internal audit operations are handled by the General Audit Office. In compliance with Article 11 of the Regulations Governing Establishment of Internal Control Systems by Public Companies, the General Audit Office is under the jurisdiction of the Board of Directors. The main internal audit operation methods are announced via a document management system in the Company's corporate internal information network. Information announced includes the manual of Detailed Rules for Internal Audit Implementation and relevant operational methods. A summary is provided as follows:

(1) Day-to-day audit (pre-incident audit and post-incident audit).

(2) Annual audit (on-site inspection of the head office, branch units, and subsidiaries).

(3) Project audit.

(4) Supervision of construction, maintenance, and procurement.

(5) Financial inventory.

(6) Self-assessment of the internal control system.

(7) Periodical audit required by the Financial Supervisory Commission.

(8) Other units that need unscheduled audits.

B. Company Director Continual Education

2025/01/01-2026/03/29

Title	Name	Training Hours	Date(s)	Sponsoring Organization	Course
Directors	Kao, Shing-Hwang	3 hr	2025/10/09	Training Programs: Taiwan Corporate Governance Association	Current Global Economic and Financial Situation
		3 hr	2025/10/25	Independent Director Association Taiwan	Trump's Tariff Policy, Global Economic and Trade Order, and Response Strategies for Taiwanese Businesses
		3 hr	2025/10/08	Training Programs: Taiwan Corporate Governance Association	Sustainability Risk Management and Disclosure Development Trends (Including Anti-Corruption)
Director	Chen, Charles C.Y.	3 hr	2025/10/04	Taiwan Institute of Directors	Benchmark Practices in the Era of Co-Governance
		3 hr	2025/10/08	Training Programs: Taiwan Corporate Governance Association	Sustainability Risk Management and Disclosure Development Trends (Including Anti-Corruption)
Director	Ting, Kwang-Hung	3 hr	2025/10/09	Training Programs: Taiwan Corporate Governance Association	Current Global Economic and Financial Situation
		3 hr	2025/10/08		Sustainability Risk Management and Disclosure Development Trends (Including Anti-Corruption)
Director	Chen, Maun-Jen	3 hr	2025/10/09	Training Programs: Taiwan Corporate Governance Association	Current Global Economic and Financial Situation
		3 hr	2025/10/08		Sustainability Risk Management and Disclosure Development Trends (Including Anti-Corruption)
Director	Huang, Huei-Jen	3 hr	2025/10/09	Training Programs: Taiwan Corporate Governance Association	Current Global Economic and Financial Situation
		3 hr	2025/10/08		Sustainability Risk Management and Disclosure Development Trends (Including Anti-Corruption)
Director	Chen, Ta-Chun	3 hr	2025/10/09	Training Programs: Taiwan Corporate Governance Association	Current Global Economic and Financial Situation
		3 hr	2025/10/25	Independent Director Association Taiwan	Trump's Tariff Policy, Global Economic and Trade Order, and Response Strategies for Taiwanese Businesses
Director	Huang, Shih-Hui	3 hr	2025/10/31	Taiwan Stock Exchange	2025 Strengthening Taiwan Capital Market Summit
		3 hr	2025/10/01	Taiwan Corporate Governance Association	Cybersecurity Trends and Information Security Governance Planning from the Perspective of ESG Sustainable Development
		3 hr	2025/10/22	Chinese National Association of Industry and Commerce, Taiwan	2025 Taishin Net Zero Summit
		3 hr	2025/10/15	Taiwan Stock Exchange	New Trends in IR & Engagement: ESG and Sustainable Investment Forum
Director	Chang, Gwo-Wei	3 hr	2025/10/10	Taiwan Corporate Governance Association	Corporate Innovation, Growth, and AI
		3 hr	2025/10/17	Taiwan Corporate Governance Association	Legal Regulations and Practical Analysis of Non-Competition Obligations for Company Directors
Director	Wei, Chien-Hung	3 hr	2025/10/09	Training Programs: Taiwan Corporate Governance Association	Current Global Economic and Financial Situation
		3 hr	2025/10/08		Sustainability Risk Management and Disclosure Development Trends (Including Anti-Corruption)
Director	Shon, Zheng-Yi	3 hr	2025/10/14	Taiwan Corporate Governance Association	Introduction to Listed Companies' Response to Sustainability Information, Sustainability Standards, and Sustainability Reports
		3 hr	2025/10/21	Accounting Research and Development Foundation	Enterprise Risk Management and Crisis Handling – The Perspective of Directors and Supervisors
		3 hr	2025/10/18	Accounting Research and Development Foundation	Precise Internal Controls to Counter Greenwashing Risks – Establishing Internal Controls for Sustainability Information Management
		3 hr	2025/10/20	Taiwan Corporate Governance Association	Analysis of Management Control Disputes and Offensive/Defensive Case Studies
Independent Directors	Huang, Hsieh-Hsing	3 hr	2025/10/09	Training Programs: Taiwan Corporate Governance Association	Current Global Economic and Financial Situation
		3 hr	2025/10/08		Sustainability Risk Management and Disclosure Development Trends (Including Anti-Corruption)
Independent Directors	Chang, Hsieh Gen-Sen	3 hr	2025/10/09	Training Programs: Taiwan Corporate Governance Association	Current Global Economic and Financial Situation
		3 hr	2025/10/08		Sustainability Risk Management and Disclosure Development Trends (Including Anti-Corruption)
Independent Directors	Hwang, Yih-Ray	6 hr	2025/10/09	Training Programs: Taiwan Corporate Governance	Current Global Economic and Financial Situation

Title	Name	Training Hours	Date(s)	Sponsoring Organization	Course
		6 hr	2025/10/08	Association	Sustainability Risk Management and Disclosure Development Trends (Including Anti-Corruption)
Independent Directors	Lin, Yu-Fen	3 hr	2025/10/29	Taiwan Corporate Governance Association	Current Status Analysis and Practical Experience Sharing on Prevention of Workplace Sexual Harassment and Bullying
		3 hr	2025/10/29		Current Global Economic Situation and the Effects of Trump's New Policies
		3 hr	2025/10/08	Training Programs: Taiwan Corporate Governance Association	Sustainability Risk Management and Disclosure Development Trends (Including Anti-Corruption)
		3 hr	2025/10/28	Taiwan Corporate Governance Association	Low-Carbon Economy and Corporate Sustainability Strategy
		3 hr	2025/10/05	Industrial Technology Research Institute	Interpreting COP30 Global Net-Zero Sustainability Trends and Taiwan's Carbon Reduction Strategic Pathway
Independent Directors	Lin, Kuo-Chang	3 hr	2025/10/09	Training Programs: Taiwan Corporate Governance Association	Current Global Economic and Financial Situation
		3 hr	2025/10/08		Sustainability Risk Management and Disclosure Development Trends (Including Anti-Corruption)

C. Corporate Governance-Elated Training Attended by Company Managers

2025/01/01-2026/03/29

Title	Name	Training Hours	Date(s)	Sponsoring Organization	Course
Vice President, Finance Division	Yen, Yang	12 hr	2025/11/27-2025/11/28	Accounting Research and Development Foundation	Issuers, Securities Firms, and Stock Exchange Accounting Supervisors Continuing Education Program
Assistant Vice President, Corporate Development Office.	Wang, Ching-Ting	12 hr	2025/08/21-2025/08/22	Accounting Research and Development Foundation	Issuers, Securities Firms, and Stock Exchange Accounting Supervisors Continuing Education Program
Chief Auditor	Fang, Juo-Ling	6 hr	2025/05/14	The Institute of Internal Auditors, R.O.C.	Internal Audit Professional Course – Legal Analysis and Audit Focus on Board of Directors and Functional Committees (Audit, Remuneration)
		6 hr	2025/10/22	Securities & Futures Institute	Regulations, Execution, Management, and Audit Practices of Commercial Contracts
Deputy Auditor General	Shih, Hsueh-Sha	18 hr	2025/04/25 2025/04/28 2025/04/29	The Institute of Internal Auditors, R.O.C.	Internal Audit Professional Course – Pre-Employment Training Workshop for Newly Appointed Corporate Internal Auditors
		6 hr	2025/10/17	The Institute of Internal Auditors, R.O.C.	Internal Audit Professional Course – What You Must Know: Key Considerations and Impacts of IFRS S1/S2 on Internal Controls and Internal Auditing
Deputy Auditor General	Hsiung, Chia-Ling	6 hr	2025/07/04	Accounting Research and Development Foundation	Key Points and Practical Case Analysis of Internal Controls and Internal Auditing for 'Sustainability Information Management'
		6 hr	2025/10/01	The Institute of Internal Auditors, R.O.C.	Internal Audit Professional Course – Legal Analysis and Audit Focus on Board of Directors and Functional Committees (Audit, Remuneration)
Corporate Governance Officer	Ho, Hui-Fen	3 hr	2025/05/09	Taiwan Corporate Governance Association	Current Global Economic Situation and the Effects of Trump's New Policies
		3 hr	2025/07/18	Taiwan Corporate Governance Association	Corporate Governance Officer
		3 hr	2025/08/01	Taiwan Corporate Governance Association	Corporate Governance Officer
		3 hr	2025/08/08	Taiwan Corporate Governance Association	Sustainability Risk Management and Disclosure Development Trends (Including Anti-Corruption)
		6 hr	2025/10/16	Financial Supervisory Commission R.O.C. (Taiwan)	The 15th Taipei Corporate Governance Forum

D. Succession Plan for the Board of Directors and key management of the Company

Shareholders may nominate candidate directors. Through shareholders' voting in the annual general meeting, directors (including independent directors) are elected from the list of candidates nominated by shareholders. To improve the directors' ability to exercise their power by virtue of their posts and ensure that the Board's effectiveness is up to date, scheduled advanced courses are arranged every year to help elevate their professional competencies. These courses cover corporate governance-related topics, including finance, accounting, business, commerce, legal affairs, information, risk management, internal control systems, and corporate social responsibility. To ensure that the succession plan is comprehensive, the contents are aligned with the latest regulations and conditions of internal and external environments as well as topics applicable to future development needs.

Furthermore, in relation to the succession planning for important management personnel, other than having excellent professional management ability, one's behavior, ethics, and instructions will be based on the resolutions of the Board of Directors. These matters are handled in accordance with the China Airlines Executives Code of Ethical Conduct and related laws and regulations in the best interests of the Company, employees, and shareholders.

Regarding the training planning for key management personnel, senior management seminars are held on a regular annual basis, inviting representatives from industry, government, and academia to deliver special lectures on global market trends and aviation industry developments, enabling company executives to better grasp market conditions and thereby enhance the development of their professional capabilities in terms of breadth and depth. Job rotation is carried out in accordance with company regulations, so as to comprehensively cultivate diverse operational and management capabilities among key management personnel. In addition, in order to deepen talent at all managerial levels within the company and broaden the perspectives of high-potential talent, strategy and managerial competency training programs are conducted on a regular basis, and talent development plans are established to enhance the knowledge and skills required by middle and junior-level managers. This aims to nurture talent with an international perspective and operational management capabilities. Through job experience, management course training, and a rigorous performance appraisal system, the management knowledge and competencies of managerial talent are strengthened, and outstanding management personnel are continuously cultivated to serve in key domestic units or be assigned to overseas branch offices.

E. Internal Material Information and Disclosure Procedure

To ensure the consistency and accuracy of information disclosed by the Company to the public, the Company has established Procedures for the Prevention of Insider Trading and Handling of Internal Material Information. In addition to publicly announcing and notifying directors, managers, and all employees, the Company also discloses the implementation status on its official website to prevent violations and the occurrence of insider trading.

2.2.10 Internal Control Systems

A. Internal Control Statement

CHINA AIRLINES

China Airlines Ltd.

Internal Control Statement

Date: March 11, 2026

The Company states the following with regard to our internal control system during the period of fiscal year 2025 based on the self-assessment result:

1. The Company is fully aware that establishing, operating, and maintaining an internal control system are responsibilities of the management and the Board of Directors. The Company has established such a system. The goal of the system is aimed at the operation efficiency and effectiveness (including profits, performance, and assets safeguarding), and to provide reasonable assurance on producing reliable, timely and transparent reports in compliance with the governing law and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three goals mentioned above. Furthermore, the effectiveness of an internal control system may change along with changes in environment or circumstances. The internal control system of the Company, however, contains self-monitoring mechanisms which will take corrective actions upon detecting deficiency.
3. The Company should evaluate the effectiveness of the design and execution of its internal control system based on judgment criteria set by "the Regulation Governing the Establishment of Internal Control Systems by Public Companies" (hereinafter referred as "The regulations"). The regulations adopt the criteria, and divide the managerial control process into five key elements: 1. Control environment, 2. Risk assessment, 3. Control activities, 4. Information and Communications, and 5. Monitoring. Each element contains detailed items. Aforementioned items please refer to The regulations.
4. The Company has conducted an effectiveness evaluation on its internal control system by adopting the above mentioned internal control system judgment criteria.

5. Based on the preceding assessment result, the Company believes that its internal control system (with subsidiaries supervision and management) on the date of December 31, 2025 includes the awareness of operation effectiveness and target achievement efficiency, reports are reliable, timely, and transparent in compliance with the governing law and regulations. The design and execution of the internal control system are effective which can reasonably assure the accomplishment of the aforementioned objectives.

6. This Statement will become the major part of the Company's annual report and prospectus, which will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.

7. This Statement has been approved by the Board of Directors Meeting of the Company held on the date of March 11, 2026, where none of the fourteen attending directors expressed dissenting opinions, and unanimously affirmed the content of this Statement.

Chairman:

President:

桃園市大園區航站南路一號
No.1, Hangzhan S. Rd., Dayuan Dist
Taoyuan City 33758, Taiwan, R.O.C.

B. Whether the Company has commissioned external auditors to review the Company's internal control system, the external auditor's report should be disclosed: None.

2.2.11 Important Resolutions of Shareholders' Meetings and Board Meetings

A. Major resolutions of the 2024 General Shareholders' Meeting

Ratification and Discussion Matters	Resolution	Implementation Status
1. 2024 Business and Financial Reports	This case was approved as proposed after voting	As resolved at the shareholders' meeting held on May 28, 2025, and duly announced thereafter.
2. 2024 Profit Appropriation	This case was approved as proposed after voting	As resolved at the shareholders' meeting held on May 28, 2025, and duly announced thereafter.
3. Amendments to the Company's Articles of Incorporation	This case was approved as proposed after voting	As resolved at the shareholders' meeting held on May 28, 2025, and duly announced thereafter.
4. Removal of Non-Compete Restrictions for 23rd Board Directors-Elect	This case was approved as proposed after voting	As resolved at the shareholders' meeting held on May 28, 2025, and duly announced thereafter.

B. Important Board Resolutions of the 23rd Board of Directors (2025/01/01-2026/03/29)

	Date	Agenda Items	Independent Directors' Opinions	Response to Independent Directors' Opinions
The 4th Meeting	2025/01/13	1. Employee 2024 Year-End Bonus and Incentive Payment 2. Employee 2025 Salary Adjustment 3. Year-end bonuses and incentive compensation for Chairman and managers for 2024 4. Salary Adjustment for Chairman and managers for 2025 5. Electronic gift vouchers for Chairman and managers for 2025 Lunar New Year Dinner 6. Adjustment of seasonal bonuses (gifts) for major festivals for Chairman and managers 7. Report on the Company's Signing of 2025 Collective Agreement with China Airlines Enterprise Union 8. Convening of the 2025 General Shareholders' Meeting 9. Proposal on the Election of 2 Directors for the 23rd Board of Directors	Approved by Unanimous Consent of All Independent Directors Present	None
The 3rd Interim Meeting	2025/01/20	1. Selection of Chairman 2. Temporary Appointment of Chairman Duties to a Director Elected by Fellow Directors	Approved by Unanimous Consent of All Independent Directors Present	None
4th Interim Meeting	2025/03/10	1. Election of New Chairman 2. Appointment of President	Approved by Unanimous Consent of All Independent Directors Present	None
The 5th Meeting	2025/03/10	1. Evaluation of Internal Control System Effectiveness and Statement for 2024 2. Employee Remuneration in 2024 3. Definition of Entry-Level Employee Scope 4. Amendments to the Company's Articles of Incorporation 5. Change of Risk Committee Name to Sustainability and Risk Committee and Amendments to the its Organizational Charter 6. Lease of 3 additional A321neo aircraft	Approved by Unanimous Consent of All Independent Directors Present	None

	Date	Agenda Items	Independent Directors' Opinions	Response to Independent Directors' Opinions
		7. 2024 Standalone and Consolidated Financial Report 8. 2024 Business Report 9. Engagement and remuneration of the certified public accountants for fiscal year 2025 10. Providing an endorsement guarantee of NT$2 billion in financing to Taiwan Aircraft Maintenance and Engineering Co., Ltd. 11. Issuance of 2025 Domestic Unsecured Ordinary Corporate Bonds 12. Proposed Mortgage Loan with China Export-Import Bank, Yuanta Commercial Bank, and Taiwan Bank using Three A321neo Aircraft (B-18118, B-18120, B-18121) as Collateral 13. Financing and Derivative Product Transaction Limits from Financial Institutions 14. Establishment of Base Date for Issuance of New Shares for the Domestic 7th Unsecured Convertible Corporate Bonds Converted to Shares in Q4 2024		
The 5th Interim Meeting	2025/04/10	1. Retirement and Severance Payment Recommendation for Former Chairman Hsieh, Su-Chien 2. Salary and Compensation Recommendation for Chairman Kao, Shing-Hwang 3. Salary and Compensation Recommendation for President Chen, Han-Ming 4. Review of Qualification of 23rd Board Director Nominees 5. Removal of Non-Compete Restrictions for 23rd Board Directors-Elect 6. Profit distribution and cash dividend amount for 2024 7. Personnel and Position Changes	Approved by Unanimous Consent of All Independent Directors Present	None
The 6th Meeting	2025/05/09	1. Removal of Non-Competition Restrictions for the President 2. Removal of Non-Competition Restrictions for the Senior Vice President 3. Dismissal and Appointment of Corporate Governance Officer 4. Case of Selling B787 Simulator to Aerospace Industrial Development Corporation 5. Q1 2025 Consolidated Financial Report 6. Financing and Derivative Product Transaction Limits from Financial Institutions 7. Setting the Base Date for Issuing New Shares for the Domestic 7th Unsecured Convertible Corporate Bonds Converted to Stocks in Q1 2025	Approved by Unanimous Consent of All Independent Directors Present	None
The 6th Interim Meeting	2025/06/25	1. Introduction of A321neo and A350-900	Approved by Unanimous Consent of All Independent Directors Present	None
The 7th Meeting	2025/08/08	1. Employee Remuneration for Chairman and Managers in 2024 2. Dismissal and Appointment of Managers 3. Establishment of New Branch Units in Response to New Route Openings 4. Organizational Adjustment 5. 2024 Sustainability Report	Approved by Unanimous Consent of All Independent Directors Present	None

	Date	Agenda Items	Independent Directors' Opinions	Response to Independent Directors' Opinions
		6. Q2 2025 Consolidated Financial Report 7. Amendment to the Procedures for Handling Derivative Financial Instruments Transactions 8. Amendments to the Regulations for Financial and Business Operations Between Related Parties 9. Financing and Derivative Product Transaction Limits from Financial Institutions 10.New Construction of Phase 2 Composite Materials Comprehensive Building and Engine Disassembly / Assembly Plant at the Maintenance Base		
The 8th Meeting	2025/11/07	1. 2025 Audit Plan 2. Q3 2025 Consolidated Financial Report 3. 2026 Business Plan and Budget 4. Financing and Derivative Product Transaction Limits from Financial Institutions 5. Amendment to the Procedures for Acquisition or Disposal of Assets 6. Amendments to The Seventh Issuance of Domestic Unsecured Convertible Corporate Bonds 7. Amendments to the Internal Control System Operating Procedures, including additions, deletions, and revisions to incorporated documents. 8. Amendments to the Sustainable Development Practice Guidelines 9. Relocation and Lease upon Expiration of Surface Rights of China Airlines Building 10.Retirement and Severance Payment Recommendation for Former Senior Vice President 11.Salary and Compensation Recommendation for Newly Appointed Senior Vice President 12.Removal of Non-Competition Restrictions for the President 13.Domestic Cargo Operations Organizational Restructuring 14.Japan Cargo Operations Organizational Restructuring (Withdrawal of Original Discussion Item No. 9 "Overall Introduction and Disposal of Passenger and Cargo Fleet")	Approved by Unanimous Consent of All Independent Directors Present	None
The 7th Interim Meeting	2025/11/26	1. Establishment of Southeast Asia Regional Office 2. Overall Introduction and Disposal of Passenger and Cargo Fleet	Approved by Unanimous Consent of All Independent Directors Present	None
The 9th Meeting	2026/01/19	1. Employee 2025 Year-End Bonus and 2026 Incentive Payment 2. Employee 2026 Salary Adjustment 3. Chairman and Managers' 2025 Year-End Bonus and 2026 Incentive Payment 4. Chairman and President's Salary Increase for 2026 5. Convening the 2025 Annual General Shareholders' Meeting 6. Acquisition of Joint Venture Partner's Equity in China Pacific Catering Services Co., Ltd. 7. Financing and Derivative Product Transaction Limits from Financial Institutions 8. Proposed Mortgage Loan with China Export-Import Bank, Yuanta Commercial Bank, and Taiwan Bank using	Approved by Unanimous Consent of All Independent Directors Present	None

	Date	Agenda Items	Independent Directors' Opinions	Response to Independent Directors' Opinions
		Three A321neo Aircraft (B-18122, B-18123, B-18125) as Collateral		
The 10th Meeting	2026/10/11	1. Evaluation of Internal Control System Effectiveness and Statement for 2023 2. Employee Remuneration in 2025 3. Establishment of New Branch Units in Response to New Route Openings 4. Amendment to the Integrity Management Code and Integrity Management Operating Procedures and Behavioral Guidelines 5. Amendments to the Sustainable Development Practice Guidelines 6. Removal of Non-Compete Restrictions for 23rd Board Directors-Elect 7. 2025 Standalone and Consolidated Financial Report 8. 2025 Business Report 9. Appointment and Remuneration of Certified Public Accountants in 2026 10.Issuance of Domestic Unsecured Ordinary Corporate Bonds 11.Financing and Derivative Product Transaction Limits from Financial Institutions 12.Setting the Base Date for Issuing New Shares for the Domestic 7th Unsecured Convertible Corporate Bonds Converted to Stocks in Q4 2023	Approved by Unanimous Consent of All Independent Directors Present	None

2.2.12 Major Records or Written Statements Made by Any Director or Supervisor Dissenting with Important Resolutions Passed by the Board of Directors: None.

2.3 Information Regarding the Company's Audit Fee and Independence

2.3.1 Audit Fee

Accounting Firm	Name of CPA		Period Covered by CPA's Audit	Remarks
Deloitte & Touche	Lee, Kuan-Hao	Chien, I-Chi	2025/01/01-2025/12/31	None

Unit: NT$ thousands

Fee Range \ Fee Items		Audit Fee	Non-Audit Fee	Total Shares
1	Under NT$2,000			
2	NT$2,000 (inclusive)-NT$4,000			
3	NT$4,000 (inclusive)-NT$6,000			
4	NT$6,000 (inclusive)-NT$8,000	V		
5	NT$8,000 (inclusive)-NT$10,000		V	
6	Over NT$10,000 (inclusive)			V

2.3.2 Audit and Non-Audit Fees Paid to CPAs, the Certified Accounting Firm to Which Said CPAs Belong, and Any Affiliated Enterprises and Details Regarding Non-Audit Fees. See Below:

Unit: NT$ thousands

Accounting Firm	Name of CPA	Audit Fee	Non-Audit Fee					CPA Period Covered by CPA's Audit	Remarks
			System of Design	Company Registration	Human Resource	Other	Subtotal		
Deloitte & Touche	Lee, Kuan-Hao Chien, I-Chi	7,100	-	-	-	9,945	9,945	2025/01/01-2025/12/31	Others include audit fees for business tax using direct deduction method for concurrent business operators, tax reporting service fees, Japan Consumption Tax (JCT) refund case service fees, U.S. Airport Tax (PFC) audit service fees, payroll checklist audit service fees for non-managerial positions, convertible bond conversion capital audit fees, outsourced internal audit service fees, transfer pricing report service fees, IFRS S1/S2 implementation project service fees, group master file report service fees, country-by-country report service fees, and other assurance service fees.

2.3.3 Changed Audit Firms and the Audit Fee Paid Being Less Than the Audit Fees Paid in the Previous Year Prior to the Change: Not Applicable.

2.3.4 Those with Audit Fees Amounting to a Reduction of 15% or More Compared to the Previous Year: None.

2.4 The Company's Chairman, Presidents, or Accounting Officers Holding any Positions in the Company's Independent Auditing Firm or its Affiliates During recent year: None.

2.5 Recent Annual and as of the Printing Date of the Annual Report, the Changes in the Transfer and Pledge of Shares of Directors, Managers, and Shareholders Holding More Than 10% of the Shares

2.5.1 Changes in Shareholdings of Directors, Managers, and Major Shareholders

A. Changes in Shares Held: Please visit the Market Observation Post System / Individual Company / Shareholding Changes / Securities Issuance / Share Transfer / Data Query / Insider Shareholding Ex-post Declaration Form (https://mops.twse.com.tw/mops/#/web/query6_1) for inquiries.

B. Changes in Pledged Shares: Please visit the Market Observation Post System / Individual Company / Shareholding Changes / Securities Issuance / Insider Pledge and Release / Insider Pledge and Release Announcement (https://mopsov.twse.com.tw/mops/web/STAMAK03_1) for inquiry.

2.5.2 Share Trading with Related Parties: None.

2.5.3 Shares Pledged with Related Parties: None.

2.6 Relationships among the Top Ten Shareholders

2026/03/29

Name	Current Shareholding		Spouse's / Minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship with the Company's Top Ten Shareholders, Spouses, or Relatives within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Company Name (or Name)	Relationship	
China Aviation Development Foundation (Representative: Chen, Yen-Po)	1,867,341,935	30.52%	0	0%	0	0%	None	None	None
National Development Fund of The Executive Yuan (Representative: Wang, Ting-An)	519,750,519	8.50%	0	0%	0	0%	None	None	None
Taiwan Small and Medium Business Bank Co., Ltd. Acting as Custodian for UOBAM Taiwan Select Dividend High Yield 30 ETF Securities Investment Trust Fund Account	147,737,000	2.41%	Not applicable	Not applicable	0	0%	None	None	None
Hua Nan Commercial Bank Acting as Custodian for Yuanta Taiwan High-Value High-Yield ETF Securities Investment Trust Fund Account	99,641,000	1.63%	Not applicable	Not applicable	0	0%	None	None	None
New Labor Pension Fund	74,164,346	1.21%	Not applicable	Not applicable	0	0%	None	None	None
Bank of Taiwan Trustee Custody Account for Yuanta Taiwan High Dividend Low Volatility ETF Securities Investment Trust Fund	58,696,000	0.96%	Not applicable	Not applicable	0	0%	None	None	None
China Airlines Ltd. Employee Stock Ownership Trust Plan	54,732,050	0.89%	Not applicable	Not applicable	0	0%	None	None	None
Chang Hwa Commercial Bank Co., Ltd. Trustee Custody Account for Yuanta Taiwan High Dividend Quality Leaders Securities Investment Trust Fund	36,912,000	0.60%	Not applicable	Not applicable	0	0%	None	None	None
Wan Hai Lines Ltd.	25,003,862	0.41%	Not applicable	Not applicable	0	0%	None	None	None
JPMorgan Chase Bank, N.A. Custodian Account for Norges Bank Investment Management	23,913,821	0.39%	Not applicable	Not applicable	0	0%	None	None	None

2.7 Ownership of Shares in Affiliated Enterprises

December 31, 2024/Unit: shares; %

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors & Managers		Total Ownership	
	Shares	Percentage(%)	Shares	Percentage	Shares	Percentage(%)
1. CAL-Dynasty International, Inc.	2,614,500	100.00	-	-	2,614,500	100.00
1A Dynasty Properties Co., Ltd.	-	-	7,000	100.00	7,000	100.00
1B Dynasty Hotel of Hawaii, Inc.	-	-	400,000	100.00	400,000	100.00
2. CAL-Asia Investment Inc.	7,172,346	100.00	-	-	7,172,346	100.00
2A Eastern United International Logistics (Holdings) Ltd.	-	-	1,050,000	35.00	1,050,000	35.00
2B Airport Air Terminal (Xiamen) Co., Ltd.	-	-	- (Note 1)	28.00 (Note 2)	- (Note 1)	28.00 (Note 2)
2C Airport Air Cargo Service (Xiamen) Co., Ltd.	-	-	- (Note 1)	28.00 (Note 2)	- (Note 1)	28.00 (Note 2)
2D Taikoo (Xiamen) Landing Gear Services Co., Ltd.	-	-	- (Note 1)	2.59	- (Note 1)	2.59
2E Haeco Composite Structures (Jinjiang) Co., Ltd.	-	-	- (Note 1)	5.45	- (Note 1)	5.45
3. Dynasty Aerotech International Corp. (Note 3)	77,270	100.00	-	-	77,270	100.00
4. CAL Park Co., Ltd.	158,209,368	100.00	-	-	158,209,368	100.00
5. CAL Hotel Co. Ltd.	33,480,000	100.00	-	-	33,480,000	100.00
6. Taiwan Aircraft Maintenance and Engineering Co., Ltd.	56,000,000	100.00	-	-	56,000,000	100.00
7. Mandarin Airlines, Ltd.	387,831,234	96.96	-	-	387,831,234	96.96
8. Sabre Travel Network (Taiwan) Ltd.	13,021,042	93.93	-	-	13,021,042	93.93
9. Tigerair Taiwan Co., Ltd.	300,879,050	65.48	16,613,624	3.61	317,492,674	69.09
10. China Pacific Laundry Services Ltd.	13,750,000	55.00	-	-	13,750,000	55.00
11. Taiwan Air Cargo Terminal Ltd.	108,000,000	54.00	10,000,000	5.00	118,000,000	59.00
12. Kaohsiung Airport Catering Services Ltd.	21,494,637	53.67	-	-	21,494,637	53.67
13. China Pacific Catering Services Ltd.	72,471,000	51.00	-	-	72,471,000	51.00
14. Taoyuan International Airport Services Co., Ltd.	34,300,000	49.00	-	-	34,300,000	49.00
15. Taiwan Airport Service Co., Ltd.	20,626,644	47.35	469,755	1.08	21,096,399	48.43
15A Taiwan Airport Service (Samoa) Co., Ltd.	-	-	5,876,976	100.00	5,876,976	100.00
16. China Aircraft Services Ltd.	28,400,000	4.00	-	-	28,400,000	4.00
17. Everest Investment Holdings Ltd.	(Note 3)	13.59	-	-	(Note 3)	13.59
18. Chung-Hwa Express Co., Ltd.	1,100,000	11.00	-	-	1,100,000	11.00

Note 1: This company has not issued any shares.

Note 2: China Airlines (Asia) Co., Ltd. directly holds 14% stake, Taiwan Airport Service (Samoa) Co., Ltd. directly holds 14% stake.

Note 3: Includes 16,724 shares of common stock and 1,672 shares of preferred stock.

Capital Overview

III. Capital Overview

3.1 Capital and Shares

3.1.1 Source of Capital

A. History of Share Capital Formation

March 29, 2026/Unit: NT$ thousands

Month/ Year	Issue price (Denomination)	Authorized Capital		Paid-in Capital		Remarks	
		Shares	Amount	Shares	Amount	Source of Capital	Approval Date and Document No. by Ministry of Economic Affairs
2012/02	NT$10 per share	NT$5.2 billion	NT$52 billion	NT$5.2 billion	NT$52 billion	Cash increase NT$5,683,776,490	Jing Shou Shang No. 10101028630, February 20, 2022
2015/05	NT$10 per share	NT$6 billion	NT$60 billion	NT$5.24 billion	NT$52.4 billion	Corporate debt for equity swap NT$491,665,650	Jing Shou Shang No. 10401079310, May 8, 2019
2015/05	NT$10 per share	NT$6 billion	NT$60 billion	NT$5.37 billion	NT$53.7 billion	Corporate debt for equity swap NT$1,208,413,350	Jing Shou Shang No. 10401096840, May 8, 2019
2015/09	NT$10 per share	NT$6 billion	NT$60 billion	NT$5.47 billion	NT$54.7 billion	Corporate debt for equity swap NT$1,000,652,560	Jing Shou Shang No. 10401186200, September 17, 2015
2015/12	NT$10 per share	NT$6 billion	NT$60 billion	NT$5.47 billion	NT$54.7 billion	Corporate debt for equity swap NT$8,169,930	Jing Shou Shang No. 10401250360, December 8, 2021
2017/12	NT$10 per share	NT$6 billion	NT$60 billion	NT$5.47 billion	NT$54.7 billion	Conversion of bonds into shares amounting to NT$945,010	Jing Shou Shang No. 10601158980, December 13, 2023
2018/12	NT$10 per share	NT$6 billion	NT$60 billion	NT$5.42 billion	NT$53.2 billion	Treasury Stock Retired NT$500,000,000	Jing Shou Shang No. 10701157330, December 18, 2018
05/2019	NT$10 per share	NT$7 billion	NT$70 billion	NT$5.42 billion	NT$53.2 billion	Adjustment of authorized capital in accordance with the Articles of Incorporation	Jing Shou Shang No. 10801043180, May 8, 2019
2021/06	NT$10 per share	NT$7 billion	NT$70 billion	NT$5.42 billion	NT$53.2 billion	Conversion of bonds into shares amounting to NT$79,360	Jing Shou Shang No. 11001092210, June 25, 2021
2021/09	NT$10 per share	NT$7 billion	NT$70 billion	NT$5.67 billion	NT$56.7 billion	Conversion of bonds into shares amounting to NT$2,503,251,740	Jing Shou Shang No. 11001152850, September 24, 2021
2021/12	NT$10 per share	NT$7 billion	NT$70 billion	5.74 billion	57.4 billion	Conversion of bonds into shares amounting to NT$691,666,080	Jing Shou Shang No. 11001214770, December 8, 2021
04/2022	NT$10 per share	NT$7 billion	NT$70 billion	5.94 billion	59.4 billion	Conversion of bonds into shares amounting to NT$2,007,399,230	Jing Shou Shang No. 11101065080, April 27, 2022
06/2022	NT$10 per share	NT$7 billion	NT$70 billion	5.99 billion	59.9 billion	Conversion of bonds into shares amounting to NT$523,184,410	Jing Shou Shang No. 11101087540, June 20, 2022
09/2022	NT$10 per share	NT$7 billion	NT$70 billion	6.01 billion	60.1 billion	Conversion of bonds into shares amounting to NT$199,947,120	Jing Shou Shang No. 11101165750, September 21, 2022
09/2023	NT$10 per share	NT$7 billion	NT$70 billion	NT$6.02 billion	NT$60.2 billion	Conversion of bonds into shares amounting to NT$101,311,340	Jing Shou Shang No. 11230162560, September 7, 2023
12/2023	NT$10 per share	NT$7 billion	NT$70 billion	NT$6.05 billion	NT$60.5 billion	Conversion of bonds into shares amounting to NT$274,443,890	Jing Shou Shang No. 11230221250, December 13, 2023
05/2024	NT$10 per share	NT$7 billion	NT$70 billion	NT$6.05 billion	NT$60.5 billion	Conversion of bonds into shares amounting to NT$2,277,770	Jing Shou Shang No. 11330070900, May 8, 2024
06/2024	NT$10 per share	NT$7 billion	NT$70 billion	NT$6.05 billion	NT$60.5 billion	Conversion of bonds into shares amounting to NT$1,999,980	Jing Shou Shang No. 11330086170, June 4, 2024

Month/ Year	Issue price (Denomination)	Authorized Capital		Paid-in Capital		Remarks	
		Shares	Amount	Shares	Amount	Source of Capital	Approval Date and Document No. by Ministry of Economic Affairs
09/2024	NT$10 per share	NT$7 billion	NT$70 billion	NT$6.05 billion	NT$60.5 billion	Conversion of bonds into shares amounting to NT$2,000,000	Jing Shou Shang No. 11330157440, September 23, 2024
11/2024	NT$10 per share	NT$7 billion	NT$70 billion	NT$6.05 billion	NT$60.5 billion	Conversion of bonds into shares amounting to NT$971,420	Jing Shou Shang No. 11330204110, November 29, 2024
05/2025	NT$10 per share	NT$7 billion	NT$70 billion	NT$6.05 billion	NT$60.5 billion	Conversion of bonds into shares amounting to NT$250,971,080	Jing Shou Shang No. 11430064120, September 23, 2024
06/2025	NT$10 per share	NT$7 billion	NT$70 billion	NT$6.08 billion	NT$6.08 billion	Conversion of bonds into shares amounting to NT$69,885,670	Jing Shou Shang No. 11430072400, June 23, 2025
2026/03	NT$10 per share	NT$7 billion	NT$70 billion	NT$6.08 billion	NT$6.08 billion	Conversion of bonds into shares amounting to NT$14,497,040	Change of Registration with Ministry of Economic Affairs Not Yet Obtained

Note: The Company didn't use properties other than cash to return share prices nor did it issue any special shares.

B. Type of Stock

March 29, 2026; Unit: shares

Type of Stock	Authorized Capital			Remarks
	Issued Shares	Un-Issued Shares	Total Shares	
Common Stock Inscribed	6,083,923 thousand	916,077 thousand	7,000,000 thousand	Listed Stocks

3.1.2 List of Major Shareholders

March 29, 2026; Unit: shares

Shareholding / Shareholder's Name	Shares	Percentage
China Aviation Development Foundation	1,867,341,935	30.52%
National Development Fund of The Executive Yuan	519,750,519	8.50%
Taiwan Small and Medium Business Bank Co., Ltd. Acting as Custodian for UOBAM Taiwan Select Dividend High Yield 30 ETF Securities Investment Trust Fund Account	147,737,000	2.41%
Hua Nan Commercial Bank Acting as Custodian for Yuanta Taiwan High-Value High-Yield ETF Securities Investment Trust Fund Account	99,641,000	1.63%
New Labor Pension Fund	74,164,346	1.21%
Bank of Taiwan Trustee Custody Account for Yuanta Taiwan High Dividend Low Volatility ETF Securities Investment Trust Fund	58,696,000	0.96%
China Airlines Ltd. Employee Stock Ownership Trust Plan	54,732,050	0.89%
Chang Hwa Commercial Bank Co., Ltd. Trustee Custody Account for Yuanta Taiwan High Dividend Quality Leaders Securities Investment Trust Fund	36,912,000	0.60%
Wan Hai Lines Ltd.	25,003,862	0.41%
JPMorgan Chase Bank, N.A. Custodian Account for Norges Bank Investment Management	23,913,821	0.39%

3.1.3 Dividend Policy and Implementation Status

A. Dividend Policy

The CAL Articles of Incorporation outlines the following dividend policy:

If the Company makes a profit over the year, an amount of no less than 3% of the profit must be distributed as employee compensation. If the Company has accumulated losses, funds must be retained to offset the deficit.

The aforementioned employee compensation is primarily dispersed as stock or cash and the resolution must be approved at a meeting of the Board of Directors with two-thirds of directors in attendance which must receive support from half of participating members.

Should the Company make a profit over the year, said profit must first be used to pay all taxes and offset accumulated losses. Then, 10% of the remaining amount is to be set aside as a legal reserve. After setting aside or reversing a special reserve, any remaining amount along with accumulated undistributed earnings shall be distributed as shareholder dividends and bonuses according to the consensus drawn up by the Board. Dividends and bonuses are distributed as stock or cash with cash dividends making up no less than 30% of the total distributable dividends.

B. Proposed Distribution of Dividend

The Company's surplus distribution proposal is still pending approval by the Board of Directors' meeting, and will be submitted to the 2026 Annual Shareholders' Meeting for recognition.

C. No Significant Change in Expected Future Dividend Policy.

3.1.4 Impact of Stock Dividends Issuance on Company's Business Performance and Earnings per Share: Not Applicable.

3.1.5 Employees' Compensation and Directors' Remuneration

A. Articles of Incorporation Regulations: See 3.1.3 Dividend Policy and implementation status.

B. The basis for estimating the amount of employee compensation and director bonuses, the basis for calculating the number of shares to be distributed as stock bonuses, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure

As stipulated in the Company's Articles of Incorporation, it will not pay remuneration to the directors. If there is a significant change in the estimated amount of compensation to employees as resolved by the board of directors prior to the date of approval of the annual financial reports, the change is adjusted to the annual expense. If there is still a change in the amount after the date of approval of the annual financial reports, the change is treated as a change in accounting estimate and recorded in the following year.

C. Board Approval of Employee Compensation and Director Bonus Proposal

(1) Employees' Compensation and Directors' Remuneration In terms of the distribution on the amount of employee bonuses (including stock and cash) and director bonuses distributed, if the actual amount distributed differs from the original estimated amount, the difference, reason, and how this was handled is to be disclosed:

In the resolution of the Board of Directors' Meeting on March 8, 2024, the Company resolved to pay employees' compensation in cash in the amount of NT$710 million for the year 2024. As stipulated in the Company's Articles of Incorporation, it will not pay remuneration to the directors. If there is any difference between the above estimated amount and the actual amount to be paid, the difference is treated as a change in accounting estimate and adjusted in the next year.

(2) The amount of any proposed distribution of employee stock bonuses and the size of such an amount as a percentage of the sum of the net income for the current period and total employee bonuses: Not Applicable.

D. The Actual Employee Compensation and Director Bonuses Distributed for 2022 (including the number of shares distributed, value, and stock price). Should there be a discrepancy with the proposed amount of employee compensation and director bonuses, the difference, reason, and how this was handled shall be stated.

(1) Employee compensation: There is no difference between the proposed distribution of employee remuneration approved by the board and the actual distribution amount.

(2) Director bonuses: Not Applicable.

3.1.6 Buyback of Treasury Stock: None.

3.2 Capital and Shares

3.2.1 Corporate Bonds

2026/03/29

Corporate Bond Type	Domestic Unsecured Ordinary Corporate Bonds (2019 First)	Domestic Unsecured Ordinary Corporate Bonds (2023 First)	2018 Domestic Unsecured Ordinary Corporate Bonds	The Seventh Issuance of Domestic Unsecured Convertible Corporate Bonds
Issue date	2019/06/21	2023/05/22	2025/08/28	2021/04/28
Denomination	NT$1,000,000 per unit	NT$1,000,000 per unit	NT$1,000,000 per unit	NT$100,000 per unit
Issuing and transaction location	Republic of China	Republic of China	Republic of China	Republic of China
Issue price	Par	Par	Par	Issued at 100% of par value
Total price	NT$3,500,000,000	NT$2,650,000,000	NT$3,100,000,000	NT$4,500,000,000
Coupon rate	Tranche A: 1.10% per annum Tranche B: 1.32% per annum	1.90% per annum	2.18% per annum	0.00% per annum
Tenor	Tranche A: 5 years (June 21, 2019 to June 21, 2024) Tranche B: 7 years (June 21, 2019 to June 21, 2026)	5 years (May 22, 2023 to May 22, 2028)	5 years (April 28, 2025 to August 28, 2030)	5 years (April 28, 2021 to April 28, 2026)
Guarantee agency	Not applicable	Not applicable	Not applicable	Not applicable
Consignee	Taishin International Bank	BANK SINOPAC COMPANY LIMITED	ChinaTrust Commercial Bank	ChinaTrust Commercial Bank Trust Department
Underwriting institution	Fubon Integrated Securities Ltd.	CTBC Securities Co. Ltd.	Capital Group Securities Ltd.	Taishin Integrated Securities Ltd.
Certified lawyer	Ture Honesty International Law Office Kuo, Hui-Chi, Attorney at Law	Ture Honesty International Law Office Kuo, Hui-Chi, Attorney at Law	Ture Honesty International Law Office Attorney Tsai, Tsung-Chao	Handsome Attorney-at-Law Chiu, Ya-Wen, Attorney at Law
CPA	Deloitte & Touche CPA Huang Ruizhan	Deloitte & Touche Lee, Kuan-Hao	Deloitte & Touche Chien, I-Chi	Not applicable
Repayment method	Tranche A: Repayment of 50% of the principal at the end of the fourth year and the remaining 50% at the end of the fifth year; Tranche B: Repayment of 50% of the principal at the end of the sixth year and the remaining 50% at the end of the seventh year	Repayment of 50% of the principal at the end of the fourth year and the remaining 50% at the end of the fifth year	Repayment of 50% of the principal at the end of the fourth year and the remaining 50% at the end of the fifth year	According to the offering of Domestic Unsecured 7th convertible bond section 6
Outstanding principal	NT$6,250,000,000	NT$2,650,000,000	NT$3,100,000,000	NT$460,000,000
Terms of redemption or advance repayment	None	None	None	According to the offering of Domestic Unsecured 7th convertible bond section 18 and 19
Restrictive clause	None	None	None	None
Name of the credit rating agency, rating date, and rating of corporate bonds	None	None	None	None

Corporate Bond Type		Domestic Unsecured Ordinary Corporate Bonds (2019 First)	Domestic Unsecured Ordinary Corporate Bonds (2023 First)	2018 Domestic Unsecured Ordinary Corporate Bonds	The Seventh Issuance of Domestic Unsecured Convertible Corporate Bonds
Other rights attached	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs, or other securities	Not applicable	Not applicable	Not applicable	NT$4,040,000,000 converted
	Issuance and conversion (exchange or subscription) method				According to the offering of Domestic Unsecured 7th convertible bond section 8 and 9
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity		Not applicable	Not applicable	Not applicable	(Note)
Transfer agent		None	None	None	None

Note: As of March 30, 2025, if the remaining domestic unsecured 7th convertible bonds are fully converted, the maximum dilution ratio will be 0.44%, but there is no significant change in the shareholding structure and the impact on shareholders' equity is not significant.

3.2.2 Corporate Bonds Undergoing Private Placement: None.

3.2.3 Convertible Bonds

Unit: NT$

Corporate Bond Type		The Seventh Issuance of Domestic Unsecured Convertible Corporate Bonds	
Item \ Year		2025	The current year until March 30, 2025
Convertible Bond Market Price	Highest	152.00	140.00
	Lowest	112.00	106.30
	Average	133.48	116.40
Conversion Price		16.90	16.90
Issuance date and conversion price at the time of issue		Listed on the OTC market on April 28, 2021, with an initial conversion price of NT$19. In accordance with the regulations of the 7th Unsecured Convertible Corporate Bond Issuance and Conversion Rules, due to cash dividend distribution in 2021, the conversion price was adjusted to NT$18.3 on July 12, 2022; due to cash dividend distribution in 2022, the conversion price was adjusted to NT$18 on July 16, 2023; due to cash dividend distribution in 2023, the conversion price was adjusted to NT$17.5 on July 24, 2024; and the conversion price was further adjusted to NT$16.9 on July 22, 2025.	
Conversion method		Issue new shares.	

Note: Since the publication date falls on a public holiday, the information up to March 27 will be used as the standard.

3.2.4 Exchangeable Bond, Shelf Registration, Shelf Registration: None.

3.3 Other Securities-Related Issues

3.3.1 Preferred Shares: None.

3.3.1 Global Depository Receipts: None.

3.3.1 Employee Stock Options: None.

3.3.1 Employee Restricted Stock: None.

3.3.1 Status of New Shares Issuance in Connection with Mergers and Acquisitions: None.

3.4 Financing Plans and Implementation

As of March 30, 2026, the use of funds earned through previously issued securities is progressing as planned and is in accordance with expected results.

Fundraising Plan Execution Zone: Please visit the Market Observation Post System > Single Company > Equity Changes/Securities Issuance > Fundraising Plan Execution (https://mopsov.twse.com.tw/mops/web/bfhtm_q2) for inquiries.

Operational Highlights

4.1 Business Activities

4.2 Market and Sales Overview

4.3 Human Resources

4.4 Environmental Protection Expenditure

4.5 Labor Relations

4.6 Information and Communication Security Management

4.7 Major Contracts

IV Operational Highlights

4.1 Business Activities

4.1.1 Business Scope

A. Main Areas of Business Operations

(1) Civil Aviation Transport Industry.

(2) General Aviation Industry.

(3) Ground handling services for international airports and transit aircraft in civil aviation.

(4) Air cargo terminal entrepot

(5) Aircraft and parts maintenance and manufacturing

(6) Inflight catering services

(7) Laundry, dyeing, printing and finishing, and wholesale and retail of dyeing mills and dyestuff cleaning supplies

(8) Warehouse and storage

(9) Others

B. Revenue Distribution

Proportion of Overall Business / Item	2025	
	Net Revenue	Proportion of Revenue
Passenger Revenue	124,908,428	60%
Cargo Revenue	66,830,701	32%
Other	17,399,637	8%
Total Shares	209,138,766	100%

C. Main Services

(1) Passenger services: Air passenger transport and regularly scheduled and non-scheduled contract international charter flight services.

(2) Cargo services: Transport services for cargo, courier, mail, and packages.

(3) Ground services: Handling of luggage and cargo, aircraft cleaning, and on the ground support equipment.

(4) In-flight sales: Provisioning of in-flight duty-free sales services.

(5) Airline catering: Provisioning of meal services to airlines.

(6) Warehousing and logistics services: Provisioning of airfreight forwarding and logistics services.

(7) Aircraft maintenance services: Airframe, engine, and aircraft component maintenance.

(8) Tourism and leisure services: General hotel industry and travel services.

(9) Investment holding and leasing services: Engagement in real estate investment, building management, and leasing.

(10) Civil aviation personnel training: Organizing maintenance training courses and developing professional maintenance personnel.

(11) Other: In addition to permitted businesses, the Company may engage in businesses that are not prohibited or restricted by law.

D. Product Development

(1) 787-9 new aircraft cabin planning

China Airlines continues to improve cabin service quality. With the delivery of the first 787 new wide-body aircraft scheduled for the first half of 2026, the latest cabin seats, next-generation high-definition personal in-flight entertainment systems, and in-flight internet will be adopted. The cabin equipment will also be customized to the highest specifications in line with the latest industry trends.

(2) A350-900 Cabin Equipment Improvement and Upgrade

In order to continuously provide passengers with a high-quality travel experience and enhance the competitiveness of cabin products, China Airlines initiated the A350-900 cabin equipment upgrade plan in 2024. The cabin equipment improvement and upgrade is scheduled to commence from 2027 onwards, featuring the latest cabin seat equipment, next-generation high-definition personal in-flight entertainment systems, and high-specification customized cabin equipment in line with the latest industry trends.

(3) Developing online important service functions for members, enhancing the digital service experience for members

a. Beginning December 2024, the CI App can display digital privilege cards. Members can present either physical or digital privilege cards at the airport according to their personal preferences to enjoy related benefits and privileges.

b. As of late December 2024, members can now check award ticket availability directly through the member section of the China Airlines website, in addition to using the AI customer service.

c. Starting January 2025, passengers who experience involuntary downgrade due to aircraft changes will receive Cabin Adjustment Compensation issued through the CM system at the airport, replacing the current physical Upgrade Vouchers. Based on the downgraded segment and cabin class, mileage compensation will be credited with a validity period of 36 months from the date of accrual. Members can redeem these miles according to their needs for award tickets, cabin upgrades, duty-free items, ticket discounts, airport services, and various other offerings, providing increased flexibility of use.

d. In Q4 2025, China Airlines will offer a diverse one-stop mileage redemption service where members can use miles or combine miles with cash to redeem electronic vouchers for merchandise.

e. Beginning November 2025, members will be able to select award tickets directly from the China Airlines homepage, accessing the dedicated award ticket redemption page for a more intuitive and simplified experience.

(4) Increasing Website Exposure and Sales Proportion

To enhance China Airlines' official website visibility and attract more online users to purchase tickets directly through the website, we are strengthening search engine rankings through integrated online marketing tools. By offering real-time promotional fares and travel information from destinations worldwide, we aim to stimulate purchase intent among potential consumers.

(5) Enhancing Online Transaction Security

To protect both the Company's and consumers' interests, we have implemented an online transaction risk monitoring system. Through an AI big data database with automatic screening and evaluation mechanisms, we proactively block high-risk suspicious transactions to prevent fraud cases that could cause losses to consumers or the Company.

4.1.2 Industry Overview

A. State of the Industry and Future Development

Looking ahead to 2026, major international institutions such as the IMF (International Monetary Fund) forecast global economic growth to range between approximately 2.4% and 3.1%. Overall growth is trending toward moderate but remains resilient, with the Asia-Pacific region (including Taiwan) performing relatively better than the global average. Nevertheless, global trade growth below 1%, uncertainty in tariff policies, and geopolitical risks remain key variables. In terms of the aviation industry, IATA estimates that global passenger traffic will grow by 4.9% and cargo volume by 2.6% in 2026, with the passenger load factor remaining at a historically high level of 83.8%. Aviation revenue is expected to continue setting new records, with an overall net profit margin of approximately 3.9%. However, continuously rising costs in labor, maintenance, and supply chains continue to exert pressure on profitability. The development of AI, semiconductors, and high-tech industries is driving related trade demand, providing medium- to long-term support for air cargo. In a highly uncertain operating environment, China Airlines will continue to strengthen operational resilience and cost control, flexibly adjust passenger and cargo capacity allocation, and integrate corporate governance with sustainability strategies to steadily advance various operational plans, thereby maintaining long-term competitiveness and operational stability.

B. Relationship Between Upstream, Midstream, and Downstream Firms

(1) Upstream industries

Primarily for the manufacturing of aircraft, aircraft engine, and handling on the ground equipment, such as towing vehicles, loading vehicles, and equipment needed on the apron. Currently, in addition to purchasing aircraft, Taiwanese airlines also utilize leasing to add to their fleets, therefore, the aircraft leasing industry is also an upstream industry for air transport providers.

(2) Midstream industries

Primarily for airlines themselves and related supporting industries, such as the oil industry that provides aviation fuel, the aircraft maintenance industry that repairs and maintains airlines' aircraft and components, and the airline catering industry that provides in-flight meals. In response to the changing needs of downstream industries, the air transport industry's strategic adjustments in their operating scale, fleets, or flight networks will also affect the development of upstream industries.

(3) Downstream industries

In passenger transport, the air transport industry primarily serves the public and travel agencies while cargo transport services are provided to the courier and freight forwarding industries. As a member of the air transport industry, the needs of downstream customers are at the core of the CAL's product and services planning. The mission is to provide safe, convenient, and thorough services.

C. Product Development Trends

(1) Aviation alliance cooperation

With the liberalization of the air-transport market, airports have become increasingly congested. With limited resources, airlines provide passenger transportation services in the form of alliance teams, adopting practices such as code-sharing, extended route-agency systems, and combined mileage accumulation for frequent flyer programs. Aviation alliance collaborations also include operating in the same terminal at major airports, sharing maintenance facilities and operating equipment, mutual support of personnel, and collaboration in ground handling and inflight catering to reduce costs. Benefiting from alliance collaboration, passengers are able to purchase flight tickets at a lower price, and earn miles as long as they fly with alliance airlines. Flight schedules provided by the alliance are more flexible with fewer transits, making it more convenient for passengers to reach their destination. China Airlines is currently one of the 1 member airlines of SkyTeam. Through extensive global network collaboration, CAL provides transportation services in 166 countries and to 945 destinations.

(2) Taoyuan International Airport expansion to become the transit hub in East Asia

Taiwan's strategic location as a key hub in the Asia-Pacific region is conducive to developing passenger and cargo transit operations. Taoyuan Airport is planning to construct a third terminal, a third runway, a new aircraft maintenance area, and a new cargo park. China Airlines is also cooperating with government policies to gradually expand its fleet and route network, enhance product competitiveness, attract transit passengers and transshipment cargo opportunities, and build an East Asian transit hub.

(3) Grasping logistics trends and expanding cargo network

China Airlines continues to promote the renewal of its freighter fleet. Following the introduction of its 10th B777F freighter in May 2025, the current freighter fleet stands at 18 aircraft (10 B777Fs and 8 B744Fs), with a network covering 33 destinations across 15 countries in Asia, Europe, and the Americas, operating an average of approximately 106 flights per week. Going forward, the Company will continue to leverage Taiwan's advantages as a transit hub, capture mainstream cargo sources such as AI, semiconductors, and high-tech goods, expand the cargo route network, promote environmental sustainability and digital transformation, strengthen cargo transport capabilities and service quality, and respond to international market competition with more flexible capacity and product strategies. Through clear objectives and innovative business models, the Company will consolidate its competitive position in the global air cargo market.

D. Product Competitiveness

Competition in the Taiwan aviation market continued to intensify in 2025. In terms of passenger traffic, the China Airlines Group (China Airlines / Mandarin Airlines / Tigerair Taiwan) saw its market share decline by 1.38 percentage points to 25.76%, while the EVA Air Group (EVA Air / UNI Air) declined by 1.67 percentage points to 23.49%. In contrast, Starlux Airlines increased its market share by 0.91 percentage points to 8.54%, and foreign carriers' market share rose by 2.14 percentage points to 42.21%. In terms of cargo, the China Airlines Group and the EVA Air Group maintained their market-leading positions, though their market shares declined by 1.24 and 0.90 percentage points, respectively. Starlux Airlines increased its share by 0.98 percentage points to 2.88%, while foreign carriers' market share rose by 1.15 percentage points to 32.09%.

Taiwan Region International and Cross-Strait Route Market Share by Airline

Unit: Persons %, Metric Tons %

		China Airlines	Mandarin Airlines	Tigerair Taiwan	EVA Air	UNI Air	STARLUX Airlines	Foreign Carriers
2025	Passenger Transport (%)	19.87	0.57	5.32	23.16	0.33	8.54	42.21
	Cargo Transport (%)	34.86	0.22	0.02	29.67	0.25	2.88	32.09
2024	Passenger Transport (%)	21.17	0.59	5.38	24.9	0.26	7.63	40.07
	Cargo Transport (%)	36.03	0.28	0.03	30.61	0.21	1.9	30.94

Source: Civil Aviation Administration Statistical Monthly Report, December 2024 and December 2023

4.1.3 Research and Development (R&D)

A. Costs of R&D Investment and Successfully Developed Technologies or Products

In 2025, our company invested approximately NT$206,800,000 in research and development expenses. The summary of major technology or product development is presented in the table below:

(1) Innovation Application Projects:

Project	R&D Project Description
AI Operations Mobilization Platform Implementation	1. AI Operations Mobilization Platform Implementation To enhance the efficiency of flight operations and ground handling, the Company has introduced AI technology to build a mobile platform that assists on-site personnel in instantly accessing operation manuals, regulations, and related documents, reducing the risk of human error and operational mistakes, while improving service quality and passenger satisfaction. 2. Ground Services Assistant (Generative AI Application) Leveraging generative AI technology, the "Ground Services Assistant" has been developed to provide intelligent support services for internal systems. By integrating existing knowledge resources and historical Q&A content, it delivers real-time responses to common and repetitive inquiries, effectively reducing the burden of manual processing, improving response efficiency and consistency, and strengthening system operational support capabilities. Completed implementation and launched in August 2025.
Introduction of Next-Generation Artificial Intelligence (AI) Security Monitoring Center	Plans are underway to establish a cybersecurity monitoring mechanism with AI analytical capabilities, providing round-the-clock real-time monitoring and threat alerts for the Company's network environment, critical systems, and servers. Through the centralized analysis of cybersecurity incidents and anomalous behavior, the Company can effectively enhance real-time reporting of cybersecurity incidents and overall protection capabilities, thereby strengthening cybersecurity governance. Completed implementation and launched in October 2025.
AI Voice Intelligent Customer Service Robot Upgrade Project Phase Two Implementation	The Company continues to advance customer service digitalization by upgrading the AI voice intelligent customer service system to enhance natural language understanding and voice interaction capabilities. It also integrates the official website, frequently asked questions, and the customer service knowledge base platform to improve passenger query efficiency, shorten waiting times, and reduce the workload on human customer service agents. Completed implementation and launched in December 2025.
Feasibility Study on AI Smart Query for Cargo BI Analysis Data	Integrating the company's existing freight operation and analytics data, evaluating the introduction of an AI-powered intelligent query mechanism to enable internal users to query capacity, volume, and operational metrics using natural language, thereby enhancing decision-making efficiency and data utilization value. Completed implementation and launched in December 2025.

(2) Major Projects:

Project	R&D Project Description
Unit Load Device (ULD) and Galley Cart Maintenance Record Digitization System	Establishing an electronic management platform for Unit Load Device (ULD) and meal cart maintenance records, integrating asset data, maintenance records, and cost information, with the ability to automatically generate maintenance statistics and management reports based on departmental needs. Through systematic management, effectively improving the transparency and management efficiency of maintenance operations, serving as a basis for evaluating asset service life and replacement decisions. Completed implementation and launched in February 2025.
Taoyuan Operations Personnel Scheduling System Upgrade	Upgrading the operations staff scheduling system by introducing mobile operations and flexible shift adjustment mechanisms to enhance scheduling efficiency and convenience, while strengthening regulatory compliance checks and workforce management controls to reduce the risk of violating labor regulations. Completed implementation and launched in May 2025.
New Generation Multimedia Customer Service System Cloud Upgrade	In response to the end-of-life of the existing customer service system, replacing and cloud-upgrading the next-generation multimedia customer service system to improve system stability, compatibility, and operational flexibility, while ensuring the continuity and quality of customer service. Completed implementation and launched in June 2025.
In-Flight Sales System POS Optimization (Point of Sale, POS)	In conjunction with the upgrade of the in-flight wireless network environment, replacing in-flight sales system equipment and optimizing performance to enhance transaction stability and service efficiency, supporting the smooth execution of in-flight sales operations. Completed implementation and launched in June 2025.
Email System Replacement (Notes to Exchange)	Replacing the existing email system and integrating a next-generation office collaboration platform to support enterprise AI applications and intelligent office needs, while enhancing data availability, information security, and cross-departmental collaboration efficiency. Completed implementation and launched in July 2025.
New Membership System Implementation (New FFP)	Re-examining the membership program and benefit rules, and building a next-generation membership system to support the future development of revenue-based and points-based membership programs, while enhancing membership management flexibility and system scalability. Completed implementation and launched in November 2025.
Data Loss Prevention (DLP) System Implementation	Establishing an endpoint data loss prevention mechanism that reduces the risk of sensitive data leakage through data identification, behavioral monitoring, and real-time blocking measures, while strengthening personal data protection and cybersecurity governance. Completed implementation and launched in December 2025.
New Cargo System Phase Two Implementation	Continuously promoting freight system upgrades by introducing multiple functional modules and integrating operational data to enhance freight operations management efficiency and data analytics capabilities. This project completed its primary implementation in December 2025, and the related analytics and reporting functions will continue to be expanded in subsequent years.
Aircraft Scheduling System Version Upgrade Implementation (Airvision)	Conducting an annual version upgrade of the aircraft scheduling system to strengthen system performance and operational support capabilities, ensuring the stable operation of aircraft scheduling. Completed implementation and launched in January 2026.
New Generation Online Check-in Service Implementation Project	Building a next-generation web check-in service platform, optimizing the passenger online check-in process and improving system management efficiency to support future digital service development needs. Completed implementation and launched in February 2026.

B. Future R&D Projects

To meet future developmental needs, China Airlines will continue to invest in R&D. A total of NT$438,970,000 million into R&D is being planned for investment in 2026. The following table summarizes the future projects:

(1) Innovation Application Projects:

Project	Future R&D Project Description	Estimated Completion Date
Large Language Model (LLM) Platform On-Premise Deployment	The company plans to build an internally controllable Large Language Model platform to serve as the core foundation for various future AI applications and intelligent assistants. By introducing an AI platform with security and privacy control capabilities, the company can enhance internal system queries, knowledge application, and overall digital service experience while ensuring that sensitive data does not leak externally, thereby strengthening the company's long-term development foundation in digital and AI applications.	June 2026 (Completed)
Freight Operations System Business Intelligence Application	Planning to integrate freight operations-related data and build business intelligence analysis applications to enhance operational data integration and analytics capabilities, supporting management decision-making, operational analysis, and performance evaluation, while strengthening the data utilization value of the freight business.	June 2026 (Project completion: 55% as of the annual report publication date)

(2) Virtual Employee Projects:

Project	Future R&D Project Description	Estimated Completion Date
Customer Service Assistant	Planning to upgrade knowledge management and customer service support mechanisms using AI technology to improve knowledge query efficiency and customer service response quality, helping to reduce manual processing workload and enhance overall service performance and consistency.	June 2026 (Project completion: 54% as of the annual report publication date)
Natural Language Check-in System Development	Planning to introduce natural language and speech recognition technology to support passengers in making check-in related queries and operations via voice, thereby improving passenger service convenience and the digital service experience.	June 2026 (Project completion: 12% as of the annual report publication date)
Global Real-Time Online Voice Customer Service	Planning and establishing a global real-time voice customer service mechanism, providing passengers with instant voice inquiries about flights and related information through the website, in order to shorten waiting times, enhance customer satisfaction, and optimize customer service staffing utilization.	June 2026 (Project completion: 0% as of the annual report publication date)

(3) Major Projects:

Project	Future R&D Project Description	Estimated Completion Date
China Airlines Official Website UI/UX Redesign	Planning a comprehensive optimization of the official website's user interface and experience, enhancing information readability and operational convenience, introducing consistent brand visual design, and complying with international accessibility standards, in order to strengthen passengers' digital service experience and improve brand image and service quality.	June 2026 (Project completion: 98% as of the annual report publication date)
EIP Upgrade and Redesign	Planning an upgrade of the Enterprise Information Portal to meet cybersecurity and personal data protection regulatory requirements, strengthen document management, knowledge query, and mobile application capabilities, improve system integration performance, reduce operational and maintenance burdens, and support internal information flow and operational efficiency.	June 2026 (Project completion: 83% as of the annual report publication date)
Flight Plan Digitization	Promoting the digitization of flight plan operations to replace traditional paper-based processes, enabling flight crew members to access flight mission-related information in real time via mobile devices, improving document management efficiency and operational timeliness, and supporting the digital development of flight operations.	June 2026 (Project completion: 65% as of the annual report publication date)
Cargo ULD Tracking and Inventory Enhancement	Planning to strengthen the cargo unit load device (ULD) tracking and inventory management mechanism, improve asset location visibility and dispatch efficiency, reduce the risk of loss, and support inventory management and operational decision-making through real-time data analysis, thereby enhancing asset utilization effectiveness.	November 2026 (Project completion: 20% as of the annual report publication date)
Taoyuan Ground Operations Integrated Platform Construction	Planning to build a flight-centric ground operations integrated platform that consolidates existing operational systems and enhances information timeliness, helping supervisors monitor passenger volume and staffing allocation in real time, improving cross-unit coordination efficiency and overall operational management effectiveness.	November 2026 (Project completion: 15% as of the annual report publication date)
Taoyuan Airport Third Terminal Information and Communications Cable and Trunk Cable Installation Between Second and Third Terminals	In alignment with the opening schedule of Taoyuan Airport Terminal 3, planning to complete the relevant ICT backbone infrastructure and office space communication installations, ensuring stable operation of communications, information, and operational systems for all company units upon their move-in, and supporting terminal operational requirements.	November 2026 (Project completion: 35% as of the annual report publication date)
Themed Marketing Ticketing Process Construction	Planning to establish a flexible ticketing process mechanism that supports themed marketing campaigns and the integration of diverse payment methods, in order to improve the execution efficiency of marketing activities and customer ticketing convenience, and to enhance the flexibility of future digital marketing applications.	December 2026 (Project completion: 5% as of the annual report publication date)
ERP Financial and Accounting Module Implementation	Planning to introduce a new-generation ERP financial and accounting module to support the company's financial management and process optimization, improve report generation efficiency and information timeliness, and strengthen cross-unit data integration, internal control management, and regulatory compliance, supporting the company's long-term operational development.	December 2026 (Project completion: 54.9% as of the annual report publication date)
Human Resource Management System Reconstruction	Planning to rebuild the human resources management system, integrating operational processes such as recruitment, training, deployment, and retirement, enhancing HR data integration and analytical capabilities, strengthening human resources management effectiveness, and supporting organizational flexibility and long-term workforce planning needs.	December 2026 (Project completion: 10% as of the annual report publication date)

4.1.4 Short-Term and Long-Term Business Development Plans

To promote sustainable operations and strengthen international competitiveness, CAL has planned the following short- and long-term passenger and cargo transport developments:

A. Short-Term Plans

(1) Passenger Service

a. Aggressive Expansion of Route Networks

Despite facing adverse conditions of global supply chain labor and material shortages, China Airlines continues efforts to restore pre-pandemic routes and flight frequencies. In Northeast Asia, capacity in 2024 increased by 23% compared to the previous year across 19 destinations, primarily in Japan and South Korea, including the resumption of Kaohsiung-Kumamoto service in February 2025. In Southeast Asia, China Airlines focuses on major cities including Manila, Bangkok, Jakarta, and Singapore, enhancing capacity through steady frequency increases, optimizing flight schedule connections, and strengthening route networks. Regarding the North American long-haul network, direct flights to Seattle were launched in July 2024, making it the sixth North American destination, with over 40 weekly flights to and from major North American cities. Phoenix will begin service in December 2025, and starting from the Summer 2026 schedule, return flight departure and arrival times will be adjusted to strengthen network connectivity benefits and enhance overall competitiveness. Regarding Europe, in addition to expanding codeshare cooperation to enhance product advantages, the Prague route will increase to 3 flights per week starting from the Summer 2026 schedule, expanding the Eastern European market presence. Starting in April, a shuttle bus service will be provided between Prague Airport and Dresden Central Station, combining air travel with ground transportation to create a technology corridor.

b. Reinforcing Hub Advantage

Through a regional network of over 500 weekly flights, conveniently serving the transit needs of passengers traveling between Europe, America, and Asia via Taiwan. Continuously strengthening sixth-freedom traffic rights products, actively capturing transit business opportunities, and meeting robust travel demand.

c. System Upgrades

China Airlines enhanced its membership system, optimized cross-industry partnerships, and digitized customer experience to cultivate next-generation clientele. These initiatives not only improved customer satisfaction but also further consolidated China Airlines' competitive advantage in the market.

(1) Cargo Service

a. In 2025, with the full delivery of all new 777F aircraft and in conjunction with the existing 744F freighters, the current schedule deploys dual-aircraft-type capacity on trans-Pacific routes, steadily developing the North American and Latin American markets. At the same time, the company continues to pursue air cargo demand from various Japanese industries, arranging regular round-trip freighter flights on the Osaka–Chicago and Nagoya–Chicago routes, deepening its presence in the import and export markets of both the U.S. and Japanese economies. In addition, an intermediate stop in Tokyo has been added on the return leg of the Los Angeles–Taipei flight, adjusting the number of Taipei–Tokyo flights and improving capacity utilization efficiency. Furthermore, passenger flights to Phoenix, USA will commence in December 2025, and starting March 2026, the existing twice-weekly outbound charter freighter flights to Toronto, Canada will be converted to scheduled commercial flights and increased to three times per week, further expanding the company's footprint at North American business stations, actively deploying the cargo network, and proactively capturing related air logistics business opportunities.

b. The company has established a freighter network with Luxembourg, Amsterdam, and Frankfurt as the primary European import and export gateways, supplemented by belly cargo capacity on passenger flights to Amsterdam, Rome, Frankfurt, London, Vienna, and Prague, to expand market share in Europe. Meanwhile, by utilizing intermediate stops in India (Delhi and Mumbai) and Dubai, the company leverages beyond rights on European routes to attract import and export cargo, generate two-segment revenue, and increase overall company revenues.

c. Under the global supply chain restructuring trend, Southeast Asia has become an important strategic region due to its advantages such as abundant human resources and relatively lower labor costs. Starting from the fourth quarter of 2024, the company began expanding the scale of Southeast Asian routes, and by January 2026, Southeast Asian freighter flights had increased to 21 flights per week. The company continues to optimize the Southeast Asian freighter network, dynamically adjusting routes and adding flights according to market conditions to effectively improve regional route profitability.

B. Middle and Long-Term Development

(1) Passenger Service

a. Optimizing Fleet Operations Scale

China Airlines continuously upgrades its fleet and will continue to introduce new-generation passenger aircraft such as the Airbus A321neo and Boeing 787 in 2026. In addition, in response to network planning requirements and delivery delay situations, the company plans to purchase and introduce 3 additional A350-900 passenger aircraft in 2026. The delivery of 10 Boeing 777F freighters was completed by the end of 2025, and 2 additional 777F freighters are planned for introduction in 2027 to further strengthen freighter capacity. New-generation aircraft offer improved fuel efficiency, contributing to reduced carbon emissions and environmental sustainability. These aircraft also provide enhanced service quality and lower unit costs, improving route profitability and strengthening overall competitiveness. In response to aircraft delivery delays caused by global supply chain issues following the pandemic, China Airlines has maintained stable capacity through measures such as improving aircraft utilization rates, extending lease periods, and evaluating additional aircraft leasing opportunities.

b. Stable Codeshare Partnerships, Strengthening Network Benefits

China Airlines was the first Taiwanese carrier to join a global airline alliance. During 2025, we maintained codeshare partnerships with 22 airlines, leading Taiwanese carriers. Beyond our own routes, China Airlines actively expands in global markets. In 2025, we extended our network through alliance cooperation, adding 20 codeshare routes. An additional 30 codeshare routes are planned for progressive implementation in 2026, extending our reach to primary and secondary cities in Northeast Asia, Southeast Asia, Europe, and North America, connecting with China Airlines' main routes. Moving forward, we will continue to deepen our cooperation across various alliance domains and explore potential partnerships with growth potential to enhance overall network effectiveness and boost passenger revenue.

(2) Cargo Service

a. Aligning with Taiwan's high-tech industry exports to strengthen business opportunity positioning

The International Air Transport Association (IATA) estimates that global air cargo demand will grow by approximately 2.6% in 2026. With the accelerating investment and expansion of global AI infrastructure and data centers, AI-driven demand is expected to remain strong. Taiwan's critical position in the semiconductor and AI supply chain is becoming increasingly prominent, and under the support of the United States' temporary tariff exemption policy, Taiwan's export demand continues to be driven upward. In addition, the impact of global supply chain restructuring is driving growth in Southeast Asian import and export cargo volumes. Taiwan, located at the center of East Asia and in a key position connecting Southeast Asia and Northeast Asia, holds an advantage in capturing regional and Southeast Asian import and export cargo. This makes Taiwan's transshipment function increasingly important and highlights Taoyuan Airport's role as a transshipment hub, making it a critical node for regional logistics integration. In 2026, China Airlines' core competitiveness in air cargo will leverage Taiwan's operational hub advantages through meticulous network planning and flexible capacity deployment, balancing both local export and transshipment business opportunities, and establishing and maintaining a leading position in the high-tech logistics chain.

b. Continuing fleet renewal to improve fuel efficiency

After all 777F aircraft were delivered in the second quarter of 2025, the current overall freighter fleet operates at a scale of 18 aircraft, comprising 8 744F and 10 777F freighters. The new 777F aircraft feature competitive payload capacity, excellent stability, and outstanding fuel efficiency, which can reduce fuel and maintenance costs. At the same time, sharing crew members and engines with the 777 passenger aircraft facilitates aircraft and crew scheduling as well as engine management. Primarily deployed on long-haul routes such as North America and select European destinations, the 777F can strengthen cost-saving advantages and improve cargo revenue. In addition, the airline will continue to introduce 4 777F freighters and 8 777-8F freighters while gradually phasing out the older 744F aircraft. The new aircraft can further reduce fuel consumption and carbon emissions, optimize fleet operational efficiency, and enable more environmentally friendly flight operations.

c. Cargo digital transformation to comprehensively enhance operational efficiency and service quality

Facing intensifying competition in the global air cargo market and the trend of digitalization, the company is actively driving transformation initiatives by streamlining processes and applying AI technology to strengthen its core competitive advantages. In terms of system performance and data-driven decision-making, the company continues to deepen the application of its cargo management system and integrates third-party information through data warehousing to conduct multi-dimensional operational analysis, ensuring the timeliness and accuracy of business strategy formulation. At the same time, the company implements AI and IoT technology applications to build intelligent services, providing customers with more flexible booking channels and real-time, transparent shipment tracking information. By leveraging technological capabilities to optimize the customer experience, the company comprehensively upgrades service quality and brand satisfaction.

d. Monitoring global political, economic, and diverse industry developments to strengthen resilience and mitigate impact

China Airlines continuously monitors international developments, industry policies, supply chain dynamics, and consumer demand trends. We adapt our operations to emerging industries including e-commerce, semiconductor-related cargo, AI technology, and green energy by dynamically adjusting and optimizing flight schedules to maximize revenue. In terms of strategic planning, the company builds a resilient framework capable of responding to high-risk environments by flexibly deploying freighter fleet capacity, continuously refining network planning and product mix on a rolling basis, and strengthening risk identification and response mechanisms, thereby enhancing operational stability and customer service reliability to further consolidate cargo competitiveness.

e. Use of SAF aviation fuel to enhance environmental benefits

Progress in the production and infrastructure of sustainable aviation fuel (SAF) varies across Asian countries, and the aviation industry will be subject to increasingly stringent carbon emission regulations in the future. For the airline's aviation fuel environmental development in 2026, it will be a pivotal year in which SAF transitions from trial use to regular application. In response to regulations such as ICAO's CORSIA and the European Union, mandatory SAF blending has begun for flights departing from Europe, with an initial blending ratio set at 2%, subject to phased adjustment of targets. Our airline will secure a stable SAF supply through advance purchase agreements and collaboration with suppliers such as CPC Corporation and Formosa Plastics, complemented by route optimization and the introduction of new freighter aircraft types. The above measures will officially mark the entry of our airline's fuel management into an Eco-Friendly Carbon Reduction Transition Phase, continuing to advance toward our carbon reduction goals.

4.2 Market and Sales Overview

4.2.1 Market Analysis

A. Main Sales (Service) Region

An overview of Company passengers / cargo (RPK / FRTK, REV) by region as well as passenger and cargo transport market share over the past two years:

Key performance indicators such as rates are detailed in the table below:

(1) Passenger Route

Unit: Person/Million Kilometers/NT$ millions

Item / Area	2024			2025		
	No. of Passengers	RPK	Revenue (NT$ Million)	No. of Passengers	RPK	Revenue (NT$ Million)
Trans-Pacific	1,110,881	11,887	25,133	1,079,562	11,468	22,782
Europe	620,030	5,820	13,760	629,586	5,909	13,978
South-East Asia	3,523,047	8,605	21,461	3,465,488	8,479	20,142
Domestic	2,029,583	471	3,908	2,087,181	484	3,846
Hong Kong/ Macau	1,048,543	822	3,826	853,145	646	2,825
North-East Asia	6,446,656	11,872	45,056	7,099,869	12,813	45,844
Oceania	477,295	2,920	7,244	488,265	2,994	7,492
Mainland China	1,119,101	887	7,531	1,214,853	949	7,999
Total	16,375,136	43,284	127,919	16,917,949	43,742	124,908

Note 1: Revenue passenger kilometers (RPK) is equal to the total number of revenue passengers multiplied by the flight distance traveled (kilometers).

Note 2: The above data includes scheduled flights, charter flights, and extra flights.

Note 3: The above data includes Mandarin Airlines and Tigerair Taiwan.

(2) Cargo Route

Unit: Million Kilometers/NT$ millions

Item / Area	2024		2025	
	FRTK	Revenue (NT$ Million)	FRTK	Revenue (NT$ Million)
Trans-Pacific	3,509	39,238	3,785	44,110
Europe	722	6,825	768	7,237
South-East Asia	621	8,169	712	9,362
North-East Asia	169	2,342	167	2,186
Oceania	138	1,003	123	831
Mainland China	130	3,135	123	3,105
Total	5,289	60,712	5,678	66,831

Note 1: Freight revenue ton-kilometer (FRTK) is equal to the revenue cargo load (tons) multiplied by the flight distance traveled (kilometers).

Note 2: The above data includes scheduled flights, charter flights, and extra flights.

Note 3: The above data includes Mandarin Airlines and Tigerair Taiwan.

B. Market Share (%) of Major Product Categories in the Last Two Years

Taiwan Region International and Cross-Strait Route Market Share by Airline

Unit: Persons %, Metric Tons %		China Airlines	EVA Air	Mandarin Airlines	UNI Air	Tigerair Taiwan	STARLUX Airlines	Foreign Carriers
2025	Passenger Transport (%)	19.87	23.16	0.57	0.33	5.32	8.54	42.21
	Cargo Transport (%)	34.86	29.67	0.22	0.25	0.02	2.88	32.09
2024	Passenger Transport (%)	21.17	24.90	0.59	0.26	5.38	7.63	40.07
	Cargo Transport (%)	36.03	30.61	0.28	0.21	0.03	1.90	30.94

Source: Civil Aviation Administration Statistical Monthly Report, December 2024 and December 2023

C. Future Market Supply-Demand Conditions and Growth

Global international passenger market demand continues to grow and demonstrates resilience. According to IATA's outlook for 2026, air passenger traffic in 2025 has already reached an all-time high, and passenger traffic in 2026 is expected to continue growing, with a year-on-year increase of approximately 4.9%; airfares are expected to remain broadly in line with 2025 levels and remain above pre-pandemic levels (+8%). In the cargo market, IATA expects global air cargo volume to continue growing in 2026 (approximately 2.6% year-on-year increase); however, due to the impact of high inventory levels, growth momentum may be concentrated in the second half of the year. Freight rates are expected to remain broadly in line with 2025 levels and remain significantly above pre-pandemic levels (+38%). Overall, air cargo continues to enjoy structural support, driven by demand for high-value, time-sensitive goods such as e-commerce, AI investment, and semiconductors, as well as increased reliance on reliable transportation within supply chains amid geopolitical and tariff uncertainties. China Airlines will continue to monitor global political and economic conditions and industry trends, flexibly adjusting passenger and freighter capacity allocation to sustain overall revenue and profitability performance.

D. Competitive Niche

(1) The New-Generation Fleet to Help Enhance Service Quality

To meet the continued prosperity of the passenger and cargo market and enhance aircraft service efficiency, China Airlines actively planned the renewal and expansion of its fleet, announcing the introduction of 15 Airbus A350-1000 passenger aircraft, 15 Boeing 777-9 passenger aircraft, and 8 Boeing 777-8F cargo aircraft, expected to be delivered starting from 118. Along with the previously purchased Boeing 787 aircraft, the brand-new fleet of the future will be dedicated to major passenger and cargo routes. The Airbus A321neo has been progressively introduced since late 2021, gradually replacing the Boeing 737-800 aircraft and becoming the primary aircraft type for regional routes. In addition, to enhance the consistency of passenger services, Airbus has been commissioned to carry out cabin integration and technical services for 15 A350-900 aircraft, with the new A350-900 expected to be refurbished and launched starting from 2027. The increase in the proportion of new-generation aircraft in the future will have a positive impact on optimizing passenger and cargo services and experiences, enhancing China Airlines' brand competitiveness, and boosting overall operational efficiency.

(2) Continued Promotion of Business Opportunities for Cold Chain Cargo

China Airlines has greatly improved its cold chain cargo services in response to the growing demand for air cargo (such as pharmaceuticals, vaccines, etc.). This has been achieved by promoting temperature-controlled container, developing comprehensive operational standards for active and passive temperature-controlled cargo, and upgrading refrigeration/freezing facilities for cargo across all routes. China Airlines being the first airlines in Taiwan to obtain the CEIV Pharma certification (The IATA Center of Excellence for Independent Validators in Pharmaceutical Logistics, CEIV Pharma) successfully passed the rigorous audit again in October 2025 to further extend its certification; continuing to provide diversified and high-quality temperature-controlled cargo services to global customers, gaining international recognition and praise for its cargo professionalism. In 2025, China Airlines handled over 2,600 temperature-controlled containers, maintaining a steady operational performance since 2024. In addition, China Airlines partners with three temperature-controlled container suppliers (Envirotainer / CSafe / Dokasch) to offer a variety of temperature-controlled container options to meet the diverse needs of customers.

Taiwan is located in the center of East Asia, and Taoyuan International Airport is an important air cargo hub in the Asia-Pacific region, facilitating connections to major markets including China, Southeast Asia, North America, and Europe. China Airlines leverages its geographical advantage to provide efficient cold chain cargo transshipment services, reducing transportation time. The airline has established close partnerships with international logistics companies, pharmaceutical enterprises, and fresh produce suppliers, enabling it to provide global cold chain transportation services. With a focus on customer needs, China Airlines offers flexible transportation solutions and premium service quality. These advantages enable China Airlines to stand out in the global cold chain transportation market, meeting customer demands for high efficiency, quality, and reliability, thus earning customer trust in the cold chain transportation sector.

(3) The Company continues to align with international organizations' sustainability development strategies.

China Airlines' sustainable management achievements were recognized with numerous awards in 2025, including the S&P Global Sustainability Yearbook Top 1% distinction, making it the only airline in the world to receive the Top 1% recognition. It is also the only Taiwanese transportation company to be included nine times and to have ranked first twice, was selected for the 10th time as a constituent of the FTSE4Good Index Series, received the Taiwan Corporate Sustainability Award (TCSA) for 12 consecutive years, and received the Global Corporate Sustainability Award (GCSA) for 7 consecutive years. China Airlines also participated in the SkyTeam alliance's aviation flight challenge for the fourth consecutive year, receiving recognition from SkyTeam and winning the Best Forward Strategy Award. China Airlines also became the first transportation service provider in Taiwan to pass the Science-Based Targets initiative (SBTi) review and signed a sustainable aviation fuel cooperation memorandum with corporate customers, creating a pioneering commercial operation model in Taiwan's aviation industry.

E. Corporate Policies

(1) Corporate Human Rights Policy

To enforce human rights, CAL has established human rights policies and management mechanisms in accordance with the UN Guiding Principles on Business and Human Rights, international trends, and local human rights-related laws & regulations. The scope of application covers the members of the China Airlines Group and their suppliers, and the Talent Value Task Force under the Company's Corporate Sustainability Committee is responsible for human rights management. To ensure the integrity of the human rights framework, China Airlines, in accordance with the UN Guiding Principles on Business and Human Rights due diligence guidelines, has jointly developed and implemented a human rights due diligence mechanism with external consultants to examine mitigation and remediation measures for key human rights risk issues.

(2) Sustainable Supply Chain Management

China Airlines has been promoting sustainable supply chain management since 2014. Subsequently, it established a co-creation value working group covering important procurement categories such as aviation materials, aviation fuel, aviation food, labor procurement, and general affairs. Based on the United Nations' Sustainable Development Goals (SDGs), the Company has formulated long-term sustainability goals and has developed the China Airlines Sustainable Supply Chain Management Policy Statement and Supplier Code of Conduct, referring to international standards such as the Global Reporting Initiative (GRI), ISO 26000, the United Nations Global Compact (UNGC), and the International Labour Organization (ILO). These apply to suppliers and contractors of China Airlines, its group subsidiaries, and joint ventures. At the same time, the Company also encourages them to implement sustainable development thinking in their supply chain management. Additionally, China Airlines has established a risk investigation mechanism, conducted sustainable supplier audits, organized supplier conferences to enhance integration effectiveness, and regularly reports management effectiveness to the Corporate Sustainability Committee for tracking and review on a quarterly basis.

(3) Environmental Sustainability Management

The Company believes in environmentally sustainable management and regards the environment as one of the key elements in the implementation of sustainable management. Since 2007, we have incorporated a conceptual foundation for environmental and energy management. In 2011, a dedicated environmental department and Environmental Committee were established. Every quarter, the president reviews the Company's environmental and energy-management performance and sets incentive measures. In 2013, an environmental and energy policy statement was issued. The Company became the first domestic airline to establish a dedicated environmental organization with formulated policies. While pursuing business development, China Airlines recognizes the value and irreversibility of the global environment. We also understand the role of natural ethics that enterprises should play for the Earth, as well as the responsibilities and obligations for resources and environmental and ecological protection. The Company established four environmental and energy-management concepts and six environmental and energy policies according to the codes of practice for Sustainable Environment Development in the China Airlines Sustainable Development Best Practice Principles issued by the board. The Company also referred to the UN's SDGs while devising instructional strategies to ensure that the business operation heads toward sustainability, namely, environmental friendliness, low-carbon emission, and energy conservation. In response to international trends, China Airlines became the first and only airline in Taiwan to publicly sign and implement the TCFD initiative in 2018, actively integrating TCFD operations into the Company's management mechanism. In 2019, the TCFD operations are incorporated into the management and board reporting practices. We also assisted in the production of the Chinese version of the TCFD guidelines and participated in several industry-government-academia promotional sessions. Starting in 2020, the TCFD management results have been reported to the functional committees of the board, and our independent Climate-Related Financial Disclosure Report has also been released to the public. In 2022, the Company added five core carbon reduction strategies for achieving net-zero carbon emissions by 2050. In 2024, China Airlines further aligned with the Taskforce on Nature-related Financial Disclosures (TNFD) to integrate with TCFD operational mechanisms, improving management of both natural and climate issues. In 2025, management mechanisms were continuously refined, and cross-functional collaboration was strengthened through the Group's Sustainability Governance Communication Platform. In response to domestic financial regulatory requirements and international sustainability disclosure trends, the 'IFRS Sustainability Disclosure Standards Implementation Plan (IFRS S1/S2)' project was launched to institutionalize sustainability and climate disclosure and management mechanisms, embedding them within the Group's governance framework.

(4) Corporate Social Responsibility

China Airlines has long been committed to social welfare, dedicated to promoting social equity and sustainable development. The company leverages its core aviation capacity and professional expertise to respond to societal needs, continuously optimizing its action strategies to co-create long-term value with society. China Airlines has established three core social sustainability strategies: 'Promoting the Internationalization of Local Education,' 'Deepening the Effectiveness of Medical Assistance and Humanitarian Aid,' and 'Providing Employment Development Opportunities for Disadvantaged Groups.' The company continues to care for remote and disadvantaged communities, promoting diverse public welfare participation, aviation knowledge sharing, and educational outreach, while also engaging in the transportation and donation of medical supplies in response to international situations. Through concrete and sustained actions, China Airlines implements the United Nations Sustainable Development Goals (SDGs), enhances the visibility of Taiwan's local brands, and promotes international exchange and cooperation, advancing toward a sustainable development vision of co-creation, shared prosperity, and mutual well-being with society.

(5) Enterprise Risk Management Architecture and Process

CAL's risk management framework consults the Enterprise Risk Management (ERM) model, ISO 31000 Risk management - Guidelines, and others in the same spirit, adopting a multi-level organizational approach to manage and control overall risks to CAL. The Company established a "Sustainability and Risk Committee" under the supervision of the Board of Directors, that in accordance with CAL's Risk Management Policy and Procedures, regularly reviews its risk management governance framework, risk management composition and operations, and risk management processes, in order to ensure a more systematic and structured approach to risk management implementation. China Airlines' risk management is based on the materiality principle, which identifies traditional risks and mid- to long-term strategic risks. By following four main steps, identification, analysis, assessment, and control, China Airlines analyzes and assesses the impact of risk events on the Company. The Sustainability and Risk Committee and the Corporate Sustainability Committee were established to conduct regular follow-ups and revisions. For risk identification, the aviation industry has its industrial specialty. Considering the operating environment and daily operation, the impacts, severity, and areas of the risk events are different. If a single mechanism is used for monitoring, the results of risk control may be impacted. Therefore, China Airlines categorizes the risks in two levels: mid- to long-term strategic risks and traditional short-term risks, which are monitored under two different systems: operating strategy management and annual sales plan/operational risk management. China Airlines also developed a new risk identification process. New risks are identified through risk metrics. Regular revisions of risk are conducted to formulate countermeasures in order to lower the impacts of new risks on the aviation industry.

F. Favorable and Unfavorable Factors in the Long Term and Countermeasures

(1) Favorable Factors

a. Continued global economic growth

b. Continued growth in passenger and cargo markets

(2) Unfavorable Factors

a. Geopolitical and tariff policies affecting oil prices and economic trade

b. Supply chain disruptions limiting fleet and revenue growth

c. Increased operating costs, compressing profit margins

(3) Countermeasures

a. Optimizing Fleet Operations Scale

b. Stable Codeshare Partnerships, Strengthening Network Benefits

c. Developing new distribution and direct sales models

d. Optimizing cross-industry cooperation to enhance product added value

e. Synergistic utilization of passenger and cargo aircraft capacity

f. Promoting multi-dimensional operational strategies

4.2.2 Procedures Followed in the Production of Main Products

A. Major Products and Their Main Uses

Major Products	Main Uses
Passenger services	International passenger air transport and scheduled, non-scheduled, and charter flights.
Cargo services	International cargo, courier, mail, and package transport.
In-flight sales	Provisioning passengers with in-flight duty-free sales services.

B. Major Products and Their Production Processes

The Company is a member of the airline industry and not a manufacturer, therefore, there is no production process in its operations.

4.2.3 Supply Status of Main Materials

CAL is a member of the airline industry and not a manufacturer. Therefore, there is no need to produce raw materials. Aviation fuel makes up the largest proportion of operating costs. In addition to aviation fuel supplied at Taiwan Taoyuan Airport by CPC Corporation and Formosa Petrochemical Corporation, the Company also purchases fuel from large oil companies around the world at the various destinations served, and therefore, fuel supplies are very fragmented.

4.2.4 Major Suppliers and Clients in the Last Two Calendar Years

A. Major Clients

CAL is a member of the airline industry and clients are members of the public.

B. Major Suppliers

CPC Corporation, Chevron Corporation, and Formosa Petrochemical Corporation, etc.

Unit: NT$ thousands

Item	2024				2025			
	Company Name	Amount	Percentage of Total Net Purchase for the Year(%)	Relationship with the Issuer	Company Name	Amount	Percentage of Total Net Purchase for the Year(%)	Relationship with the Issuer
1	CPC Corporation	19,558,177	11.52%	None	CPC Corporation	17,816,466	10.36%	None
2	Formosa Petrochemical Corporation	5,901,226	3.48%	None	Formosa Petrochemical Corporation	5,222,890	3.04%	None
3	AIR BP	5,228,753	3.09%	None	AIR BP	4,687,708	2.73%	None
Other		139,030,879	81.91%		Other	144,185,186	83.87%	
Net Total		169,719,034	100.00%		Net Total	171,912,250	100.00%	

Note: Fuel is the Company's primary operating expense. Overall, purchases have remained stable.

4.3 Human Resources

Year		2024	2025	As of March 29, 2026
No. of Employees	Male	5,650	5,683	5,761
	Female	5,812	5,959	6,073
	Total Shares	11,462	11,642	11,834
Average Age		43.57	43.59	43.55
Average Years of Service		15.93	15.90	15.88
Education Distribution Ratio	PhD	0.12%	0.12%	0.12%
	Master's Degree	12.69%	12.76%	12.81%
	Bachelor's Degree	82.39%	82.55%	82.54%
	Senior High School	4.65%	4.47%	4.41%
	Below Senior High School	0.15%	0.10%	0.12%

4.4 Environmental Protection Expenditure

4.4.1 Losses and disposals due to environmental pollution in the most recent fiscal year and up to the printing date of this annual report: None.

4.4.2 Company Countermeasures to Future Environmental Protection Issues

A. ISO 14001 Environmental Management System and ISO 50001 Energy Management System

To integrate environmental protection operations into the daily operational risk management operations of the enterprise, China Airlines has introduced several international standard management systems (ISO 14064-1, ISO 14001, and ISO 50001) since 2009. It has also established and improved operational mechanisms of the enterprise's environmental management, covering risk issues, such as greenhouse gases, environmental management, and energy management. In addition, the Company has formulated management strategies and action measures for relevant risks and opportunities identified in various aspects of the environment.

(1) Management System Operations

In 2017, CAL completed the Amendments to the the ISO 14001: 2015 standard, incorporating life cycle thinking, stakeholder engagement, risk and opportunity management, and other aspects into the operations of the Corporate Environmental Management System (EMS). Following that, in 2019, CAL then completed the ISO 50001:2018 revised version, strengthening the identification and operation control of energy use, comprehensively reviewing and optimizing energy performance indicators. These changes enabled CAL to fit into the international enterprise benchmark mode of thinking on sustainable development and governance.

(2) Value Chain and Outstation Environmental Management

Starting from 2018, the Company initiated an assessment process for environmental risks and opportunities at overseas sites to strengthen its understanding of international environmental regulatory trends. In 2019, the Company focused on various issues of concern and shared best practices to assist in improving operations at various sites.

In addition to strengthening its own environmental sustainability management capabilities, the Company also promoted environmental management across its value chain. It required group partners to establish environmental seed teams and organized workshops to promote understanding of management concepts and benefits, gradually cultivating environmental and energy risk management capabilities among group companies. In 2020, the Company required partners to formulate environmental and energy policies, implement management measures, and conduct monitoring and measurement operations. Beginning in 2021, the Company required partners to establish company environmental policies and targets, deepening environmental management and communication efforts. In 2022, the Company integrated environmental risk management across its value chain, continuously promoting greenhouse gas surveys and risk assessments for suppliers. In 2023, the Company expanded the inventory of greenhouse gas emissions to overseas subsidiaries and assisted subsidiaries in deepening their greenhouse gas management capabilities and improving data management quality. In 2024, the Company continued to implement value chain greenhouse gas MRV operations, and also convened a group value chain sustainability communication meeting, while simultaneously deepening the Group's sustainable governance and climate response efforts in conjunction with the IFRS construction project. In 2025, building on the existing foundation, the Company continued to refine the value chain greenhouse gas MRV management mechanism, deepened cross-functional collaboration through the Group's sustainability governance communication platform, and integrated IFRS project outcomes to institutionalize and internalize climate-related disclosure and management mechanisms within the Group's governance framework.

(3) Green Maintenance Operations and Pollution Prevention

To mitigate the environmental impact of maintenance operations, the Company's EMO (Maintenance Park) Environmental Management Committee tracks and reviews the environmental risks and management effectiveness of the maintenance facilities on a quarterly basis to comply with environmental regulations, international trends, and company policies. Operations units conduct annual reporting and fee payment as required, as well as regular air pollutant emission testing and quarterly payment of air pollution control fees. Simultaneously, in accordance with the requirements of the Water Pollution Prevention Plan and the Waste Disposal Plan, active efforts are made to reduce pollutant emissions, continuously improving environmental performance and ecological benefits. The Company conducts third-party audits of ISO 14001 and ISO 50001 annually, with the 2025 audit completed on December 10, 2025. China Airlines is the second global and the first Taiwanese airline to receive both ISO 14001 and ISO 50001 certifications, with the most comprehensive certification scope among domestic service companies.

B. Set Short-Term, Mid-Term, and Long-Term Targets for SDGs

Short-Term Targets (2027)	Mid-Term Targets (2030)	Long-Term Targets (2040)
1. Implement an annual average fuel efficiency improvement of 1.5% for aviation fuel and achieve Carbon-Neutral Growth (CNG) under CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation) by 2020 (achieving net-zero carbon emissions by 2050); add 0.5% Sustainable Aviation Fuel (SAF). 2. Reduce ground operations carbon emissions by 10% compared to 2023. 3. Reduce the generation of general non-recyclable solid waste from ground operations by 10% compared to 2018. 4. Achieve a 47% recycling and reuse rate for industrial waste. 5. Reduce paper usage by 40% compared to 2018. 6. Reduce ground water usage by 8% compared to 2018. 7. Reduce total in-flight waste by 10% compared to 2023. 8. Ban the transport of endangered species and the use of endangered species ingredients. 9. Starting from 2023, participate and implement 3 biodiversity conservation-related activities or initiatives cumulatively.	1. Implement an annual average fuel efficiency improvement of 1.5% for aviation fuel and achieve Carbon-Neutral Growth (CNG) under CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation) by 2020 (achieving net-zero carbon emissions by 2050); add 5% Sustainable Aviation Fuel (SAF). 2. Reduce ground operation carbon emissions by 15% compared to 2023. 3. Renewable energy installation capacity reaches 10% of contract capacity. 4. Reduce the generation of general non-recyclable solid waste from ground operations by 12% compared to 2018. 5. Achieve a 50% recycling and reuse rate for industrial waste. 6. Paper usage reduced by 50% over 2018 7. Reduce ground water usage by 10% compared to 2018. 8. Reduce total in-flight waste by 25% compared to 2023. 9. Ban the transport of endangered species and the use of endangered species ingredients. 10. Starting from 2023, participate and implement 4 biodiversity conservation-related activities or initiatives cumulatively.	1. Implement an annual average fuel efficiency improvement of 1.5% for aviation fuel and achieve Carbon-Neutral Growth (CNG) under CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation) by 2020 (achieving net-zero carbon emissions by 2050); add 40% Sustainable Aviation Fuel (SAF). 2. Ground operations carbon emissions reduced by 60% compared to 2023. 3. Renewable energy installation capacity reaches 10% of contract capacity. 4. Reduce the generation of general non-recyclable solid waste from ground operations by 15% compared to 2018. 5. Achieve a 58% recycling and reuse rate for industrial waste. 6. Paper usage reduced by 52% over 2018 7. Ground water usage reduced by 12% compared to 2018 8. Reduce total in-flight waste by 50% compared to 2023. 9. Ban the transport of endangered species and the use of endangered species ingredients. 10. Starting from 2023, participate in and implement 10 biodiversity conservation-related activities or initiatives.

C. Environmental KPI Controls

The Company has followed the United Nations' SDGs and has several short-, medium-, and long-term environmental protection and energy conservation objectives, including those for aviation fuel efficiency, ground carbon emissions, water consumption, domestic waste, business waste, and photocopy paper consumption. The five major environmental management committees and the aviation fuel management task force develop and implement annual environmental protection KPI. The Corporate Environmental Committee chaired by the President conducts the annual audit and review.

The Company completed 75 environmental action programs in 2025, reducing carbon emissions by 49,780 metric tons of CO_2e. In 2026, the Company further planned to promote 76 measures, which are expected to reduce emissions by 40,510 tonnes of CO_2e. For further information, please refer to the Company's Corporate Sustainability Report:
https://calec.china-airlines.com/csr/en/index.html

D. Strengthening Adaptability to Climate Risks and Opportunities

To strengthen the identification and management of climate-related risks and opportunities, the Company signed its support for the Task Force on Climate-related Financial Disclosures (TCFD) in 2018 and initiated related project activities. Through diverse stakeholder engagement mechanisms such as interviews, questionnaires, workshops, and senior executive seminars, the Company systematically assessed climate risks and opportunities that the enterprise may face in current and future operations under different climate scenarios, as well as their potential financial impacts and response costs, progressively building the Company's climate risk and opportunity management mechanism. Starting from 2020, the Company has compiled an independent Climate-Related Financial Disclosures Report annually, which is submitted to the Board of Directors for oversight before being publicly disclosed on the official CSR website. In 2022, the Company further integrated climate adaptation issues across global stations, expanding the scope of climate risk management coverage. Starting from 2024, in response to international trends in nature-related financial disclosures, the Company further integrated nature and climate-related issues (TNFD) into the TCFD framework's scope of consideration, strengthening the overall management of natural capital and climate change issues. Key related outcomes continue to be reported to the Board of Directors for oversight and management. In response to domestic financial regulatory requirements and international sustainability disclosure trends, the Company promoted the International Financial Reporting Standards — Sustainability Disclosure Standards Implementation Plan (IFRS S1/S2) project in 2025. Given the high consistency and continuity between the climate-related information disclosed under TCFD and the requirements of IFRS S2, the Company uses its TCFD management and disclosure foundation as an important basis for aligning with IFRS S2 climate disclosure standards, continuously improving climate risk governance and the quality of information disclosure. For related actions, please refer to the China Airlines CSR website/Addressing Climate Change: https://calec.china-airlines.com/csr/environment/manage-climate.html

E. Solidifying Environmental Management Supervision Mechanism

The Company promotes mechanisms for the supervision of environmental management. Each unit independently implements the first-level audit of environmental management, whereas the second-level audit of environmental management is implemented by the headquarters. The double-audit mechanism ensures that environmental management is implemented at basic level operations at all units.

The Company completed second-level audits in the second and fourth quarters of 2025. Audit items included not only those on the established checklist but also improvement actions from previous audit findings, implementation status of external stakeholder concerns, and annual KPI implementation reviews. Finally, in December, the Company commissioned an external independent third party (DNV) to perform and complete objective, independent, and impartial verification according to international standards (ISO 14001, ISO 50001).

F. Environmental Education and Training for all Employees

The Company has a corporate environmental and energy philosophy of implementing environmental and energy conservation education to foster employees' environmental awareness as well as a goal to achieve environmental protection by all employees". As a result, the Company has implemented an annual environmental protection education campaign for online or classroom environmental management education and training in Taiwan. The outcomes of this campaign in 2024 are as follows:

(1) New employee and outstation supervisor environmental education and training implementation rate is 100%.

(2) The implementation rate of professional knowledge training on environmental/energy/carbon management systems is 100%.

(3) A seminar on the ecological conservation of Taiwan's forests, with the theme of environmental protection for all, was attended by 94 participants.

(4) A total of 4,236 participants attended interactive activities made for employees.

(5) A total of 35 promotional articles were published on the internal communication platform. Green footprint stickers were attached and posters were put up in the headquarters and maintenance park to convey information on environmental protection measures. In addition, labels were tied to plants for plant identification.

G. Carbon Inventory and Reduction Project

(1) Annual Organizational Greenhouse gas Emission Inventory

According to the ISO/CNS 14064-1 standard, the Company has conducted a greenhouse gas inventory each year since 2009, covering aviation, ground services, and office administration operations, of which a third-party verification operation must take place in order to be in accordance with the requirements of Reasonable Assurance. In 2025, Scope 1 greenhouse gas emissions amounted to 6,528,841 tonnes of CO_2e, Scope 2 emissions amounted to 16,138 tonnes of CO_2e, and Scope 3–6 emissions amounted to 1,529,257 tonnes of CO_2e. Complete assurance information will be disclosed in the Sustainability Report.

(2) We have adopted the ICAO CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation), EU ETS (European Emission Trading Scheme), and UK ETS and other specifications, and implemented carbon emissions monitoring, reporting, and verification (MRV for short) of international routes and EU regions in accordance with relevant requirements. The overall operation has been verified by external third-parties, and the emission and carbon rights management information is submitted to the competent authority every year.

H. Improving Business Eco-Efficiency

The Company has continued to strengthen its fuel efficiency improvement strategy, and has formulated four major fuel saving strategies including fleet renewal, airframe weight reduction, flight service optimization and maintenance improvement. From 2021, the Company has accelerated the introduction of A321neo energy-efficient aircraft, which will effectively improve the efficiency of flight fuel consumption and add Sustainable Aviation Fuel (SAF) to the aircraft's flight, reducing carbon emissions from flights. In 2022, we took another step further in planning the introduction of the next-generation energy-saving 787 aircraft. In 2023, the addition of the new aircraft was announced, and in 2026 the Company welcomed its new 787 fleet.

For ground operations, China Airlines actively promotes various energy-saving and carbon reduction projects. Since obtaining Diamond Level Green Building Certification for the CAL Park headquarters in 2017, the Company has continued to implement equipment upgrades and optimize operational processes to improve overall building energy efficiency. In 2019, China Airlines further responded to government green energy policies by completing the installation of a 99kWp solar power generation facility on the Flight Training Center building rooftop. The Company also obtained the National Renewable Energy Certificate (T-REC). These initiatives have been recognized with the Bureau of Energy's Energy Conservation Benchmark Silver Award, the Taipei City Energy Conservation Leadership Award, and first place in the Taoyuan Airport Electricity Conservation and Carbon Reduction Incentive Competition. China Airlines actively implements green industry initiatives and further announced in 2022 that, beyond the national grid renewable energy targets, the Company will increase installed capacity to 10% of contracted capacity by 2030. In 2023, China Airlines continued to replace energy-consuming equipment/facilities, establish energy information monitoring equipment and mechanisms exceeding regulatory requirements, and completed planning for two additional solar power generation facilities. A 193kWp facility was activated in December 2023, and another 178kWp facility was activated in Q4 2024. Additionally, electric vehicle charging stations were installed in the CAL Park parking lot, improving infrastructure for vehicle electrification and encouraging employees to use electric vehicles. China Airlines' total electricity consumption in 2025 was 31,679 kWh, a decrease of 6% compared to 2024. China

Airlines is committed to water resource management, actively setting short, medium, and long-term water conservation and annual performance targets, which are incorporated into the corporate environmental management committee's control. In 2025, tap water withdrawal totaled 105,904 cubic meters, a decrease of 7.4% compared to 2024. Complete assurance information will be disclosed in the Sustainability Report.

In terms of waste management, the Company manages waste based on five main principles: Prevent, Reduce, Reuse, Recycle, and Recover. Moreover, with the goal of 100% waste-resource recovery, the Company is increasing its waste reuse rate year by year. Service and supply, planning and quality assurance units as well as aviation catering, cabin cleaning, and other suppliers and partners are invited to form a periodical communication platform. We have developed several innovative products through collaboration projects to reduce the use of single-use plastics, extend product life cycles, reduce waste, and create business opportunities for a circular economy. For cargo transportation, we also use the plastic film recycling platform promoted by the Environmental Protection Administration to prioritize the purchase and use of tarpaulin made of 40% to 60% of mixed recycled materials, further improving the re-use percentage of packaging plastics.

I. Promote Green Consumption

The Company actively shares its environmental philosophy and its implementations through different platforms, such as social networks and inflight magazines, to establish and promote the awareness of green consumption. In 2017, in a further effort to follow international trends, the Company started promoting a voluntary carbon-offsetting program for passengers, the ECO TRAVEL - Carbon Offsetting service. Diversified electronic-friendly service platforms, including the official website, ticket-purchasing system, and travel reminders, are used to invite passengers to practice zero-carbon flying. As of 2025, a total of 275 participants have engaged in carbon offset operations, with a total offset volume of 549.31 metric tons, the best performance among Taiwan's peer companies during the same period. Other actions to raise and promote green consumption awareness in 2025 included:

(1) Selecting 23 environmental films to play on airplanes.

(2) Prioritize local sourcing for in-flight catering, and prohibit the use of protected species in food.

(3) Interactive educational work, such as promoting to close windows in summer.

(4) Continuously update and disclose carbon footprint information of flight routes.

(5) Set up a Green Life Zone on the E-mall home delivery home page.

(6) Use FSC-certified paper printed with soybean ink for the production of desk calendars.

(7) Published 8 environmental protection special issues and, reports on social media, which reached 269,629 readers.

J. Continue to Support International Environmental Protection Research Projects

Since 2012, we have participated in the Pacific Greenhouse Gases Measurement (PGGM) project co-organized by the Environmental Protection Administration, National Central University, and the EU IAGOS-ERI. As of the end of December 2024, we have collected high-altitude gas data from 20,977 flights, and the relevant results have been contributed to the World Meteorological Organization of the UN for research, which can be used as a reference for decision-making by the United Nations Framework Convention on Climate Change (UNFCCC). In order to improve the observation of GHG and collect more data on the types and changes of high-altitude gases for global atmospheric and GHG research, we have begun to cooperate with National Central University, EU IAGOS-ERI, and Japan Aerospace Exploration Agency (JAXA) in 2022 to start using the newly developed P2b and P2d optical and laser instruments developed by the EU IAGOS-ERI in the first half of 2023. They can help JAXA, EU IAGOS-ERI and other international organizations compare and verify their telemetry/estimated data of GHG observation satellites, and promote substantive benefits of scientific research between Taiwan, Japan, and the EU. Furthermore, the new 777F aircraft is equipped with Boeing's fleet turbulence detection algorithm software, which is unique in the Taiwanese aviation industry. It is also connected and synchronized with IATA's data, which can help diagnose and calculate possible sources of air turbulence on the flight routes, plan appropriate routes, and improve flight safety.

K. Transparent Disclosure of Environmental Protection Response and Performance

Since 2012, the Company has published an annual Corporate Sustainability Report and established and maintained a Corporate Sustainability website, publicly and transparently disclosing the Company's sustainability governance strategy as well as operational results and performance in environmental, social, and economic dimensions. The Company also promotes overall operational outcomes through its official Facebook page as an important tool and channel for stakeholder engagement. In 2025, promotional themes included Earth Hour, World Earth Day, corporate business travel SAF carbon reduction, China Airlines leading SAF sustainable flight, inclusion in two index constituents, cooperation with Formosa Plastics on sustainable aviation fuel, Ozone Layer Protection Day, and participation in and awards from the CSA/GCSA competition, reaching a total of approximately 270,000 people.

4.4.3 Countermeasures

Unit: NT$ thousands

Item	Scope	2025	2026	2027	2028
Environmental protection equipment, management system maintenance and research projects	Pollution prevention equipment depreciation and renewal, operation and maintenance, environmental testing, the establishment of the environment-related management system, maintenance and strategy research projects	32,329	20,000	20,000	20,000
Procurement of eco-friendly products	Organization prioritizes procurement of Category I, II, and III eco-friendly products as specified in the Regulations for Priority Procurement of Eco-Products (January 15, 2001)	158,112	9,000	9,000	9,000
Waste management	Waste removal costs	8,201	4,000	4,000	4,000
Aviation noise control	Noise control fees (paid to the terminal based on airplane model and number of flights)	167,496	132,786	132,786	132,786
Air pollution control and prevention	Air pollution control fee	295	1,200	1,200	1,200
Special investment and environmental protection initiative operation project	Participate in special projects for domestic and foreign environmental protection initiatives	2,829,365	8,055	8,055	8,055

Note: This table does not include environmental protection personnel costs

4.4.4 Effect of Environmental Expenditure on Earnings

Energy-saving equipment and improved management expenditure reduce Company energy use and its operating costs, also the risk of loss and non-compliance, enhance operational efficiency, brand value, customer recognition, and sustainable competitiveness.

4.4.5 Effect of Environmental Expenditure on Competitiveness

Environmental performance has already become an important benchmark in achieving corporate social responsibility. With the rise in green consumers, actively investing in environmental improvements can positively improve the Company's competitive position and improve brand image.

4.5 Labor Relations

4.5.1 Employee Benefits, Training, Retirement Programs, Status of Implementation, Labor-management Agreements, and Protection of Employee Rights and Interests

A. Labor-Management Relations

On May 4, 1988, the China Airlines Union was established. In accordance with revisions to the Labor Union Act, on July 29, 2011, it was renamed to China Airlines Employee Union. In 2002, a collective agreement was signed between labor and management, which is regularly negotiated and renewed.

B. Retirement Program and Pension Preparations

(1) The Labor Pension Reserve Supervisory Committee of the Company was established in June 1987 in compliance with letter Bei-Shi-She-II-Zi No. 43791 from the Taipei City Government. In the past years, the appropriation and payment of pensions in the old system of Labor Standards Act were handled according to the Labor Standards Act. In 2025, employees eligible to claim old pension system benefits accounted for approximately 26.4% of the entire company (of which 13.7% were under both new and old systems). The monthly contribution rate for the old pension system has been increasing annually since 2014, and was raised to 15% in January 2016, reaching the statutory upper limit. Employees who qualify for retirement under the Labor Standards Act have their retirement funds settled proactively by the responsible unit after their retirement takes effect. In accordance with relevant government regulations, applications are submitted to the local government for approval to withdraw funds or sent directly to Bank of Taiwan for payment. Employees are notified to collect their checks once issued. The retirement reserve fund is monitored by the Retirement Fund Supervision Committee. The business unit convenes the Retirement Fund Supervision Committee quarterly to report on the retirement reserve fund's usage, including the estimated contributions for the following year, quarterly number of retirees, retirement reserve account balance, and to exchange information on retirement-related issues.

(2) According to the Labor Pension Statutes promulgated by the government on June 30, 2004, in the order Zong-Tong-Hua-Zong-(I)-Yi-Zi No. 09300121821, for employees who are subject to statutes, new system pensions shall be appropriated monthly to the Bureau of Labor Insurance according to statutes starting from July 2005. In 2025, employees eligible for the new pension system accounted for approximately 73.5% of the entire company (of which 13.7% were under both new and old systems). The monthly contribution rate for the new pension system is 6%, deposited into employees' individual retirement accounts at the Bureau of Labor Insurance. Employees may apply directly to the Bureau for payment once they meet retirement conditions.

C. Labor-Management Communications

(1) Units in the Company with a relatively large number of employees, such as the maintenance facility, Ground Services Division, Cabin Crew Division, Flight Operations Division, and Taipei and Kaohsiung branches hold regular communication meetings. In addition, elected union representatives attend regular company-wide labor-management conferences to improve understanding and communication.

(2) The Establishment of an Employee Complaint Mechanism and Channels to Ensure Proper Response

When employee rights have been violated or a situation is improperly handled, as mentioned in the Regulations Governing Employee Complaints, a complaint can be lodged with the responsible operating unit or the Human Resources Division. If the employee is not satisfied with the response, he or she can appeal to the Human Resources Division. Eleven written complaints from employees were handled in 2024.

(3) Employee Engagement Survey

In order to understand employee feelings toward relevant systems and increase workplace harmony, the Company regularly conducts employee satisfaction surveys, and continuously inspects the feedback results as reference for future relevant improvements. The most recent employee engagement survey was conducted on December 113, with a final average score of 7.9 (out of 10 points), which was higher than the results from the last survey (in 111).

D. Benefits

(1) Employee Care

Employee care includes pension appropriation, labor and health insurance, employer liability insurance, group insurance, employee physical examination, and providing nursing rooms.

(2) Employee Stock Ownership Trust

In August 1998, the Company created an employee stock ownership trust, in which employees are free to participate. The amount, depending on the employee position, is deducted directly from their monthly salary. By the end of 2024, a total of 5,944 employees participated in this trust.

(3) In accordance with the Company's Articles of Incorporation, if the Company achieves a profit in a given fiscal year, no less than three percent shall be allocated as employee compensation. If the Company has accumulated losses, funds must be retained to offset the deficit.

(4) Employee Welfare System

The Company's Employee Welfare Committee was set up in December 1967. As stipulated by law, the Committee distributes multiple benefits. It handles the disbursement of: wedding allowances, funeral allowances, disaster allowances, employee children excellence scholarships, birthday bonuses, and birth allowances. It arranges visits to nursing homes, holds recreational sports activities, distributes meals and holiday gift certificates, and offers distress or purchase loans.

(5) Employee Recreation

Leisure includes employee group activity subsidies, employee group travel subsidies, discounted tickets for current and former employees.

(6) Working Environment

The workplace is in compliance with occupational safety standards and gender equality.

E. Signing of Collective Agreement

To stabilize labor-management relations and protect employee rights, the Company and the China Airlines Enterprise Union signed a collective agreement (the 7th agreement between the parties) on January 15, 2025, which is published on the Company's corporate information website. Additionally, the Company also signed a collective agreement with the Taoyuan Air Line Pilots Association on December 29, 2021. The collective agreements are effective for three years. However, collective agreements have post-expiration effects, so the relevant labor relations terms continue to apply by law until both labor and management complete the renewal, thus bridging the transition period.

F. Counseling

To take care of our colleagues' needs and participate in employees' personal growth, the Company has employed professional counselors and psychiatrists to provide counseling services to employees.

In 2025, there were a total of 241 employees accounting for a total of 241 counseling visits.

G. Employee Training

In alignment with the Company's overall strategic objectives and to strengthen employees' professional competencies, the Company continuously promotes and conducts education and training programs across various dimensions, including strategic competencies, managerial competencies, professional competencies, and common competencies. These programs aim to enhance the professional skills and related knowledge of employees in various job categories, and through training, to strengthen business skills, optimize processes, foster team cohesion, and improve management, thereby achieving corporate objectives.

(1) To encourage employees' participation in various courses and self-study opportunities provided by the ROC Workforce Development Agency under the Ministry of Labor, the self-pay portions of the costs for such courses will be subsidized by the Company if work-related courses are completed by an employee.

(2) To provide employees with self-directed learning channels, the Company has also introduced external online courses to meet training needs and enhance employees' knowledge and skills.

(3) Professional training programs are planned and conducted for various job categories, including professional competency training for aviation maintenance, service, operations, and human resources personnel, divided into the following four categories:

a. Marketing-Related Training

This includes marketing strategies, customer operations, freight business and related OJT training. A total of 211 in-person classes and 88 e-classes were held with a total of 35,553 employees trained.

b. Professional Technique Courses

This includes enterprise safety/inspection work, flight services, joint management and EMO. A total of 3,685 in-person classes and 390 e-classes were held with a total of 97,761 employees trained.

c. Service-Related

This includes service quality assurance, introduction to public relations, service industry, ground- service operations, and inflight products. A total of 758 in-person classes and 315 e-classes were held with a total of 24,568 employees trained.

d. Others

This includes operations in investment management units, law and insurance, finance, information technology, and human-resources management. A total of 282 in-person classes and 109 e-classes were held with a total of 45,270 employees trained.

(4) The Company's management training loop meets the standards set by the Talent Quality-management System as promoted by the Ministry of Labor, helping to build up human capital and create the greatest competitive advantage.

4.5.2 The Estimated Value of any Losses or Potential Future Losses due to Labor Disputes (from the Most Recent Year up to the Date of Publication)

From 2025 to March 29, 2026, the Company was fined a total of NT$5.375 million by government authorities following labor inspections. All related cases have been remediated or appropriate administrative appeals have been filed.

We will continue to maintain positive interactions between employees and employers through diverse communication channels to achieve the goal of employee care and a better work environment, thereby eliminating disputes that may arise from unnecessary labor disputes.

4.6 Information and Communication Security Management

4.6.1 Information Security and Personal Data Management Structure

The Company has established an Information Security and Personal Data Management Office led by a Data Protection Officer (DPO) and Chief Information Security Officer (CISO) with a dedicated team. They formulate and implement information security and personal data protection policies to ensure planning, supervision, and execution of organizational security objectives, strengthening information security governance and risk management, ensuring regulatory compliance, and enhancing overall information security resilience.

To ensure compliance, implementation, and coordination of personal data and information security management systems, a cross-departmental Information Security and Personal Data Management Committee has been established. The committee is chaired by the President and includes representatives from public relations, corporate security, information technology, legal protection, human resources, and finance departments. The committee meets at least once a year.

The Information Security and Personal Data Management Committee reviews information security risk analysis results and corresponding protective measures and strategies adopted by the Company through annual management review meetings. This ensures the continuing suitability, adequacy, and effectiveness of the information security management system. The Information Security and Personal Data Management Office reports annually to the Board's Risk Committee on information security management performance and strategic direction. Directors supervise information security and cybersecurity strategies, which are regularly reviewed and amended.

4.6.2 Information Security Policy

The Company's information security policy covers the Company and its domestic and overseas branches. It is guided by the principle of maintaining the security of the Company's information and information assets, preventing unauthorized infringement, maintaining their confidentiality, integrity, and availability, and complying with legal and regulatory requirements. The policy aims to: First, obtain international standard certification and maintain the effectiveness of the Company's information security management system verification scope; second, implement information asset management and information security risk management to protect confidential information during transmission and storage; third, prevent unauthorized alteration of information assets through information security protection and control measures to maintain information integrity; fourth, achieve continuous availability of information assets through information security incident reporting, response and drill mechanisms, and business continuity drills; fifth, regularly implement information security education and training to deepen personnel's information security awareness. These objectives enhance the Company's ability to defend against external attacks and ensure the protection of internal confidential information.

The Company has implemented and established a comprehensive Information Security Management System (ISMS) to reduce enterprise information security threats from system, technical, and procedural perspectives, establish an information security protection environment that meets customer requirements, and continuously improve through the Plan-Do-Check-Act (PDCA) cycle.

4.6.3 Specific Management Programs

To achieve information security policies and objectives and establish comprehensive information security protection, the management items and specific management programs implemented are as follows:

A. Enhance Information Security Defense Capabilities: Regularly conduct information security system vulnerability analysis and penetration testing, with subsequent reinforcement and remediation to reduce information security risks. Establish information security incident response plans, conduct impact and loss assessments according to incident severity levels, and take corresponding notification and recovery actions.

B. Refine Information Security Management Procedures: Continuously strengthen information security defense capabilities while equally emphasizing management procedures and awareness. Employees must comply with information security regulations (such as strict control of mobile storage devices), follow SOP operations, and continuously implement the PDCA cycle for ongoing improvement.

C. Improve Network, Endpoint, and Application Security: Enhance anomaly detection and protection capabilities of endpoint devices, including Application Whitelisting mechanisms and Endpoint Detection and Response (EDR) mechanisms. Optimize overall information system network security zones and increase authentication protection for privileged account logins on critical hosts.

D. Regulatory Compliance and International Information Security Certification Standards: The Company has complied with information security-related certification standards and regulations such as ISO 27001 and ISO 27701, which serve as methods and verification bases for achieving various risk management objectives.

E. Risk Control: Collaboration with major international information security vendors to conduct comprehensive security assessments through their professional services. The objective results verified by impartial third parties serve as the basis for advanced security enhancements.

F. Education and Training: Conduct company-wide information security education and training along with periodic social engineering phishing email tests to raise security awareness, ensuring that security operations are implemented for every employee with the support of senior executives and all departments.

4.6.4 Resources Invested in Information Security Management Information security has become a critical issue for the Company's operations. The corresponding information security management matters and resource allocation are as follows:

A. Dedicated Personnel

Established a specialized organization for personal data and information security, the Information Security & Personal Data Protection Div., responsible for planning and internal/external auditing of the Company's personal data protection and information security to maintain and continuously strengthen personal data and information security.

B. The Company has obtained international standard certifications for ISO 27001 Information Security Management and ISO 27701 Privacy Information Management. The current certificate validity period runs from October 31, 2025 to October 31, 2028, with no major findings from related internal and external audits.

C. From 2025 through March 29, 2026, all new employees completed information security education and training courses prior to joining; all employees completed one online information security education and training session and assessment, and a total of four social engineering phishing email tests were conducted.

D. From 2025 through March 29, 2026, a total of 5 information security and personal data protection newsletters and 7 promotional announcements were produced to communicate important regulations and precautions regarding information security protection and personal data protection.

4.6.5 Information Security System Operations

To comprehensively enhance the Company's information security protection capabilities and respond to the ever-changing external attack methods, the Company has deployed relevant defense mechanisms to strengthen external information security intelligence detection as well as the collection, analysis, alert monitoring, and reporting of internal information security equipment and system records. Further red team exercises have been planned to simulate real-world attack scenarios, thoroughly evaluate defense system effectiveness, and enhance identification and remediation of potential vulnerabilities. Additionally, to improve detection and response efficiency, the Company plans to implement AI automation analysis technology for real-time processing and risk prediction of security monitoring logs, achieving faster and more precise detection and response mechanisms.

Additionally, the Company has engaged external professional security vendors to jointly conduct penetration testing and security health checks (including network architecture review, malicious network activity inspection, etc.), adopting cross-penetration testing methodologies. Through multiple professional perspectives, this approach reduces blind spots in the penetration process, ensuring more comprehensive risk identification and assessment. This effectively identifies potential security risks, enables timely corrections and improvements, thereby enhancing overall defense capabilities. The Company continuously monitors security issues and standard regulations, planning corresponding measures to ensure corporate security protection remains in optimal condition.

4.6.6 Regular Assessment and Drills

The Company conducts annual risk assessments of information and communication technology (ICT) system assets. In addition to evaluating the protection requirement classification of ICT systems based on the three core information security elements—confidentiality, integrity, availability, and legal compliance—the Company also conducts assessments of core ICT systems from three dimensions: aviation safety, aviation security, and aviation facilitation, in accordance with the International Civil Aviation Organization (ICAO) Aviation Security Manual (Doc. 8973), and formulates business continuity plans for core ICT systems. Business continuity plans have been established for core IT systems. In fiscal year 2024, two computer disaster recovery drills were conducted. Computer disaster recovery has transitioned from on-premises to cloud-based solutions, effectively reducing system recovery time (RTO) and minimizing potential losses. The business continuity plan is regularly reviewed and reassessed to ensure plan usability and integrity. Furthermore, to comprehensively strengthen the Company's overall security protection, endpoint security was enhanced in 2024, improving risk detection and response capabilities. Through review of various information security components (such as network architecture design logic, network zone configuration, etc.), supplemented by professional judgment, security improvement recommendations were provided, effectively reducing security risks. Additionally, in December 2025, penetration testing and security health checks were conducted jointly by two professional security vendors. The main components included risk testing, information reconnaissance, and error handling tests, simulating hacker attack methodologies such as brute force attacks, vulnerability exploitation, and backdoor implantation to breach defenses. These tests comply with detection standards including the SANS TOP 20 and Open Web Application Security Project (OWASP) Top 10 web security vulnerability classification, ensuring that in actual hacker attacks, the Company's security defenses can effectively protect its information assets and business operations.

4.6.7 Losses Suffered, Potential Impacts, and Response Measures Resulting from Major Information Security Incidents

During the Company's threat intelligence monitoring operations in February, May, July, and November 2025, a total of 7 instances of member data being sold on the dark web and social platforms were discovered. Upon comparing the disclosed data, it was confirmed to be the same incident that occurred in 2023 and constituted repeated reselling. A simultaneous review of internal relevant systems showed no signs of intrusion; therefore, the Company suffered no financial losses of any kind. In addition to continuously strengthening security protection and system security management, such as personal data storage encryption, comprehensive system vulnerability scanning, source code scanning, and engaging third-party security experts to complete security health assessments, penetration testing, and deep forensics; the Company has also simultaneously required outsourced vendors to enhance security management measures to ensure the safety of data custody and utilization.

4.7 Major Contracts

Agreement	Counterparty	Period	Major Contents	Restrictive clause
Aircraft Purchase Contract	The Boeing Company	Contract date 2019/08	12 777F aircraft	-
Aircraft Purchase Contract	Airbus S.A.S.	Contract date 2019/10	11 A321neo aircraft	-
Aircraft Purchase Contract	The Boeing Company	Contract date 2022/09	16 787-9 aircraft, 8 787-10 aircraft	-
Aircraft Purchase Contract	The Boeing Company	Contract date 2025/03	15 777-9 aircraft, 8 7778F aircraft	-
Aircraft Purchase Contract	Airbus S.A.S.	Contract date 2025/03	15 A350-1000 aircraft	-
Aircraft Purchase Contract	ILFC Ireland Limited	Contract date 2025/12	3 A350-900 aircraft	-
Lease	Opis Aviation Capital DAC	2012/10-2027/08	Aircraft Type: A330-300/ No.: B-18358	-
Lease	Opis Aviation Capital DAC	2012/12-2027/03	Aircraft Type: A330-300/No: B-18359	-
Lease	Dunnock Aviation Limited	2013/12-2027/12	Aircraft Type: A330-300/No: B-18360	-
Lease	Jade Aviation （Ireland） AOE 5 Limited	2014/06-2027/06	Aircraft Type: A330-300/No: B-18361	-
Lease	Limerick Loop Aviation Three DAC	2014/10-2030/09	Aircraft Type: 777-300ER/No: B-18051	-
Lease	Oriental Leasing 4 Company Limited	2014/10-2031/02	Aircraft Type: 777-300ER/No: B-18052	-
Lease	Zeus Aircraft Owner 1 Ltd.	2014/11-2031/01	Aircraft Type: 777-300ER/No: B-18053	-
Lease	TAI II - Aero Four (Cayman) Limited	2015/01-2030/01	Aircraft Type: 777-300ER/No: B-18055	-
Lease	Sky High XXXVII Leasing Company Limited	2015/05-2030/04	Aircraft Type: 777-300ER/No: B-18001	-
Lease	Sky High XXXVII Leasing Company Limited	2015/06-2030/05	Aircraft Type: 777-300ER/No: B-18002	-
Lease	Sky High XXXVII Leasing Company Limited	2015/08-2030/08	Aircraft Type: 777-300ER/No: B-18003	-
Lease	Sky High XXXVII Leasing Company Limited	2015/10-2031/05	Aircraft Type: 777-300ER/No: B-18005	-
Lease	Zeus Aircraft Owner 2 Ltd.	2016/01-2031/08	Aircraft Type: 777-300ER/No: B-18006	-
Lease	Zeus Aircraft Owner 3 Ltd.	2016/05-2031/06	Aircraft Type: 777-300ER/No: B-18007	-
Lease	Wilmington Trust SP Services (Dublin) Limited	2013/04-2028/03	Aircraft Type: 737-800/ No.: B-18651	-
Lease	Wilmington Trust SP Services (Dublin) Limited	2013/05-2028/05	Aircraft Type: 737-800/ No.: B-18652	-
Lease	Wilmington Trust SP Services (Dublin) Limited	2013/06-2028/06	Aircraft Type: 737-800/ No.: B-18653	-
Lease	UMB Bank, N.A.	2016/03-2027/05	Aircraft Type: 737-800/ No.: B-18660	-
Lease	BOC Aviation Limited	2016/09-2026/07	Aircraft Type: 737-800/ No.: B-18661	-
Lease	BOC Aviation Limited	2016/09-2026/09	Aircraft Type: 737-800/ No.: B-18662	-
Lease	BOC Aviation Limited	2016/10-2027/01	Aircraft Type: 737-800/ No.: B-18663	-
Lease	BOC Aviation Limited	2016/11-2027/02	Aircraft Type: 737-800/ No.: B-18665	-
Lease	Scissortail Aviation International Leasing I Limited	2019/09-2026/06	Aircraft Type: A330-300/No: B-18305	-
Lease	Scissortail Aviation International Leasing I Limited	2019/09-2026/10	Aircraft Type: A330-300/No: B-18306	-
Lease	ZF Oriental 15 Limited	2021/06-2026/10	Aircraft Type: A330-300/No: B-18307	-
Lease	ZF Oriental 14 Limited	2021/06-2026/07	Aircraft Type: A330-300/No: B-18309	-

Agreement	Counterparty	Period	Major Contents	Restrictive clause
Lease	ZF Oriental 17 Limited	2021/09-2026/11	Aircraft Type: A330-300/No: B-18308	-
Lease	ZF Oriental 18 Limited	2021/09-2026/10	Aircraft Type: A330-300/No: B-18311	-
Lease	ALC Blarney Aircraft Limited	2021/11-2033/11	Aircraft Type: A321neo/No: B-18101	-
Lease	ALC Blarney Aircraft Limited	2021/12-2033/12	Aircraft Type: A321neo/No: B-18102	-
Lease	ALC Blarney Aircraft Limited	2022/02-2034/02	Aircraft Type: A321neo/No: B-18103	-
Lease	ALC Blarney Aircraft Limited	2022/05-2034/05	Aircraft Type: A321neo/No: B-18105	-
Lease	ALC Blarney Aircraft Limited	2022/04-2034/04	Aircraft Type: A321neo/No: B-18106	-
Lease	ALC Blarney Aircraft Limited	2022/04-2034/04	Aircraft Type: A321neo/No: B-18107	-
Lease	Pembroke Aircraft Leasing (UK) Limited	2022/06-2034/06	Aircraft Type: A321neo/No: B-18108	-
Lease	Pembroke Aircraft Leasing (UK) Limited	2022/06-2034/06	Aircraft Type: A321neo/No: B-18109	-
Lease	GY Aviation Lease 1502 Co., Limited	2022/11-2034/11	Aircraft Type: A321neo/No: B-18110	-
Lease	GY Aviation Lease 1502 Co., Limited	2022/12-2034/12	Aircraft Type: A321neo/No: B-18111	-
Lease	AWAS Aviation Trading DAC	2024/03-2036/03	Aircraft Type: A321neo/No: B-18112	-
Lease	AWAS Aviation Trading DAC	2024/04-2036/04	Aircraft Type: A321neo/No: B-18115	-
Lease	AWAS Aviation Trading DAC	2024/07-2036/07	Aircraft Type: A321neo/No: B-18116	-
Lease	ZF Oriental 12 Limited	2025/04-2037/04	Aircraft Type: A321neo/No: B-18117	-
Lease	ALC A321 12588, LLC	2025/08-2037/08	Aircraft Type: A321neo/No: B-18135	-
Lease	ALC A321 12632, LLC	2025/08-2037/08	Aircraft Type: A321neo/No: B-18136	-
Lease	Altitude II Aircraft Four DAC	2024/01-2036/03	Aircraft Type: A350-900/No: B-18919	-
Loan Agreement	Bank of Taiwan	2024/06-2028/06	Medium-term credit loan	-
Loan Agreement	Bank of Taiwan	2025/09-2027/06		-
Loan Agreement	Hua Nan Commercial Bank	2025/09-2027/06		-
Loan Agreement	First Bank	2025/09-2027/06		-
Loan Agreement	Cathay United Bank	2025/12-2027/06		-
Loan Agreement	Hua Nan Commercial Bank	2025/12-2027/06		-
Loan Agreement	First Bank	2025/12-2027/12		-
Loan Agreement	First Bank	2026/03-2028/03		-
Loan Agreement	Bank of Taiwan	2016/10-2028/10	Secured Loan Secured Loan(Aircraft Type: A350-900)	-
Loan Agreement	Bank of Communications	2017/01-2029/01		-
Loan Agreement	Agricultural Bank of Taiwan	2017/04-2029/04		-
Loan Agreement	Taiwan Business Bank	2017/04-2029/04		-
Loan Agreement	Hua Nan Commercial Bank	2017/06-2029/06		-
Loan Agreement	China Construction Bank	2017/11-2029/11		-
Loan Agreement	Bank of Taiwan	2018/04-2030/04		-
Loan Agreement	Hua Nan Commercial Bank	2020/06-2032/06		-
Loan Agreement	Land Bank of Taiwan	2020/06-2032/06		-
Loan Agreement	Bank of Taiwan	2022/10-2034/10	Secured Loan (Aircraft Type: 777F)	-
Loan Agreement	Taiwan Cooperative Bank	2023/04-2035/04		-
Loan Agreement	The Export-Import Bank of the Republic of China	2023/08-2035/08		-
Loan Agreement	Hua Nan Commercial Bank	2023/12-2035/12		-
Loan Agreement	Bank of Taiwan	2024/07-2036/07		-
Loan Agreement	Mega Bank	2024/11-2036/11		-

Agreement	Counterparty	Period	Major Contents	Restrictive clause
Loan Agreement	Mega Bank	2025/12-2037/12		-
Loan Agreement	Yuanta Commercial Bank	2025/11-2037/11	Secured Loan (Aircraft Type: A321neo)	-
Loan Agreement	Bank of Taiwan	2025/11-2037/11		-
Loan Agreement	The Export-Import Bank of the Republic of China	2026/01-2038/01		-
Contract	China Bills Finance Corporation	2021/09-2026/09	Bills	-
Contract	International Bills Finance Corp.	2024/06-2027/06		-
Contract	MEGA BILLS FINANCE CO., LTD.	2024/06-2027/06		-
Contract	International Bills Finance Corp.	2024/06-2027/06		-
Contract	International Bills Finance Corp.	2024/07-2028/07		-
Contract	China Bills Finance Corporation	2024/07-2028/07		-
Contract	International Bills Finance Corp.	2024/08-2029/08		-
Contract	International Bills Finance Corp.	2024/12-2029/12		-
Contract	Ta Ching Bills Finance Corporation	2025/03-2029/03		-
Contract	International Bills Finance Corp.	2025/03-2030/03		-
Contract	China Bills Finance Corporation and other 5 corporations	2025/03-2030/03		-
Contract	MEGA BILLS FINANCE CO., LTD.	2025/05-2029/05		-
Contract	China Bills Finance Corporation	2025/05-2029/05		-
Contract	International Bills Finance Corp.	2025/05-2030/05		-
Surface Rights Registration Contract of Taipei CAL Building	Northern Region Branch of National Property Administration of the Ministry of Finance	2016/12/31-2026/12/30	According to the original contract agreement, agreed to renew for another 10 years (third term), adjusting the rent based on the announced current land value and announced land price by the land administration authority, and charging at an annual rental rate of 5%.	-
Taipei CAL Building Lease Contract	FX Hotels Taiwan	2010/09/01-2026/12/30	Rental Subject: Located at China Airlines Building, No. 131, Section 3, Nanjing East Road, Taipei City, comprising a partial basement floor (B1) area of 169.6 ping, a ground floor (1F) area of 110.5 ping, and four floors (10F–13F) with a total area of 2,145.0 ping. Total: 2425.10 pings. 9 parking spaces at B1F	-
Taipei CAL Building Lease Contract	OEC Freight Worldwide Co., Ltd. of the OEC Group	2016/03/01-2026/12/31	Rental Subject: Located at China Airlines Building, No. 131, Section 3, Nanjing East Road, Taipei City, comprising the entire 7th floor with an area of 543.54 ping, a partial area on basement floor B1 of 15.25 ping, 1 parking space on basement floor B1, and 12 parking spaces on basement floor B2.	-
Nankan CAL Park Land Lease Contract	Costco President Taiwan Inc.	Inception of the lease: 2012/08/30 Period of leasing: 20 years from the inception of the lease	Rental Subject: A plot of land numbered 705 in Jinzhong Section, Luzhu District, Taoyuan City, and the road land numbered 705-1 facing Nanxie Road, with a total area of 8,382.05 pings (27,709.21 square meters).	-

Agreement	Counterparty	Period	Major Contents	Restrictive clause
Kaohsiung CAL Building Lease Contract	FX Hotels Taiwan	2012/12/31-2032/12/30	Rental Subject: Located at No. 81, Zhonghua 3rd Road, Qianjin District, Kaohsiung City, the China Airlines Building; 115.91 pings on the basement floor; 101.89 pings on the 1st floor; 24.07 pings on the mezzanine; a total of 1,083.94 pings on the 2nd to 12th floors (11 floors); and 35.45 pings of protruding roof space, with a total area of 1,361.26 pings.	-
CAL Park Building Lease Contract	CAL Park Co., Ltd.	2025/01/01-2026/12/31	Corporate Headquarters Administrative Center Building, Operations and Training Center Building, Flight Training Center Building, and underground parking lot, with a total area of 25,140 pings.	-
Technical Cooperation Contract	Pratt & Whitney	Effective from 2020/12/18 with no expiry date.	Became a member of GTF Engine Repair Alliance and undertook the GTF-1100G engine maintenance business.	-
Engine Maintenance Contract	ROLLS-ROYCE PLC	2008/01/22-2031/09/30	A350 Fleet Engine Maintenance	-
Engine Maintenance Contract	GE ENGINE SERVICES, LLC	2014/10/01-2028/05/15	777 Fleet Engine Maintenance	-
Engine Maintenance Contract	SOCIETE AIR FRANCE	2021/06/01-2041/03/31	777F Fleet Engine Maintenance	-
Engine Maintenance Contract	IAE	2019/12/01-2037/11/30	A321neo Fleet Engine Maintenance	-
Engine Maintenance Contract	GE ENGINE SERVICES, LLC	2022/11/29-2040/12/31	787 Fleet Engine Maintenance	-

Review of Financial Conditions, Financial Performance, and Risk Management

5.1 Analysis of Financial Status

5.2 Analysis of Financial Performance

5.3 Analysis of Cash Flow

5.4 Major Capital Expenditure Items

5.5 Investment Policy during the Last Year, Main reasons for Profits/Losses, Improvement Plans, and Investment Plans for the Coming Year

5.6 Analysis of Risk Management

5.7 Other Important Matters

V. Review of Financial Conditions, Financial Performance, and Risk Management

5.1 Analysis of Financial Status (Consolidated)

Analysis of Changes in Assets, Liabilities, and Equity Over the Past Two Years

Unit: NT$ thousands

Year / Item	2025	2024	Increase (Decrease) in Amount	Ratio of Change(%)
Current assets	86,902,257	97,806,882	(10,904,625)	(11.15)
Property, plant and equipment	133,115,153	125,987,963	7,127,190	5.66
Intangible assets	866,123	784,799	81,324	10.36
Other assets	133,940,384	102,803,894	31,136,490	30.29
Total assets	354,823,917	327,383,538	27,440,379	8.38
Current liabilities	95,442,655	89,484,009	5,958,646	6.66
Non-current liabilities	156,841,044	147,350,672	9,490,372	6.44
Total Liabilities	252,283,699	236,834,681	15,449,018	6.52
Capital stock	60,853,733	60,769,350	84,383	0.14
Capital surplus	5,892,301	5,829,477	62,824	1.08
Retained earnings	31,098,554	20,977,498	10,121,056	48.25
Other equity	(229,921)	(1,544,819)	1,314,898	85.12
Treasury shares	(30,875)	(30,875)	-	-
Non-controlling interests	4,956,426	4,548,226	408,200	8.97
Total equity	102,540,218	90,548,857	11,991,361	13.24

A. Analysis of changes in financial ratios:

1. Other Assets: The increase compared to the prior period is primarily attributable to increases in prepayments for aircraft purchases and long-term prepaid expenses.
2. Retained earnings: Mainly due to a significant rebound in passenger demand in 2024, leading to an increase in net profit after tax compared to the previous period.
3. Other Equity: Mainly due to the change in the fair value of financial assets and hedging instruments measured at fair value through other comprehensive income.

B. Future response actions: The above changes do not significantly affect the Company.

5.2 Analysis of Financial Performance (Consolidated)

5.2.1 Financial Performance Analysis Table

Unit: NT$ thousands

Item \ Year	2025	2024	Increase (Decrease) in Amount	Ratio of Change(%)
Operating Revenue	209,138,766	203,879,338	5,259,428	2.58
Cost	171,912,250	169,719,034	2,193,216	1.29
Gross profit	37,226,516	34,160,304	3,066,212	8.98
Operating expenses	16,390,298	15,957,957	432,341	2.71
Operating income (loss)	20,836,218	18,202,347	2,633,871	14.47
Non-operating income and expenses	(777,608)	1,073,715	(1,851,323)	(172.42)
Pretax profit (loss)	20,058,610	19,276,062	782,548	4.06
Income tax expense	3,885,138	3,780,874	104,264	2.76
Net income (loss)	16,173,472	15,495,188	678,284	4.38
Other comprehensive income	1,340,860	(851,753)	2,192,613	257.42
Total comprehensive gain (loss) for the year	17,514,332	14,643,435	2,870,897	19.61

Analysis of change in cash flow in the current year:

1. Non-Operating Income and Expenses: The change is primarily attributable to increased foreign exchange losses, increased interest expenses, and decreased interest income in 2025.
2. Other comprehensive income (net): Mainly due to the change in the fair value of financial assets and hedging instruments measured at fair value through other comprehensive income.
3. Total comprehensive income for the period: The combined effects of the descriptions of 1, 2, 3, and 4.

5.2.2 Expected Sales Volume and Basis Thereof, Potential Impact on the Company's Future Financial and Business Operations, and Response Plans

A. Expected Sales Volume and Basis Thereof: Based on the industry environment and external market supply and demand conditions, the Company expects operating revenue for fiscal year 2026 to achieve steady growth.

B. Potential Impact on the Company's Future Financial and Business Operations, and Response Plans: The Company will be committed to the effective utilization of financial resources to meet the needs arising from business growth.

5.3 Analysis of Cash Flow

5.3.1 Cash Flow Analysis for the Current Year Unit: NT$ thousands

Item \ Year	2025	2024	Increase (Decrease) in Amount	Ratio of Change(%)
Cash and Cash Equivalents, Beginning of the Year	66,648,640	30,391,564	36,257,076	119.30
Net Cash Flow from Operating Activities	49,385,273	54,283,415	(4,898,142)	(9.02)
Net Cash Flow from Investing Activities	(50,825,315)	(7,265,844)	(43,559,471)	(599.51)
Net Cash Flow from Financing Activities	(6,808,760)	(12,128,710)	5,319,950	43.86
Exchange Rate Adjustment	(848,172)	1,368,215	(2,216,387)	(161.99)
Cash and Cash Equivalents, End of Year	57,551,666	66,648,640	(9,096,974)	(13.65)

Analysis of change in cash flow in the current year:

1. The variance in cash flows from investing activities is primarily attributable to an increase in prepayments for equipment and a decrease in disposal of hedging financial assets.
2. The variance in cash flows from financing activities is primarily attributable to a decrease in repayment of long-term borrowings and the issuance of corporate bonds payable.

5.3.2 Remedy for Cash Deficit and Liquidity Analysis (Consolidated): None.

5.3.3 Cash Flow Analysis for the Coming Year (Parent Company-Only)

Unit: NT$ hundred millions

Beginning Cash and Cash Equivalents Balance	Estimated Annual Net Cash Flow from Operating Activities	Estimated Annual Net Cash Outflow from Investing and Financing Activities
420	301	969

A. 2026 Cash Flow Analysis:

(1) Operating Activities: Estimated cash inflow generated from operating activities.

(2) Investing Activities: Primarily cash outflow for aircraft and equipment purchases.

(3) Financing Activities: Primarily net cash outflow for bank loan repayments and cash dividend distributions.

B. Financing Plan: Planning to arrange new aircraft mortgage loans, issue domestic unsecured corporate bonds and medium to long-term revolving notes, maintaining end-of-period cash balance above NT$30 billion.

5.4 Major Capital Expenditure Items (Parent Company-Only)

Major capital expenditures primarily include purchases of new airplanes as part of the operational expansion, which does not have a significant impact on the Company's financial operations.

5.5 Investment Policy during the Last Year, Main reasons for Profits/Losses, Improvement Plans, and Investment Plans for the Coming Year

To support our primary airline operations and enhance the competitiveness of the CAL Group, investments are made primarily in airline industry-related companies. Currently, these include air transport, tourism services, ground services, logistics and warehousing, air transportation support, aerospace technology, and investing and holding leasing to create a comprehensive air service network and wide-ranging services. In 2025, the total investment income recognized by the Company under the equity method amounted to approximately NT$3.562 billion.

In the coming year, the Company will continue to evaluate potential investments in passenger, cargo, aircraft maintenance, and aviation training.

5.6 Analysis of Risk Management

5.6.1 Impacts on Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance, and Future Response Measures

A. Impacts on changes in interest rates, foreign exchange rates, and inflation on Company income

Although changes in interest and foreign exchange rates have an impact on Company income, effective control on the impact is limited.

B. Response measures to changes in interest rates, foreign exchange rates, and inflation

To prevent changes in interest rates, foreign exchange rates, and inflation from creating risks to the Company's overall finances, regular meetings are held by the Board of Directors Sustainability and Risk Committee, and remain alert to economic and financial developments both in Taiwan and overseas to develop a hedging strategy, evaluate the performance of derivatives, and set an appropriate hedge ratio. These controls help prevent changes by utilizing financial hedging instruments in the financial environment and oil prices from creating systemic financial risks and enable CAL to properly manage risk.

5.6.2 Policies, Main reasons for Gain/Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions

A. The Company does not involve itself in high-risk, highly-leveraged investments.

B. The Company has developed the Operational Procedures for Lending Funds to Others and Operational Procedures for Endorsements/Guarantees. Risks of such operations are controlled through strict assessment. Therefore, loans and endorsements/guarantees do not bring profits nor cause losses to the Company.

C. The Company's derivative products include forward foreign exchange and foreign exchange options contracts and oil options contracts, which are primarily to hedge against the risk of fluctuations in oil prices, interest rates, and foreign exchange rates. Transactions are performed in accordance with the Company's Operational Procedures for Derivatives Trading and are regularly evaluated to ensure effective risk controls.

5.6.3 Future Research & Development Projects and Corresponding Budgets: Please refer to page 93-96.

5.6.4 Impacts on and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales:

The Company's responsible units continue to monitor important domestic and international policy and legal changes to fully grasp market environment changes and propose timely response measures. From 2024 to the printing date of this annual report, domestic and international policy and legal changes have had no significant impact on the Company's financial and business operations.

5.6.5 Impacts on and Response to Changes in Technology and the Industry Relating to Corporate Finance and Sales:

The Company continuously monitors external cybersecurity technological changes and industry development trends, actively strengthening security protection systems, and implementing advanced security strategies and risk management measures with future-oriented technology. We enhance security intelligence collection and data analysis, improving predictive capabilities for future attack methods and potential risks. With the rapid development of artificial intelligence (AI), the Company continues to adjust and strengthen multi-layered protection mechanisms, providing comprehensive protection from endpoint devices through network layer to application layer, ensuring flexibility and scalability of defense systems.

We regularly conduct internal and external security reviews and risk assessments, enhancing corporate compliance and risk management capabilities. To address rapidly changing technological and industrial environments, we have strengthened security risk management during digital transformation, introducing advanced artificial intelligence and automation technologies to analyze monitoring records, as well as improving risk detection and response performance. Overall, technological changes (including information security risks) and industry transformation have not significantly impacted the Company's operations. We will continue to address emerging challenges with flexible and forward-looking security strategies to safeguard operational stability and growth.

5.6.6 The Impact of Changes in Corporate Image on Corporate Risk Management and the Company's Response Measures

The Company has established a long-term safety management system and complied with standard operating procedures. It continued to improve aviation and aircraft maintenance and implemented the highest standard of flight safety. In the spirit of SOP+, various services were implemented, which were recognized by major domestic and overseas awards. The Company also actively invested in social welfare, fulfilled corporate responsibilities, and incorporated environmental management into its operational focus. If there are any false or negative news, messages, or incidents that affect the Company's image, a response will be acted upon immediately with an explanation and clarification given to the public. Posts will be written with explanations on the website or social media platform, if necessary, to reduce negative effects.

We are optimistic about the gradual recovery and the promising future of the international passenger transport market. We pay attention to the global market dynamics, steadily increase the number of flights across the board, develop new destinations to increase product competitiveness, and optimize cabin service experience. As for the cargo transport business, we appropriately plan our existing fleet and flexibly coordinate the capacity to formulate sales strategies and improve the overall cargo revenue. We revamp our fleet and plan the aviation network to adjust the passenger and cargo transport capacity, further maintaining operational flexibility.

5.6.7 Expected Benefits from, Risks Relating to, and Response to Merger and Acquisition Plans: None.

5.6.8 Expected Benefits from, Risks Relating to, and Response to Factory Expansion Plans: None.

5.6.9 Risks Related to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration: None.

5.6.10 Effects of, Risks Relating to, and Response to Large Share Transfers or Changes in Shareholdings by Directors or Shareholders with Shareholdings of over 10%: None.

5.6.11 Effects of, Risks Relating to, and Response to the Changes in Management Rights: None.

5.6.12 Litigation or Non-litigation Matters: None.

5.6.13 Other Major Risks

CAL fully understands the importance of risk management and the potential for interactions resulting from different types of risk. CAL formed a Risk Committee directly under the supervision of the Board of Directors to improve risk management and require subordinate units to control for each major risk category.

The CAL Risk Management Organization and Units Responsible for Implementation

Type of Risk	Responsible Department	Risk Management Measures
Operating Risk	Corporate Development Office	The operating environment for the aviation industry is ever changing. Major political and economic events as well as unexpected internal or external events can have a huge impact on the Company's operations. The Corporate Development Office analyzes potential political, economic, aviation industry, and internal company situations that could affect the Company, and proposes concrete response plans to reduce their impact on China Airlines' strategic direction and annual business plan.
Safety Risk	Corporate Safety Office	Safety is the most basic principle and core value of China Airlines' business operation as well as its responsibility and commitment to each customer. According to the Safety Management System (SMS), the Company constructs safety risk management. In relation to internal and external operation risks, such as navigation, maintenance, air service, and ground operation, the Company maintains operational risk within an acceptable range through continuous hazard identification and risk management, and proposes improvement measures to effectively enhance the overall safety performance of the Company.
Financial Risk	Finance Div.	Both domestic and global economies affect the operating results of the Company. Primary operating costs for airlines include interest rates, exchange rates, fuel, and outside factors that can result in significant volatility. Therefore, the Finance Division utilizes financial hedging instruments to adjust the above factors within a certain range, regularly monitors financial risk, and develops relevant strategies and measures to effectively manage financial risk.

5.7 Other Important Matters: None.

Special Disclosure

6.1 Summary of Affiliated Companies

6.2 Private Placement Securities in the Most Recent Years

6.3 Other Necessary Supplementary Information

6.4 Matters Having Major Impacts on Shareholder Equity or Share Prices

VI. Special Disclosure

6.1 Summary of Affiliated Companies

Affiliated Enterprises Consolidated Business Report:
Please refer to the Market Observation Post System (MOPS) / Single Company / Electronic Document Download / Affiliated Enterprises Three Statements Section (https://mopsov.twse.com.tw/mops/web/t57sb01_q10) for inquiries.

6.2 Private Placement Securities in the Most Recent Years: None.

6.3 Other Necessary Supplementary Information: None.

6.4 Matters Having Major Impacts on Shareholder Equity or Share Prices

6.4.1 Changes in Chairman, President, or More Than One-Third of Directors

A. The Company's institutional director, China Aviation Development Foundation appointed Ms. Huang, Shih-Hui as its representative on the Company's 23rd Board of Directors on June 6, 2025.

B. The Company's institutional director, China Airlines Industry Development Foundation, dismissed Director Su, Pei-Hsuan on November 3, 2025, and subsequently appointed Mr. Chang, Gwo-Wei as its representative to serve as a Director of the Company's 23rd Board of Directors on December 26, 2025.

6.4.2 Signing of Significant Memorandums, Strategic Alliances, Other Business Cooperation Plans or Important Contracts

A. In consideration of overall network planning and fleet renewal, the Company signed the following aircraft purchase agreements in 2025:

(1) On March 31, 2025, a contract was signed to purchase 10 A350-1000 aircraft and 5 optional aircraft; the option aircraft were subsequently converted to firm orders in December 2025.

(2) On March 31, 2025, a contract was signed to purchase 10 777-9 aircraft and 5 optional aircraft; the option aircraft were subsequently converted to firm orders in November 2025.

(3) On March 31, 2025, a contract was signed to purchase 4 777-8F aircraft and 4 optional aircraft; the option aircraft were subsequently converted to firm orders in November 2025.

(4) On November 26, 2025, a contract was signed to additionally purchase 2 777F freighters.

(5) On December 5, 2025, a contract was signed to purchase 3 A350-900 aircraft.

B. To meet regional capacity demands, a contract was signed on July 3, 2025, to additionally lease 2 A321neo aircraft, which were introduced in August 2025; a further contract was signed on June 25, 2025, to additionally lease 3 A321neo aircraft, which are expected to be introduced in the second half of 2027.

C. Starting in March 2025, the Company and Southwest Airlines (WN) successively completed the signing of a Special Prorate Agreement (SPA), and the implementation of iET and IATCI systems. On August 20, 2025, the Company signed an expanded cooperation Memorandum of Understanding (MoU) with WN, under which both parties will strengthen cooperation in the areas of frequent flyer mileage programs, code-sharing, and co-branding.

6.4.3 Disasters, Labor Actions, Environmental and Information Security Incidents

The Taoyuan City Government Labor Affairs Bureau conducted labor inspections on October 7 and December 3, 114 (ROC calendar), and determined that the Company violated Article 32, Paragraph 2 and Article 35 of the Labor Standards Act with respect to the dispatch working hours and rest period arrangements for two flight crew members, subsequently imposing fines of NT$1,000,000 and NT$2,000,000 on November 3, 2025 and January 21, 2026, respectively. The Company has always placed great importance on the physical and mental well-being of its crew members. The dispatch of crew members is handled in accordance with civil aviation regulations. This case arose due to conflicts between applicable regulations, and the Company will file an administrative appeal in accordance with the law, seeking to have the dispositions revok.

中華航空
CHINA AIRLINES

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