

Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report



Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Believe We Can Always Do Better

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report



Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Financial Performance

Five-Year Financial Summary

Consolidated Condensed Balance Sheet - Base on IFRS (CAL Group) (Unit: TWD thousands)

Item		Financial Summary for the Last Five Years				
		2017	2018	2019	2020	2021
Current assets		47,411,834	52,827,560	51,822,342	61,872,468	85,849,590
Property, plant and equipment		153,617,531	163,107,718	145,886,971	141,481,694	129,632,046
Intangible assets		1,019,345	1,210,796	1,182,692	1,076,351	1,008,992
Other assets		23,850,922	12,990,508	94,155,974	79,763,571	78,230,453
Total assets		225,899,632	230,136,582	293,047,979	284,194,084	294,721,081
Current liabilities	Before distribution	60,289,113	60,949,892	76,351,527	62,649,715	53,239,105
	After distribution	61,482,783	62,086,170	76,351,527	62,649,715	-
Non-current liabilities		106,453,000	109,139,606	156,564,335	160,832,796	164,276,958
Total liabilities	Before distribution	166,742,113	170,089,498	232,915,862	223,482,511	217,516,063
	After distribution	167,935,783	171,225,776	232,915,862	223,482,511	-
Equity attributable to shareholders of the parent		57,023,237	57,081,572	56,553,772	57,559,483	74,043,573
Capital stock		54,709,846	54,209,846	54,209,846	54,209,846	59,412,243
Capital surplus	Before distribution	799,999	1,241,214	2,488,907	1,187,327	2,694,529
	After distribution	799,999	1,241,214	1,191,065	836,746	-
Retained earnings	Before distribution	1,664,405	1,615,661	-1,297,842	-350,581	9,253,848
	After distribution	470,735	479,383	0	0	-
Other equity interest		-107,641	58,223	1,196,233	2,543,766	2,713,828
Treasury shares		-43,372	-43,372	-43,372	-30,875	-30,875
Non-controlling interest		2,134,282	2,965,512	3,578,345	3,152,090	3,161,445
Total equity	Before distribution	59,157,519	60,047,084	60,132,117	60,711,573	77,205,018
	After distribution	57,963,849	58,910,806	60,132,117	60,711,573	-

Consolidated Condensed Statement of Comprehensive Income - Based on IFRS (CAL Group) (Unit: TWD thousands; EPS (net) = TWD)

Item		Financial Summary for the Last Five Years				
		2017	2018	2019	2020	2021
Revenue		156,121,785	170,711,607	168,444,160	115,250,550	138,841,403
Gross profit		21,972,411	17,207,531	16,686,928	10,219,201	23,354,457
Operating profit (loss)		8,826,160	4,022,383	2,665,821	2,184,416	14,968,035
Non-operating income and expenses		-5,302,197	-941,134	-2,762,638	-2,838,213	-3,841,430
Pretax profit (loss)		3,523,963	3,081,249	-96,817	-653,797	11,126,605
Income from operations of continued segments - after tax		2,490,792	2,272,684	-675,002	-279,814	8,956,664
Income from discontinued operations				-	-	-
Net income (loss)		2,490,792	2,272,684	-675,002	-279,814	8,956,664
Other comprehensive income (income / loss after taxes)		-1,113,176	-578,363	462,758	864,072	30,581
Total comprehensive gain (loss) for the year		1,377,616	1,694,321	-212,244	584,258	8,987,245
Net income attributable to shareholders of the parent		2,208,066	1,790,361	-1,199,798	140,000	9,379,905
Net income attributable to non-controlling interest		282,726	482,323	524,796	-419,814	-423,241
Comprehensive income attributable to shareholders of the parent		1,240,677	1,258,035	-647,085	966,968	9,429,042
Comprehensive income attributable to non-controlling interest		136,939	436,286	434,841	-382,710	-441,797
Earnings (loss) per share		0.40	0.33	-0.22	0.03	1.67



Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Condensed Balance Sheet – Based on IFRS (CAL Only) (Unit: TWD thousands)

Item		Financial Summary for the Last Five Years				
		2017	2018	2019	2020	2021
Current assets		37,933,696	42,932,859	40,989,612	51,858,785	73,846,790
Property, plant and equipment		142,265,548	149,029,054	131,029,886	126,414,462	115,174,548
Intangible assets		989,327	979,708	971,298	867,453	754,349
Other assets		30,729,421	21,972,600	95,885,709	81,769,065	80,875,029
Total assets		211,917,992	214,914,221	268,876,505	260,909,765	270,650,716
Current liabilities	Before distribution	54,925,364	55,179,834	68,000,173	56,740,010	45,666,704
	After distribution	56,119,034	56,316,112	68,000,173	56,740,010	-
Non-current liabilities		99,969,391	102,652,815	144,322,560	146,610,272	150,940,439
Total liabilities	Before distribution	154,894,755	157,832,649	212,322,733	203,350,282	196,607,143
	After distribution	156,088,425	158,968,927	212,322,733	203,350,282	-
Equity attributable to shareholders of the parent		57,023,237	57,081,572	56,553,772	57,559,483	74,043,573
Capital stock		54,709,846	54,209,846	54,209,846	54,209,846	59,412,243
Capital surplus	Before distribution	799,999	1,241,214	2,488,907	1,187,327	2,694,529
	After distribution	799,999	1,241,214	1,191,065	836,746	-
Retained earnings	Before distribution	1,664,405	1,615,661	-1,297,842	-350,581	9,253,848
	After distribution	470,735	479,383	0	0	-
Other equity interest		-107,641	58,223	1,196,233	2,543,766	2,713,828
Treasury shares		-43,372	-43,372	-43,372	-30,875	-30,875
Total equity	Before distribution	57,023,237	57,081,572	56,553,772	57,559,483	74,043,573
	After distribution	55,829,567	55,945,294	56,553,772	57,559,483	-

Condensed Statement of Comprehensive Income – Based on IFRS (CAL Only) (Unit: TWD thousands; EPS (net) = TWD)

Item		Financial Summary for the Last Five Years				
		2017	2018	2019	2020	2021
Revenue		139,815,211	150,264,792	146,372,401	106,327,123	132,140,248
Gross profit		17,966,397	12,649,836	11,364,235	11,136,944	25,910,694
Operating profit		7,358,114	1,847,567	80,235	4,884,855	19,320,396
Non-operating income and expenses		-4,269,911	468,064	-1,267,561	-4,713,760	-7,346,456
Pretax profit (loss)		3,088,203	2,315,631	-1,187,326	171,095	11,973,940
Income from operations of continued segments - after tax		2,208,066	1,790,361	-1,199,798	140,000	9,379,905
Income from discontinued operations		-	-	-	-	-
Net income (loss)		2,208,066	1,790,361	-1,199,798	140,000	9,379,905
Other comprehensive income (income / loss after taxes)		-967,389	-532,326	552,713	826,968	49,137
Total comprehensive gain (loss) for the year		1,240,677	1,258,035	-647,085	966,968	9,429,042
Net income attributable to shareholders of the parent		0.40	0.33	-0.22	0.03	1.67



Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
 - Customer Satisfaction Table in 2021
 - Management of Material Human Rights Issues in 2021
 - Relevant Data Statistics of Human Resources
- Environmental Performance
 - GRI Content Index
 - The United Nations Global Compact Comparison Table
 - The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Five-Year Financial Analysis

Consolidated Financial Analysis – Based on IFRS (CAL Group)

Item		2017	2018	2019	2020	2021
Financial structure (%)	Debt ratio	73.81	73.91	79.48	78.64	73.80
	Ratio of long-term capital to property, plant and equipment	107.81	103.73	148.54	156.59	186.28
Solvency (%)	Current ratio	78.64	86.67	67.87	98.76	161.25
	Quick ratio	59.46	67.50	54.57	84.18	144.08
	Interest earned ratio (times)	369.02	338.05	103.79	74.92	566.29
Operating performance	Accounts receivable turnover (times)	18.40	18.30	18.13	12.64	11.98
	Average collection period	19.84	19.95	20.13	28.87	30.46
	Inventory turnover (times)	-	-	-	-	-
	Accounts payable turnover (times)	-	-	-	-	-
	Average days in sales	-	-	-	-	-
	Property, plant and equipment turnover (times)	1.06	1.08	1.09	0.80	1.02
	Total assets turnover (times)	0.69	0.75	0.64	0.40	0.48
	Return on total assets (%)	1.60	1.48	0.76	0.75	3.76
Profitability	Return on stockholders' equity (%)	4.26	3.81	-1.12	-0.46	12.99
	Pre-tax income to paid-in capital (%)	6.44	5.68	-0.18	-1.21	18.73
	Profit ratio (%)	1.60	1.33	-0.40	-0.24	6.45
	Earnings per share (NT\$)	0.40	0.33	-0.22	0.03	1.67
	Cash flow ratio (%)	47.35	44.34	49.15	15.52	93.70
Cash flow	Cash flow adequacy ratio (%)	351.58	366.94	518.33	579.28	825.91
	Cash reinvestment ratio (%)	8.82	8.17	12.24	2.98	15.20
Leverage	Operating leverage	3.16	6.00	14.20	16.28	3.11
	Financial leverage	1.18	1.52	-3.95	-2.50	1.19

Financial Analysis – Based on IFRS (CAL Only)

Item		2017	2018	2019	2020	2021
Financial structure (%)	Debt ratio	73.09	73.44	78.97	77.94	72.64
	Ratio of long-term capital to fixed assets	110.35	107.18	153.31	161.51	195.34
Solvency (%)	Current ratio	69.06	77.81	60.28	91.40	161.71
	Quick ratio	49.03	57.87	45.87	76.90	142.97
	Interest earned ratio (times)	350.56	292.02	60.78	99.48	660.63
Operating performance	Accounts receivable turnover (times)	16.62	16.57	16.72	12.34	11.83
	Average collection period	21.96	22.46	21.83	29.57	30.86
	Inventory turnover (times)	-	-	-	-	-
	Accounts payable turnover (times)	-	-	-	-	-
	Average days in sales	-	-	-	-	-
	Fixed assets turnover (times)	1.03	1.03	1.05	0.83	1.09
	Total assets turnover (times)	0.66	0.70	0.61	0.40	0.50
	Return on total assets (%)	1.54	1.33	0.51	0.89	4.18
Profitability	Return on stockholders' equity (%)	3.91	3.14	-2.11	0.25	14.25
	Pre-tax income to paid-in capital (%)	5.64	4.27	-2.19	0.32	20.15
	Profit ratio (%)	1.58	1.19	-0.82	0.13	7.10
	Earnings per share (NT\$)	0.40	0.33	-0.22	0.03	1.67
	Cash flow ratio (%)	47.41	43.61	48.16	24.19	109.78
Cash flow	Cash flow adequacy ratio (%)	357.86	381.09	557.30	610.31	708.23
	Cash reinvestment ratio (%)	8.48	7.68	11.34	4.50	16.38
Leverage	Operating leverage	3.46	11.25	396.38	7.15	2.46
	Financial leverage	1.21	3.45	-0.03	2.32	1.13



Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Customer Satisfaction Table in 2021

Passenger Satisfaction

Item	2019	2020	2021
Yearly Goal (%) (Note)	87.2	87.8	87.8
Passenger Satisfaction (%)	87.7	88.6	90.7

Note: Starting from 2020, we set the target for each unit based on its performance in the current year. The President approves the targets at the Annual Service Quality Review Meeting.

Historical Passenger Satisfaction on Service Items

Item	2019	2020	2021	2022 Objectives (Note 1)
Airport Service	89.6	90.5	92.8	89.4
Cabin Crew	89.7	90.2	93	89.5
Cabin Environment	89.3	89.8	93	89
Inflight Catering Service	83.1	82.8	84	83.1
Inflight Entertainment	85.1	85.5 (Note 2)	85.4 (Note 2)	84.5

Note 1: The sum of target values proposed by units show that the overall passenger satisfaction targets in 2022 were the same as 2021.

Note 2: The "Reading materials" item in Inflight Entertainment was excluded starting from 2020.

Management of Material Human Rights Issues in 2021 GRI 412-1

The mitigation and remedial measures in the table below shall apply to all locations of operations of CAL across the globe based on local conditions.

Node of Value Chain	Human Rights Issue	Mitigation Measure	Remedial Measure
Upstream / Supply Chain Partners	Right to Privacy	Formulated the "Personal Data Commission Management Procedure" to regulate the matters requiring attention and rights and responsibilities for product / service providers (suppliers) entrusted to handle personal information. The Privacy Protection Policy and Statement on CAL's official website also specify that when CAL provides the involved party's personal information for the third party to use, the third party is requested to comply with the relevant policies, rules, and regulations	CAL has established a sustainable supply chain management mechanism, and the high-risk sustainability issues of supply chain partners are audited, guided, and improved through review
	Right to Health	<ul style="list-style-type: none">For suppliers of general goods, a clause regarding quality assurance obligation in the purchase contract states that suppliers must ensure that their products contain no hazards to safety or health, if the nature of their products is hazardous, warning signs and handling methods should be clearly indicatedIn response to COVID-19, CAL has requested suppliers to provide a safe and health workplace for employees' health and to ensure that employees can work in an environment without direct or indirect hazards, thus reducing the impact of the pandemic and boosting the overall health of employees. CAL also monitors critical suppliers' heath management conditions with the SAQ during the pandemic	
	Protection of Labor Conditions	<ul style="list-style-type: none">Established the China Airlines Policy Statement on Sustainable Supply Chain Management and the China Airlines Supplier Code of Conduct, requiring all suppliers to implement management in accordance with the information security, labor human rights, and labor conditions, as well as the occupational safety spirit as stipulatedKept abreast of the current status of critical suppliers management through the periodic supply chain sustainability risk survey	

Freight Customer Satisfaction

Item	2019	2020	2021
Yearly Goal (%)	88.0	88.0	88.0
Freight Customer Satisfaction (%)	88.6	88.5	88.3

Maintenance Customer Satisfaction

Item	2019 (Note 2)	2020	2021
Yearly Goal (Note 1)	8.40	8.40	8.4
Maintenance Customer Satisfaction	8.73	8.57	8.24

Note 1: The full score is 10.

Note 2: In accordance with the 2019H1 Aircraft Management Committee resolution, maintenance customer satisfaction statistics from 2019 excluding low-cost airline customers.

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Node of Value Chain	Human Rights Issue	Mitigation Measure	Remedial Measure
Midstream / CAL's Operations	Right to Privacy	Formulated a standard operating procedure in accordance with CAL's "Personal Information Management System" for collecting, handling and, using personal information to ensure regulatory compliance	Formulated a standard operating procedure in accordance with CAL's "Personal Information Management System" for collecting, handling and, using personal information to ensure regulatory compliance
	Right to Health	<ul style="list-style-type: none">• CAL has established the Occupational Safety and Health Committee, which convenes meetings every three months to review, coordinate, and give advice on safety and health related issues• CAL has established the ISO 45001: 2018 and TOSHMS occupational safety and health management systems to perform hazard identification and risk assessment regularly, and has introduced control measures, including operations / engineering, administration, and employee health management• Organized employee health checks regularly to achieve the goals of early detection, early prevention, and early treatment• Countermeasures against COVID-19:<ul style="list-style-type: none">- Established a tiered cross-unit mobilization mechanism, command system and operating procedures to coordinate relevant units to counteract the pandemic and to increase employee awareness in response to the latest condition of the pandemic by activating different tiers of the response mechanism based on the conditions- Established a health management reporting system and an abnormality tracking and handling mechanism for employees with high risks of exposure; CAL also set up a pandemic personnel management system to monitor employees' conditions- Established a vaccination registration system to monitor vaccination status and arrange vaccination; CAL also set up rapid screening mechanisms before employees report for duty to prevent cluster infections- Implemented a split operation mechanism and adjust the ways of business travel and activated diversified channels to provide real-time information related to the pandemic- Provided crew on duty with full sets of personal protective equipment (PPE) and overnight food packages at outstations- Implemented strict separation of crew during check-in and check-out; required employees to fill out "Personal Health Statement" before flights, enhanced personal health protection and penalties in mission briefing, enhanced hand sanitation, and monitored employees' physical and mental conditions at all times- Enhanced the frequency of in-flight restroom use and cabin crew/passenger separation mechanisms to reduce the possibility of cross-infection- Strengthened management and ground operations during stays in outstations to ensure zero-contact between crew members and airport personnel and disease prevention regulations for ground movements. We place each crew member in individual rooms and prohibit visitors and outings. They must actively report anomalies- Provided CAL's hotel as a home quarantine site for the crew who are unable to quarantine at home and provided flight crew with online fitness courses to promote health- Distributed alcohol spray bottles to ground service personnel and continued to strengthen disease prevention measures. In addition to masks, CAL also provided face shields or goggles as well as gloves and protective suits for special missions- Set up transparent partitions and purchased disinfection carpets for terminal offices, group counters, and ticketing counters	<ul style="list-style-type: none">• CAL has conducted statistics and analysis on our occupational incident cases while submitting reports and tracking subsequent safety and health management plans through the operation of the Occupational Safety and Health Committee and the guidance of the ISO 45001: 2018 and TOSHMS occupational safety and health management systems• Formulated a standard report form for major health-check abnormal values to provide employees with health guidance or tracking• Countermeasures against COVID-19: When an employee is found with abnormal signs and relevant symptoms, CAL will actively assist him/her to seek medical attention, and contact and report to related units to record the pandemic prevention process completely and implement health management

Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Node of Value Chain	Human Rights Issue	Mitigation Measure	Remedial Measure
Midstream / CAL's Operations	Protection of Labor Conditions	<ul style="list-style-type: none"> • Stated that forced labor is prohibited in the human rights policy and established the methods for employees to perform duties in the Human Resource Manual and the Working Rules • Held regular labor-management meetings at the headquarters and each unit to negotiate labor conditions and welfare with employee representatives • Formed various committees with employee representatives for parking lot management, catering, pension, and employee welfare to protect employees' labor rights and improve the work environment • The manpower-lean policies were implemented to address COVID-19 and to balance business operation and employees' labor conditions • CAL signed three-year collective bargaining agreements with the corporate union and Taoyuan Union of Pilots at the end of 2021 to protect employee rights and interests 	<ul style="list-style-type: none"> • Established diversified grievance channels for prompt and proper responses when employees' labor rights are damaged • Operated various committees with employees' participation to discuss labor conditions, work environment, and workplace safety and to ensure improvements as well as remedial and preventive measures against violations of rights and interests • CAL has always been committed to upholding human rights and protecting employees' rights and benefits. We provide employees with special leave and benefits superior to requirements in the Labor Standards Act. In 2021, we received one penalty for extended work hours from the competent authority. It was a repeated penalty for 2021 which was imposed after a penalty in 2018 was withdrawn in administrative litigation. CAL has applied for another administrative relief for this case and there have been no penalties based on labor inspections in 2021
Downstream / Customers	Right to Privacy	CAL has always been committed to protecting customers' personal information and privacy in accordance with the Personal Data Protection Act of the R.O.C, the General Data Protection Regulation (GDPR), the California Consumer Privacy Act (CCPA). CAL collects, processes, and uses personal information in a reasonable and safe manner based on the specific purposes authorized by customers, ensuring that the customer can exercise their rights to inquiries, amendment, removal, restriction of personal data use, and withdrawal of consent under the Personal Data Protection Act	CAL has formulated the online form of "Inquiry and Application for Personal Data Rights" and set the DPO mailbox for customers to consult and apply for personal data rights; we also respond to customers within the period specified in the Personal Data Protection Act
	Right to Health	<ul style="list-style-type: none"> • On the front of flight safety, CAL implemented the Safety Management System (SMS) to prevent potential risks or the impact of hazard factors through continuous risk identification and management. Established a safety reporting system for all employees to encourage them to actively identify potential safety impact factors and to strengthen risk control • In terms of in-flight food safety, CAL has formulated the Caterer Selection Regulations; all local caterers should obtain relevant local food safety certifications so that they can be selected as an in-flight food supplier • Countermeasures against COVID-19: <ul style="list-style-type: none"> - Passengers are asked to have their temperature checked before boarding and to wear a mask throughout the flight or when they check in or when waiting for flights. Moreover, posters have been set up in the airport to remind passengers to maintain social distancing - Simplified the in-flight services, reinforced environmental cleaning and disinfection, and promoted the pandemic prevention measures on board that shall be followed (such as changing seats is not allowed) for customers to lower the risk of taking flights - Adjusted in-flight food services in compliance with the current level of the pandemic announced by the MOHW and cooperated with different countries to provide different food services based on the local pandemic conditions and their principle of pandemic prevention 	<ul style="list-style-type: none"> • CAL has set up the Flight First-Aid Advisory System; when passengers feel unwell during check-in, boarding, or flight, they can obtain professional medical advice through this system. CAL also launched the "In-Flight Physician" project with the support of Taiwan Medical Association so that physicians can provide immediate professional assistance in the event of a medical emergency during flights • Countermeasures against COVID-19: <ul style="list-style-type: none"> - If a passenger's body temperature is higher than normal range or they show other signs or symptoms before boarding, they are asked to undergo a health examination at local medical institutions and then report to relevant units - If passengers on board are found with relevant symptoms or start feeling unwell, CAL will actively assist them to change seats and report to the relevant units to take further responses
	Protection of Labor Conditions	Not applicable	Not applicable

Contents

Preface

1 Sustainability Management

2 Value Creation




3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Relevant Data Statistics of Human Resources

Workforce Structure of CAL Group in 2021

Category	Groups									
		Total	Male	Female	Total	Male	Female	Total	Male	Female
Full-time Employees		10,753	5,591	5,162	874	417	457	646	289	357
Contracted Employees		132	34	98	-	-	-	-	-	-
Age	Under 30	1,211	490	721	188	53	135	241	69	172
	31-50	6,672	3,159	3,513	494	219	275	334	158	176
	Above 51	3,002	1,976	1,026	192	145	47	71	62	9
The Job Category	Business	3,074	1,280	1,794	384	140	244	299	108	191
	Air service	4,123	1,558	2,565	221	91	130	287	137	150
	Maintenance	2,172	2,080	92	141	129	12	27	26	1
	Others (Note 1)	1,516	707	809	128	57	71	33	18	15
Ranking	Senior Management (Note 2)	102	77	25	23	21	2	11	9	2
	Mid-level Management	337	240	97	38	28	10	26	15	11
	Junior Management	172	124	48	38	29	9	45	23	22
	Non-executive Employees	10,274	5,184	5,090	778	342	436	564	242	322
Region	Taiwan	9,583	5,049	4,534	809	391	418	643	288	355
	China	238	114	124	65	26	39	-	-	-
	Asia	669	287	382	-	-	-	3	1	2
	USA	249	106	143	-	-	-	-	-	-
	Europe	102	47	55	-	-	-	-	-	-
	Oceania	44	22	22	-	-	-	-	-	-
Education	Master / PhD	1,358	780	578	82	54	28	81	44	37
	Bachelor	8,961	4,422	4,539	736	324	412	543	230	313
	Senior High	519	387	132	56	39	17	18	14	4
	Others	47	36	11	-	-	-	4	1	3
Total		10,885	5,625	5,260	874	417	457	646	289	357
The Total Number includes	Indigenous Employees	77	39	38	9	-	9	6	3	3
	Disabled Employees	105	73	32	4	2	2	5	2	3

Note 1: The job category – others includes executives higher than the rank of vice president, auditors, accountants, information technology personnel, and other employees that are not within the aforesaid categories.

Note 2: Senior management refers to Level 1 managers and deputy managers or above; mid-level management refers to Level 2 managers and deputy managers; junior management refers to Level 3 managers and deputy managers.



Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix




- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Workforce Gender Diversity of CAL in 2021

Diversity Indicator	Percentage (0 - 100 %)	Public Target
Share of women in total workforce (as % of total workforce)	48.32%	48% / Target year: 2022
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	27.82%	27% / Target year: 2030
Share of women in junior management positions, i.e. first level of management (as % of total junior management positions)	27.91%	27% / Target year: 2025
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as % of total top management positions)	24.51%	25% / Target year: 2025
Share of women in management positions in revenue-generating functions (e.g. sales) as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	29.13%	29% / Target year: 2025
Share of women in STEM-related positions (as % of total STEM positions)	7.15%	7% / Target year: 2025

Note: According to DJSI definition, STEM refers to positions related to Science, Technology, Engineering, and Math.

Employee Turnover Statistics of CAL Group in 2021

Category	Groups																		
		2019		2020		2021		2019		2020		2021		2019		2020		2021	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Age	Under 30	210	30.88%	317	40.75%	152	29.12%	70	64.22%	59	57.84%	44	40.37%	43	53.75%	43	63.24%	59	61.46%
	31-50	220	32.35%	189	24.29%	172	32.95%	27	24.77%	21	20.59%	47	43.12%	28	35.00%	20	29.41%	29	30.21%
	Above 51	250	36.76%	272	34.96%	198	37.93%	12	11.01%	22	21.57%	18	16.51%	9	11.25%	5	7.35%	8	8.33%
Gender	Male	356	52.35%	353	52.35%	310	59.39%	60	55.05%	59	57.84%	69	63.30%	37	46.25%	31	45.59%	44	45.83%
	Female	324	47.65%	425	45.37%	212	40.61%	49	44.95%	43	42.16%	40	36.70%	43	53.75%	37	54.41%	52	54.17%
Region	Taiwan	495	72.79%	501	64.40%	311	59.58%	101	92.66%	91	89.22%	106	97.25%	80	100.00%	68	100.00%	96	100.00%
	China	16	2.35%	22	2.83%	19	3.64%	8	7.34%	11	10.78%	3	2.75%	0	0.00%	0	0.00%	0	0.00%
	Asia	119	17.50%	220	28.28%	125	23.95%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
	USA	35	5.15%	21	2.70%	49	9.39%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
	Europe	11	1.62%	8	1.03%	10	1.92%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
	Oceania	4	0.59%	6	0.77%	8	1.53%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Voluntary	-	518	4.28%	416	3.65%	371	3.41%	-	-	-	-	-	-	-	-	-	-	-	-
Involuntary	-	162	1.34%	362	3.18%	151	1.39%	-	-	-	-	-	-	-	-	-	-	-	-
Total		680	5.62%	778	6.83%	522	4.80%	109	10.65%	102	10.73%	109	12.47%	80	11.25%	68	9.34%	96	14.86%

Note: Voluntary separation includes resignations, early retirements, and requests to resignation. Involuntary separation includes mandatory retirements and layoffs.



Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Training Statistics of CAL Group from 2019 to 2021

Company	Category		2019			2020			2021					
			Training Hours	Amount	Average Hours	Training Hours	Amount	Average Hours	Training Hours	Amount	Average Hours	Total expenses	Number of classes opened	Training completion rate
	The Job Category	Business	104,414	4,515	23.13	115,129	2,110	54.56	98,204	3,301	29.75	190,247,299	3,020	99.30%
		Air Service	147,744	4,424	33.40	149,128	4,360	34.20	134,727	4,408	30.56			
		Maintenance	38,170	2,513	15.19	52,568	2,256	23.30	92,594	2,284	40.54			
		Others	10,269	677	15.17	31,669	1,381	22.93	28,970	1,631	17.76			
	Gender	Male	128,956	6,122	21.06	162,915	5,240	31.09	167,488	5,705	29.36			
		Female	171,642	6,037	28.43	185,578	4,867	38.13	187,007	5,919	31.59			
	The Job Category	Business	5,267	362	14.55	8,462	322	26.28	5,123	310	16.52	32,433,270	9,587	100.00%
		Air Service	17,716	277	63.96	15,828	267	59.28	10,713	257	41.68			
		Maintenance	19,597	158	124.03	13,970	151	92.52	9,530	153	62.28			
		Others	5,537	121	45.76	1,548	70	22.11	886	39	22.71			
	Gender	Male	37,761	471	80.17	27,766	424	65.49	18,657	394	47.35			
		Female	10,356	447	23.17	12,044	386	31.20	7,939	365	21.75			
	The Job Category	Business	8,355	325	25.71	7,299	360	20.27	6,352	299	21.24	1,917,794	872	99.54%
		Air Service	20,253	323	62.70	19,092	308	61.99	9,141	287	31.85			
		Maintenance	495	32	15.47	296	27	10.96	522	27	19.33			
		Others	533	31	17.18	365	33	11.06	282	33	8.55			
	Gender	Male	16,499	309	53.40	14,884	325	45.80	8,503	289	29.42			
		Female	13,136	402	32.68	12,168	403	30.19	7,794	357	21.83			

Note 1: Others include executives higher than the rank of vice president, auditors, accountants, information technology personnel, and other employees that are not within the aforesaid categories. For Tigerair Taiwan, others include the Chief Financial Officer, Chief Operating Officer, Chief Commercial Officer, Chief Executive Officer, and Chairman, as well as the Finance Department, Accounting Department, and Information Department.

Note 2: Training hours exclude those at outstations.

Note 3: Average training hours = Total training hours ÷ total number of employees in the category. For CAL, completion rate of training = average completion rate of training. For Mandarin Airlines and Tigerair Taiwan, completion rate of training = completion rate of training in each unit ÷ number of units.




- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Gender Pay Gap Analysis of CAL in 2021

Indicator	Difference between Men and Women Employees (%)
Mean gender pay gap	20%
Median gender pay gap	23%
Mean bonus gap	14%
Median bonus gap	21%

Note: Due to the differences in salary structure, pilots are not included in the scope of calculation of the table.

Unpaid Parental Leave of CAL Group in 2021

Unpaid ParentalLeave Statistics									
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Numbers of employees eligible for parental leave in 2021 (A)	598	386	984	32	23	55	45	19	64
Actual Numbers of employees applying for parental leave in 2021 (B)	330	47	377	20	3	23	28	1	29
Rate for employees applying for parental leave in 2021 (B*100 / A)	55.18%	12.18%	38.31%	62.50%	13.04%	41.82%	62.22%	5.26%	45.31%
Numbers of employees expecting to return in 2020 after parental leave in 2021 (C)	165	26	191	7	1	8	14	0	14
Numbers of employees applying to return in 2021 (D)	175	21	196	5	1	6	14	1	15
Return rate in 2021 (D*100 / C)	106.06%	80.77%	102.62%	71.43%	100.00%	75.00%	100.00%	0.00%	107.14%
Total number of employees returning after parental leave in 2020 (E)	222	8	230	6	0	6	4	0	4
Number of employees completing one full year of service after returning from parental leave in 2020 (F)	2.19	0.08	2.27	4	0	4	3	0	3
Rate on return after parental leave in 2021 (F*100 / E)	98.65%	100.00%	98.70%	66.67%	0.00%	66.67%	75.00%	0.00%	75.00%

Note: (A): Date of birth from January 1, 2018 to December 31, 2021.

Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Comparing the Frequency-Severity Indicator and Occupational Injury Statistics Over the Past 3 Years

Year	Item	Unit					Total
		CAL Park	EMO	Taipei Branch	Kaohsiung Branch	Taichung Branch (Note 9)	
2019	Number of Annual Disabling Injuries	43	12	0	7	0	62
	Absence Days of Annual Disabling Injuries	1,078	282	0	37	0	1,397
	FR	3.12	2.32	0	5.85	0	2.97
	SR	78	53	0	30	0	66
	FSI	0.49	0.35	0	0.41	0	0.44
2020	Number of Annual Disabling Injuries	26	6	1	4	0	37
	Absence Days of Annual Disabling Injuries	614	177	6	15	0	812
	FR	2.05	1.28	1.32	3.65	0	1.93
	SR	48	37	7	13	0	42
	FSI	0.31	0.21	0.09	0.21	0	0.28
2021	Number of Annual Disabling Injuries	24	7	0	1	Not applicable	32
	Absence Days of Annual Disabling Injuries	523	99	0	0	Not applicable	622
	FR	1.83	1.48	0	0.92	Not applicable	1.63
	SR	40	21	0	0	Not applicable	32
	FSI	0.27	0.17	0	0	Not applicable	0.22

Note 1: Calculated at 8 hours per day per person.

Note 2: Disabling injury frequency rate(FR)= (Number of annual disabling injuries ÷ Annual working hours) × 1,000,000

The number of annual disabling injuries includes the number of annual fatalities, permanent total disabilities, permanent partial disabilities, and temporary total disabilities.

The calculation is rounded to two decimal places.

Note 3: Disabling injury severity rate(SR)=(Absence days of annual disabling injuries ÷ Annual working hours) × 1,000,000

The absence days of different types of disabling injuries are calculated based on the online Occupational Hazard System.

The calculation is rounded to the nearest integer.

Note 4: Frequency-Severity Indicator (FSI)=√(((FR×SR) / 1000)

The calculation is rounded to two decimal places.

Note 5: 2018-2020 averages in the air transport industry published by the Ministry of Labor: FR=3.39, SR=54, FSI=0.43.

Note 6: Continue to review the FSI to understand the operational performance of each unit's occupational disaster prevention and improve it.

Note 7: TPE has established an occupational safety unit since 2013.

Note 8: This statistic does not include commuter traffic accidents.

Note 9: The organization of Taichung branch has been deleted since 2021.



Contents

Preface

1 Sustainability Management


2 Value Creation



3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Occupational Hazards Statistics of CAL Group in 2021

Item								
	Male	Female	Total	Unit				
				CAL Park	EMO	Taipei Branch	Taichung Branch (Note 8)	Kaohsiung Branch
The Number of Recordable Occupational Injuries	22	10	32	24	7	0	Not applicable	1
Disabling injury frequency rate	2.1	1.09	1.63	1.83	1.58	0	Not applicable	0.92
Disabling injury severity rate	38	25	32	40	21	0	Not applicable	0
Incidents resulting in work-related fatalities	0	0	0	0	0	0	Not applicable	0
The Rate of Fatalities as a result of Occupational Injury	0.00	0.00	0.00	0.00	0.00	0.00	Not applicable	0.00
Occupational disease rate	0.00	0.00	0.00	0.00	0.00	0.00	Not applicable	0.00
The Number of High-consequence Occupational Injuries	1	0	1	1	0	0	Not applicable	0
The Rate of High-consequence Occupational Injuries	0.09	0.00	0.05	0.07	0.00	0.00	Not applicable	0.00
Absence rate	0.66%	0.76%	0.71%	0.63%	0.85%	1.50%	Not applicable	0.70%
The Total Working Hours	10,472,442	9,148,758	19,621,200	13,102,380	4,708,092	733,056	Not applicable	1,077,672

Item						
	Male	Female	Total	Male	Female	Total
The Number of Recordable Occupational Injuries	2	0	2	2	2	4
Disabling injury frequency rate	2.44	0.00	1.15	3.29	2.69	2.96
Disabling injury severity rate	182	0	86	3.29	2.69	2.96
Incidents resulting in work-related fatalities	0	0	0	0	0	0
The Rate of Fatalities as a result of Occupational Injury	0.00	0.00	0.00	0.00	0.00	0.00
Occupational disease rate	0.00	0.00	0.00	0.00	0.00	0.00
The Number of High-consequence Occupational Injuries	0	0	0	0	0	0
The Rate of High-consequence Occupational Injuries	0.00	0.00	0.00	0.00	0.00	0.00
Absence rate	0.68%	1.01%	0.85%	0.80%	1.81%	1.36%
The Total Working Hours	817,936	909,376	1,727,312	607,079	741,985	1,349,064

Note 1: Disabling injury frequency rate(FR)= (Number of annual disabling injuries ÷ Annual working hours) × 1,000,000
Note 2: Disabling injury severity rate(SR)=(Absence days of annual disabling injuries ÷ Annual working hours) × 1,000,000
Note 3: Absence rate=(Absence days ÷ Annual working days) × 100%
Note 4: Mandarin Airlines/Tigerair Taiwan only have one business location in Taiwan.
Note 5: Disabling Injury Frequency Rate is equivalent to the definition of Recordable Occupational Injuries Rate in the GRI Standards.

Note 6: High-consequence Occupational Injuries: Occupational injuries that lead to fatalities or that are barely possible / difficult to completely recover within six months. Rate of high-consequence occupational injuries (excluding fatalities)=[Number of high-consequence occupational injuries (excluding fatalities) / Number of hours worked] × 1,000,000
Note 7: The most common type of occupational injuries is falling.
Note 8: The organization of Taichung branch has been deleted since 2021.

Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Environmental Performance

Item		Unit	2018	2019	2020	2021	2021 Objective	Achievement Rate
Category 1 GHG Emissions	Flight operations	Tons CO ₂ e	7,229,903	7,059,083	5,787,751	5,875,531	6,004,454	102%
	Ground Operations	Tons CO ₂ e	3,511	4,981	3,051	2,897		
Category 2 GHG Emissions	Ground Operations	Tons CO ₂ e	19,949	18,169	17,572	16,697	17,545	105%
Category 3-6 GHG Emissions (Note 1)	Ground Operations	Tons CO ₂ e	1,644,656	1,607,690	3,109,822	3,174,662	Expanded the scope of inventory in accordance with new ISO standards	100%
Aviation Fuel Efficiency	All Aircrafts (non-renewable energy)	Tons	2,284,937	2,230,971	1,829,328	1,857,073	Whole Fleet Fuel Efficiency 0.2349 Ton / Thousand RTK	100%
	Sustainable Aviation / Alternative Fuel	Tons (%)	20.4 (8.93e-4)	0	0	7.7 (4.15e-4)	Use of new aircraft (ferry flight) back to Taiwan 10% SAF	100%
Aviation Fuel Efficiency	Passenger Aircraft	L / RPK*100	4.2187	4.2859	15.2246	18.9433	14.996	79%
	Cargo Aircraft	L / FRTK	0.2142	0.2285	0.2252	0.1830	0.2218	121%
	All Aircrafts (Note 2)	Tons / thousand RTK	0.2394	0.2459	0.2586	0.2442	0.2547	104%
Energy Consumption	Fossil Fuels	MWh	29,815,419	29,114,586	23,873,099	24,234,273	Energy consumption 24,747,398	102%
	Electricity Purchased	MWh	36,009	34,088	34,523	33,260		
	Elevator Power Regeneration	kWh	1,061	1,423	1,177	889	Full operation	100%
	Renewable Energy (Solar)	MWh	NA	90	117	127	120	106%
Water Resources	Tap Water Use Volume	Kilotons	148.22	146.49	126.77	112.77	Total Water Consumption: 144.955 thousand tons	109%
	Rainwater Use Volume	Kilotons	11.48	15.34	8.05	5.65		
	Recycled Water Use Volume	Kilotons	31.94	17.41	8.64	14.23		
	Total Water Consumption	kilotons	191.64	179.24	143.46	132.65		
	Recycling Ratio (Note 3)	%	21.55%	11.88%	6.8%	12.62%		
	Heavy Metal Wastewater	Tons	10,014	9,620	6,750	7,715		
	Organic Wastewater	Tons	10,443	11,638	12,593	9,224		

Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Item		Unit	2018	2019	2020	2021	2021 Objective	Achievement Rate
Cabin Waste (Note 4)	Output	kg	3,669,703	4,168, 857	1,677,658	920,924	Air and ground waste (kg): 1. Recycle amount: 809,952 2. The amount of incineration (including power generation): 859,264 3. Other disposal volumes: 154,117	1. 117% 2. 107% 3. 199%
	Amount Recycled	kg	995,369	1,116,396	733,706	504,226		
	Recycling Ratio	%	27.12%	26.78%	43.73%	54.75%		
	Incineration (including power generation)	kg	2,674,334	3052,460	943,952	416,697		
Ground Waste (Note 5)	Hazardous Industrial Waste	kg	14,785	17,717	12,657	12,091		
	Chromium-containing Batteries	kg	1,649	1,098	820	1,069		
	General Industrial / Domestic Waste	kg	998,518	935,984	647,317	636,400		
	Amount Recycled	kg	456,803	434,648	229,971	188,790		
	Recycling Ratio	%	45.01%	45.52%	35.53%	29.67%		
	Incineration (including power generation)	kg	399,266	381,626	332,577	383,180		
NOx	Passenger Aircraft	g / RPK	0.0150	0.0149	0.0400	0.0538	0.0500	92%
	Cargo Aircraft	g / RTK	0.0301	0.0321	0.0317	0.0290	0.0315	107%
Plastic Packaging (plastic packaging related to passenger /cargo transport) (Note 6)	Weight of Plastic Packaging	Tons	432	479	353	411	422	103%
	Percentage of Purchase of Plastic Packaging (Note 7)	%	0.15%	0.15%	0.06%	0.02%	0.02%	100%
	Percentage of Recyclable Plastic Packaging	%	42.2%	32.5%	81.3%	91.2%	84%	109%
	Percentage of Recycled Plastic Packaging (Note 8)	%	10.27%	21.62%	9.83%	3.4%	2.16%	157%

Item	Total Weight of Package (ton)	Percentage of Purchase (Note 7)	Percentage of Recycled Materials and Certified Materials (Note 8)
Wood or Paper Packaging	65	1.14%	52.83%
Metal Packaging	55	0.02%	100%
Glass Packaging	0.1	0.1%	100%

Note 1: Scope 3 emissions from 2017 to 2019 include energy-related activities, employee commuting, etc. In 2020, according to the ISO14064-1:2018 standard, expand the calculation items in category 3 to 6. All data have passed external verification.

Note 2: The total aviation fuel consumption of all aircraft fuel efficiency includes training aircraft and maintenance. The fuel consumption of passenger and freight aircraft only includes passenger and freight aircraft fuel.

Note 3: Recycling ratio = Total amount of recycled rainwater, intermediate water, wastewater / total consumption of water resources.

Note 4: The scope includes passenger and cargo services since 2020.

Note 5: The scope of statistics includes EMO, CAL Park, Kaohsiung Branch, and VIP rooms of four stations (Taoyuan, Songshan, Kaohsiung, and Tainan).

Note 6: As in-flight supplies (e.g., tableware) are required to comply with relevant food sanitation regulations to ensure that they are fireproof and legal, biodegradable plastic packaging has not been used.

Note 7: The percentage of purchase is calculated as Purchase amount / cost of goods sold.

Note 8: The percentage of recycled materials and certified materials is calculated as follows: Weight of recyclable packaging (including certified materials) / Total weight of packaging. The weight of recyclable packaging refers to the weight of packaging that has been recycled upon CAL's confirmation.

Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

GRI Content Index

GRI 102-55

GRI Standard	Disclosure		Page Number & Response
GRI 101: Foundation			
General Disclosures			
GRI 102: General Disclosures	Organizational Profile		
	102-1	Name of the organization	5
	102-2	Activities, brands, products, and services	8
	102-3	Location of headquarters	8
	102-4	Location of operations	8
	102-5	Ownership and legal form	128
	102-6	Markets served	8
	102-7	Scale of the organization	8
	102-8	Information on employees and other workers	71
	102-9	Supply chain	85
	102-10	Significant changes to the organization and its supply chain	128
	102-11	Precautionary principle or approach	133
	102-12	External initiatives	35
	102-13	Membership of associations	35
	Strategy		
	102-14	Statement from senior decision-maker	6
	102-15	Key impacts, risks, and opportunities	133
	Ethics and integrity		
	102-16	Values, principles, standards, and norms of behavior	132
	Governance		
	102-18	Governance structure	128
	Stakeholder engagement		
	102-40	List of stakeholder groups	31
	102-41	Collective bargaining agreements	77, 79
	102-42	Identifying and selecting stakeholders	31

Referred to latest version 2020
(GRI 306 Referred to latest version 2020, GRI 303 and GRI 403 Referred to latest version 2018, others referred to version 2016)

GRI Standard	Disclosure		Page Number & Response
	102-43	Approach to stakeholder engagement	31
	102-44	Key topics and concerns raised	31, 44, 51
	Reporting Practice		
	102-45	Entities included in the consolidated financial statements	5
	102-46	Defining report content and topic Boundaries	25
	102-47	List of material topics	25
	102-48	Restatements of information	No restatement
	102-49	Changes in reporting	No change
	102-50	Reporting period	5
	102-51	Date of most recent report	5
	102-52	Reporting cycle	5
	102-53	Contact point for questions regarding the report	5
	102-54	Claims of reporting in accordance with the GRI Standards	5
	102-55	GRI content index	154
	102-56	External assurance	5
Material Topics			
Economic			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	25, 42, 66, 84, 92, 116, 132
	103-2	The management approach and its components	42, 66, 84, 92, 116, 132
	103-3	Evaluation of the management approach	42, 66, 84, 92, 116, 132
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	124, 130
	201-2	Financial implications and other risks and opportunities due to climate change	98
	201-3	Defined benefit plan obligations and other retirement plans	77
	201-4	Financial assistance received from government	No major financialassistance

Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- [GRI Content Index](#)
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

GRI Standard	Disclosure		Page Number & Response
GRI 202: Market Presence	202-2	Proportion of senior management hired from the local community	71
GRI 204: Procurement Practices	204-1	Proportion of spending on local suppliers	87
GRI 205: Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	132
	205-3	Confirmed incidents of corruption and actions taken	No such as things happened
GRI 206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	59, 61
Environmental			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	25, 84, 92
	103-2	The management approach and its components	84, 92
	103-3	Evaluation of the management approach	84, 92
GRI 301: Materials	301-1	Materials used by weight or volume	103
GRI 302: Energy	302-1	Energy consumption within the organization	110
	302-2	Energy consumption outside of the organization	110
	302-3	Energy intensity	111
	302-4	Reduction of energy consumption	110
	302-5	Reductions in energy requirements of products and services	110
GRI 303: Water and Effluents (2018)	303-1	Water withdrawal by source	104
	303-2	Management of water discharge-related impacts	103
	303-3	Water withdrawal	103
	303-4	Water discharge	103
	303-5	Water consumption	103
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	110
	305-2	Energy indirect (Scope 2) GHG emissions	110

GRI Standard	Disclosure		Page Number & Response
GRI 305: Emissions	305-3	Other indirect (Scope 3) GHG emissions	110
	305-4	GHG emissions intensity	111
	305-5	Reduction of GHG emissions	110
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	105
GRI 306: Waste (2020)	306-2	Waste by type and disposal method	106
	306-3	Significant spills	No significant spills
GRI 307: Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	No such as things happened
GRI 308: Supplier Environmental Assessment	308-2	Negative environmental impacts in the supply chain and actions taken	87
Social			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	42, 66, 84, 116, 132
	103-2	The management approach and its components	42, 66, 84, 116
	103-3	Evaluation of the management approach	42, 66, 84, 116
GRI 401: Employment	401-1	New employee hires and employee turnover	71
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	77
	401-3	Parental leave	77
GRI 402: Labor/ Management Relations	402-1	Minimum notice periods regarding operational changes	77
GRI 403: Occupational Health and Safety (2018)	403-1	Occupational health and safety management system	81
	403-2	Hazard identification, risk assessment, and incident investigation	81
	403-9	Work-related injuries	81
	403-10	Work-related ill health	81

Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- [GRI Content Index](#)
- [The United Nations Global Compact Comparison Table](#)
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

GRI Standard	Disclosure		Page Number & Response
GRI 404 Training and Education	404-1	Average hours of training per year per employee	75
	404-2	Programs for upgrading employee skills and transition assistance programs	48, 75
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	71
	405-2	Ratio of basic salary and remuneration of women to men	77
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	67
GRI 407: Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	87
GRI 408: Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	No such as things happened
GRI 409: Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	No such as things happened
GRI 412: Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	67, 143
	412-2	Employee training on human rights policies or procedures	132
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	No such as things happened
GRI 414: Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	87
GRI 415: Public Policy	415-1	Political contributions	No such as things happened
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	59, 61

The United Nations Global Compact Comparison Table

Category	The Ten Principles of the UN Global Compact	Corresponding Section	Page Number
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	2-2-1 Human Rights Management Framework	67-68
	Principle 2: Make sure that they are not complicit in human rights abuses	3-3 Regulatory Compliance 2-3-2 Sustainable Supply Chain	132 87
Labor	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	2-2-1 Human Rights Management Framework	67-68
	Principle 4: The elimination of all forms of forced and compulsory labor	2-2-1 Human Rights Management Framework	67-68
	Principle 5: The effective abolition of child labor	2-2-1 Human Rights Management Framework	67-68
	Principle 6: The elimination of discrimination in respect of employment and occupation.	2-2-1 Human Rights Management Framework	67-68
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges	2-4-2 Climate Change Mitigation and Adaptation	99-102
	Principle 8: Undertake initiatives to promote greater environmental responsibility	2-4-1 Governance of Environmental Sustainability	94-99
	Principle 9: Encourage the development and diffusion of environmentally friendly technologies.	2-4-3 Achievementsin Environmental Sustainability	103-114
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	3-3 Regulatory Compliance	132



Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

The Sustainability Accounting Standards Board (SASB) Table

Airlines Sustainability Accounting Standard

Topic	Accounting Metric	Unit of Measure	Category	Code	Data	Corresponding Section	Page Number
Greenhouse Gas Emissions	Gross global Scope 1 emissions	Metric tons (t) CO ₂ e	Quantitative	TR-AL-110a.1	5,878,428	2-4 Environment	94
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	NA	Discussion and Analysis	TR-AL-110a.2	NA	2-4 Environment	94-99
	(1) Total fuel consumed (2) Percentage alternative (3) Percentage sustainable	Gigajoules (GJ) Percentage (%)	Quantitative	TR-AL-110a.3	(1) 799.71 (GJ) (2) 0 (%) (3) 4.15e-4 (%)	2-4 Environment	111 152 152
Labor Practices	Percentage of active workforce covered under collective bargaining agreements	Percentage (%)	Quantitative	TR-AL-310a.1	99.41%	2-2-4 Employee Rights	80
	(1) Number of work stoppages (2) Total days idle	Number days idle	Quantitative	TR-AL-310a.2	0	2-2-4 Employee Rights	79
Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Reporting currency	Quantitative	TR-AL-520a.1	0	3-3 Regulatory Compliance	132
Accident & Safety Management	Description of implementation and outcomes of a Safety Management System	NA	Discussion and Analysis	TR-AL-540a.1	NA	2-1-1 Flight Safety	44-50
	Number of aviation accidents	Number	Quantitative	TR-AL-540a.2	0	2-1 Trust	44
	Number of governmental enforcement actions of aviation safety regulations	Number	Quantitative	TR-AL-540a.3	0	2-1 Trust	44
Activity Metrics	Available seat kilometers (ASK)	ASK	Quantitative	TR-AL-000.A	4,565,211,510	3-2 Operational Achievements	131
	Passenger load factor	Rate	Quantitative	TR-AL-000.B	24.2%	3-2 Operational Achievements	131
	Revenue passenger kilometers (RPK)	RPK	Quantitative	TR-AL-000.C	1,103,659,304	3-2 Operational Achievements	131
	Revenue ton kilometers (RTK)	RTK	Quantitative	TR-AL-000.D	7,603,579,502	3-2 Operational Achievements	131
	Number of departures	Number	Quantitative	TR-AL-000.E	60,531	3-2 Operational Achievements	131
	Average age of fleet	Years	Quantitative	TR-AL-000.F	Average age of aircrafts: 10.1 years -Passenger aircrafts: 8.3 years -Freighter aircrafts: 15.3 years	Preface Business Overview	8

Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

Independent Limited Assurance Report



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Independent Limited Assurance Report

To China Airlines Ltd.:

We were engaged by China Airlines Ltd. (“CAL”) to provide limited assurance over the selected information attached as Appendix I (“the Underlying Subject Matter”) on the 2021 Corporate Sustainability Report of CAL (“the Report”) for the year ended December 31, 2021.

Reporting Criteria of the Underlying Subject Matter

CAL shall prepare the Underlying Subject Matter and reporting criteria in accordance with the Core Option of Global Reporting Initiative Standards (“GRI Standards”) issued by Global Sustainability Standards Board as set forth in Appendix I.

Management’s Responsibility for the Report

CAL is responsible for determining its objectives with respect to sustainable development performance and reporting, including the identification of stakeholders and material aspects, and using the reporting criteria to fairly prepare and present the Underlying Subject Matter. CAL is also responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Underlying Subject Matter that is free from material misstatement, whether due to fraud or error.

Our Responsibilities

We performed our work in accordance with International Standard on Assurance Engagements (ISAE) 3000: “Assurance Engagement other than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board and to issue a limited assurance conclusion on whether the Underlying Subject Matter is free from material misstatement. The work performed in a limited assurance engagement varies in nature and timing from, and is less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Independence, Professional Standards and Quality Control

We have complied with the independence and other ethical requirements of the Code of Professional Ethics for Certified Public Accountant in the Republic of China, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. In addition, we applied Statements of Auditing Standard No. 46 – “Quality Control for Public Accounting Firms” in the Republic of China. Accordingly, we maintained a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements and professional standards as well as applicable legal and regulatory requirements.

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Summary of Work Performed

As stated in reporting criteria of the Underlying Subject Matter paragraph, our main work on the selected information included:

- Reviewing the Report of CAL;
- Inquiries with responsible management level and non-management level personnel to understand the operational processes and information systems used to collect and process the Underlying Subject Matter.
- On the basis of the understanding obtained from the above matters, perform analytical procedures on the Underlying Subject Matter and if necessary, inspect related documents to gather sufficient and appropriate evidence for a limited assurance engagement.

The work described above based on professional judgment and consideration of the level of assurance and our assessment of the risk of material misstatement of the Underlying Subject Matter, whether due to fraud or error. We believe that the work performed and evidence we have obtained are sufficient and appropriate to provide a basis of our conclusion.

Inherent limitations

The Report for the year ended 2021 includes the disclosures of non-financial information that involved significant judgments, assumptions and interpretations by the management of CAL. Therefore, the different stakeholders may have different interpretations of such information.

Conclusion

Based on the work we have performed and the evidence we have obtained, as described above, nothing has come to our attention that causes us to believe that the Underlying Subject Matter has not been properly prepared, in all material aspects, in accordance with the reporting criteria.

Other Matters

The management of CAL is responsible for the maintenance of its website where includes the Limited Assurance Report, we shall not be responsible for any further changes on the Underlying Subject Matter or its applicable reporting criteria, nor be responsible for reconducting any assurance work after the issuance date of the Limited Assurance Report.



Taipei, Taiwan (Republic of China)
Jun 10, 2022

Notes to reader

The limited assurance report and the accompanying selected information are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language limited assurance report and the selected information, the Chinese version shall prevail.

~ 1 ~

Preface

2 Value Creation

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

KPMG		KPMG		
No.	Corresponding Section	Selected Information	GRU Standards	
8	2-4.3 Achievements Environmental Management (2/100)	<ul style="list-style-type: none"> - SO_x Emission Efficiency : 0.0029 g/RTK - NO_x Emissions : 187.43 Ton - NO_x Emission Efficiency : 0.0290 g/RTK 2. Mandates Aislans : <ul style="list-style-type: none"> (1) Passenger Aircraft : <ul style="list-style-type: none"> - SO_x Emissions : 16.85 Ton - SO_x Emission Efficiency : 0.0549 g/RTK - NO_x Emissions : 175.81 Ton - NO_x Emission Efficiency : 0.6802 g/RTK 3. Tigurat Taiwan : <ul style="list-style-type: none"> (1) Passenger Aircraft : <ul style="list-style-type: none"> - SO_x Emissions : 0.04 Ton - SO_x Emission Efficiency : 0.0038 g/RTK - NO_x Emissions : 0.46 Ton - NO_x Emission Efficiency : 0.0744 g/RTK 		
		<ul style="list-style-type: none"> • Waste Information in 2021 : <ul style="list-style-type: none"> (1) General Domestic Waste : <ul style="list-style-type: none"> - Incineration for power generation : 94 Ton - Delivered to the airport incineration plant in accordance with regulations (without power generation) : 410 Ton (2) Resource recycling : 100 Ton (3) Kitchens Waste / Waste Materials : <ul style="list-style-type: none"> - Compost / log burning : 84 Tons - Incineration for power generation in accordance with quarantine requirements : 299 Tons (4) Recycling of Hazardous Industrial Waste : <ul style="list-style-type: none"> - Heat treatment (e.g. as shrapnel from electrophotography) : 12 Tons - Appoint a qualified contractor for professional disposal in accordance with regulations (e.g. waste paint that cannot be caulked) : 1 Tons (5) Recycling of Non-hazardous Industrial Waste : <ul style="list-style-type: none"> - Recycling and reuse (e.g., waste lubricants) : 100 Tons - Processed in accordance with regulations (e.g., waste paint) : 64 Tons (6) Total Waste : 1,570 Tons • Third-party contractors were appointed for removing and offsite processing of waste for disposal. CAVAL implements inspections in accordance with the contract to ensure compliance with regulations. • As for the SAQ, China Airlines surveyed a total of 181 suppliers in 2021, which accounts for 99.9% of the average total purchase amount of the 1 supplier, and the questionnaire response rate was 71.05%. In addition, China Airlines investigated 3 critical tier 2 suppliers. The recovery rate was 66.67%, according to the results of the SAQ, the average score of the suppliers in 2021 was 88.17. The average score of the four dimensions (please refer to the text) were between 70 and 94 points, showing that most of the suppliers have incorporated the concept of sustainability into their four dimensions. 	GRU Standards 306-5 Waste directed to disposal	
9	2-3.2 Sustainable Supply Chain Management (7.88-89)	<ul style="list-style-type: none"> • Negative environmental impacts in the supply chain and actions taken • Negative social impacts in the supply chain and actions taken 	GRU Standards 308-2 Negative environmental impacts in the supply chain and actions taken GRU Standards 414-2 Negative social impacts in the supply chain and actions taken	

Note: "Governance" includes ethics and regulatory compliance

- 3 -

KPMG		
No.	Corresponding Section	GRI Standards
	Selected Information	
	<p>C.A.R. Group in 2021 (P.151)</p> <ul style="list-style-type: none"> - The Number of Reasonable Occupational Injuries : 32 (Male : 22 ; Female : 10) - Disabling Injury Frequency Rate : 1.63 (Male : 2.1 ; Female : 1.09) - Disabling Injury Severity Rate : 32 (Male : 38 ; Female : 25) - Incidents Resulting in Work-related Fatalities : 0 (Male : 0 ; Female : 0) - The Rate of Fatalities as a result of Occupational Injury : 0.00 (Male : 0.00 ; Female : 0.00) - Occupational Disease Rate : 0.00 (Male : 0.00 ; Female : 0.00) - The Number of High-consequence Occupational Injuries : 1 (Male : 1 ; Female : 0) - The Rate of High-consequence Occupational Injuries : 0.05 (Male : 0.09 ; Female : 0.00) - Absence Rate : 0.17% (Male : 0.69% ; Female : 0.79%) - The Total Working Hours : 18,621,200 (Male : 10,472,442 ; Female : 9,148,758) 	
	<p>B. Taywan :</p> <ul style="list-style-type: none"> - The Number of Reasonable Occupational Injuries : 24 - Disabling Injury Frequency Rate : 1.83 - Disabling Injury Severity Rate : 24 - Incidents Resulting in Work-related Fatalities : 0 - The Rate of Fatalities as a Result of Occupational Injury : 0.00 - Occupational disease rate : 0.00 - The Number of High-consequence Occupational Injuries : 1 - The Rate of High-consequence Occupational Injuries : 0.07 - Absence rate : 0.43% - The Total Working Hours : 13,102,380 	
	<p>C. Engineering / Maintenance Organization :</p> <ul style="list-style-type: none"> - The Number of Reasonable Occupational Injuries : 7 - Disabling Injury Frequency Rate : 1.58 - Disabling Injury Severity Rate : 21 - Incidents Resulting in Work-related Fatalities : 0 - The Rate of Fatalities as a Result of Occupational Injury : 0.00 - Occupational disease rate : 0.00 - The Number of High-consequence Occupational Injuries : 0 - The Rate of High-consequence Occupational Injuries : 0.00 - Absence rate : 0.83% - The Total Working Hours : 4,708,092 	
	<p>D. Taipei :</p> <ul style="list-style-type: none"> - The Number of Reasonable Occupational Injuries : 0 - Disabling Injury Frequency Rate : 0 - Disabling Injury Severity Rate : 0 - Incidents Resulting in Work-related Fatalities : 0 - The Rate of Fatalities as a Result of Occupational Injury : 0.00 - Occupational disease rate : 0.00 - The Number of High-consequence Occupational Injuries : 0 - The Rate of High-consequence Occupational Injuries : 0.00 - Absence rate : 1.59% - The Total Working Hours : 733,056 	

Contents

Preface

1 Sustainability Management

2 Value Creation

3 Corporate Governance

ESG Data and Appendix

- Financial Performance
- Customer Satisfaction Table in 2021
- Management of Material Human Rights Issues in 2021
- Relevant Data Statistics of Human Resources
- Environmental Performance
- GRI Content Index
- The United Nations Global Compact Comparison Table
- The Sustainability Accounting Standards Board (SASB) Table
- Independent Limited Assurance Report

KPMG		
No.	Corresponding Section	Selected Information
11	2-1-1 Flight Safety, Flight Crew Management (P.46)	<ul style="list-style-type: none">• CAL differentiates risk factors and implements risk management mechanisms based on the three perspectives of "Proactive", "Preventive", and "Passive" through complete internal and external environmental change response trainings, such as training for new airports, routes, aircrafts, systems, protocol procedures, systematic flight training / qualification, flight operation quality assurance (FOQA), and periodic appraisal of trainees / examiners, pilots who graduate from our training programs are highly professional, reliable, and fully capable of safeguarding passenger safety.• Stringent Training and Objective Testing : In order to implement our commitment of flight safety with a surge of demand for flight crew on the global market and ensure that flight crew training meet stringent requirements and objective tests, CAL strictly requires our flight crew to complete training/tests. To ensure solid flight training, they must pass the training for new aircraft models, upgraded ranking, and switching between aircraft types. Cadet pilots must complete at least 10 months of training programs at well-known flight training schools in the United States or Australia. CAL has introduced evidence-based training (EBT) to replace traditional recurrent training and tests. The EBT is guided by risk and crisis management, utilizing big data collection and analysis to enhance the ability of handling abnormal situation by individual behavior, fleet performance, operation sites, and historical record of events etc. Since January 1, 2018, CAL has implemented annual "Flight Crew EBT" refresher training and fitness tests and achieved 100% EBT for a total of 2,329 flight crew in 2021.• Professional Training Facilities : As the first airline to introduce civil flight simulators in Taiwan, CAL is equipped with various types of simulators for flight training. In addition to simulating various adverse weather conditions, simulators can incorporate a variety of contingencies for constant simulation training; they can also display the tolerance limits of aircraft designs and carry out training in any possible extreme and dangerous situations without incurring any risk in the exercise. The training process can also be recorded as a basis for review and improvement for flight skill and expertise. CAL's flight simulators and ground / water escape training facilities have been certified by international aviation administrations. The flight simulators are available for domestic and international training. CAL will continuously invest in and upgrade training equipment to ensure flight safety.• A Comprehensive Management System : The Integrated Pilot Training System (OPTS) was since 2014 to comprehensively E-training records and integrate training course information. In 2021, 193 CAL flight crew have participated in a variety of short- and long-term training courses. CAL also completed the system connection and integration for IPTS with the new crew scheduling system (AHS) introduced in 2019 to ensure the effective management and use of training resources.
	2-2-3 Employee Development (P.78)	<ul style="list-style-type: none">• Strengthen Passenger Services Cabin crew service training: Strengthen operation safety and passenger service skills during the pandemic (Training investment: around TWD 1.65 million).
GRI Standards 404-2 Programs for upgrading employee skills and transition programs		
- 10 -		

KPMG			
No.	Corresponding Section	Selected Information	GRI Standards
2-2-4 Employee Rights (P.78)		(1) Business Benefits : Improve operational safety and service quality to increase passenger satisfaction and willingness to fly with us again (2) Quantitative Impact of Business Benefits : Increased cabin crew satisfaction rate by 2.8% in 2021 compared to 2020 (3) Proportion to Total Employees Participation in the Program : 24.0% • Training for increasing Cargo Revenue a. Strengthen cargo operation personnel's related cargo transport professional knowledge b. Increase the number of flight crew members for cargo aircrafts (Training investment: around TWD 40.52 million) (1) Business Benefits : Enhance cargo marketing effectiveness and fleet capacity to increase revenue from cargo aircrafts (2) Quantitative Impact of Business Benefits : Cargo aircraft revenue for 2021 increased by TWD 32.361 billion compared to 2020 (3) Proportion to Total Employees Participation in the Program : 3.2% • Retiree Portal (Retiree Association) CAL has assisted its retirees and employees in establishing a global retiree association and the CAL Retiree Portal. Every year, the Retiree Association organizes quarterly activities to promote interchange between retirees. CAL also offers grants to the Retiree Association to provide positive assistance and encouragement.	

