2.4 Human Resources



Highlights



TWD 209.5 billion in salary and benefits

Invested TWD 209.5 billion in salary and benefits



99.14% Union Participation

99.14% of employees participating in corporate union



Employee health examination superior to regulatory requirements

The items and frequency of health examination offered by CAL are superior to regulatory requirements



TWD 4.33 million in employee training

CAL actively organizes and manages professional training and invested TWD 4.33 million



Continuous Support for TALENT in Taiwan

On March 24, 2025, CAL announced its continued support for "TALENT, in Taiwan"



Recognition as one of the Best Companies to Work for in Asia

CAL awarded HR Asia Best Companies to Work for in Asia 2024

Management Approach



- S Attracting, Cultivating, and Retaining Diverse Talent
- S Labor Relations and Communication
- S Occupational Safety and Health



Importance of Material Issues

CAL regards employees as family. We are always willing to communicate with respect and strive to reach a mutual understanding through negotiation. We endeavor to create a more harmonious work environment based on an equitable, cooperative, and mutually respectful relationship. In such a work environment, labor and management reach a consensus through open and transparent negotiations and are more willing to engage in positive communication on collective agreement issues. CAL values the safety and health of passengers, employees, and all stakeholders. In addition to promoting the systematic management of occupational safety and health, we are committed to reducing occupational hazards, creating a friendly, safe, and healthy workplace, and pursuing a sustainable future.

Commitment



Commitment and Longterm Goals

We view our employees as our most valuable assets. CAL has improved and optimized working conditions and the work environment to establish a safe and growing workplace. CAL respects each individual labor union and communicates on their stated demands with empathy, views the labor rights of every employee as our first priority, and gives the same level of respect and resources to all labor unions by maintaining neutrality in accordance with laws.

Apart from regular labor-management meetings held by the Head Office and the China Airlines Employees Union (CAEU), a number of functional committees formed by management and CAEU have been established. CAL follows up and reports the results of follow-ups in the following meetings. CAL is dedicated to maintaining harmonious labor-management relations through open, efficient channels of communication, hoping that both the management and employees can work together to achieve equality and reciprocal outcomes.

Long-term Goals 2025 1 We conducted four internal aviation knowledge-sharing sessions, with a total participation of 350 people. 2. Establishing the optimal learning path for CAL's aviation management talent pool

2030

- 1. Between 2026 and 2030, CAL will conduct a total of 15 internal aviation knowledge-sharing sessions, with cumulative participation reaching 1.800 attendees.
- 2. Cultivating aviation management talents to reach 150
- 3. Percentage of female executives reaching 27%

2040

- 1. From 2031 to 2040, CAL will conduct a total of 30 internal aviation knowledge-sharing sessions, with cumulative participation reaching 3,600 attendees.
- 2. Cultivating aviation management talents to reach 400
- 3. Percentage of female executives reaching 30%

Unit in Charge

Corporate Sustainability Committee - Human Resources Task Force

3. Percentage of female managers

reaching 26%



- The meeting of the Corporate Sustainability Committee, at least twice a year
- The Human Resource Task Force reports the KPI progress to the Corporate Sustainability Committee, every quarter
- A labor-management meeting, at least once every three months on a regular basis
- The meeting of Occupational Safety and Health Committee, every guarter on a regular basis
- Formulate Occupational Safety and Health Management Plan, Safety and Health Management Self-Inspection Plan, Workers' Health service plan to implement every year
- A personal information protection management review meeting, every year on a regular basis



Employee Relations Department: Human Resources Division



Stakeholder

		2	2024	2025	
Issue	KPI	Objectives	Performance	Level of Compliance	Objectives
Occupational Safety and	Reduce the Frequency-Severity Indicator (FSI) by 5%	FSI 0.42	FSI 0.88	Above Target Value	FSI 0.42
Health	Pass the certification of occupational safety-related management systems	Passing ISO45001:2018, CNS45001:2018 and TOSHMS	Passed	100%	Passing ISO45001:2018, CNS45001:2018 and TOSHMS follow-up audits
Labor-manage- ment Relations	Convene labor-management meetings	4 times	6 times	100%	4 times
Labor Rights	Organizing training on sexual harass- ment prevention	1 time	1 time	100%	1 time

Note 1: Frequency-Severity Indicator (FSI) = √Disabling Injury Frequency Rate, FR × Disabling Injury Severity Rate, SR ÷ 1,000 Note 2: 2022-2024 averages in the air transport industry published by the Ministry of Labor: FR=2.46, SR=36, FSI=0.29

2.4.1 Human Rights Due Diligence

To enforce the idea of human rights, CAL has established its human rights policies and management mechanisms based on the UN Guiding Principles on Business and Human Rights, international trends, and local laws and regulations. The establishment and amendment of CAL's Human Rights Policy require the signatures of the Company's Chairman and President. CAL's Human Rights Policy applies to CAL Group members, suppliers, partners, and all sites of operations. The Human Resources Task Force under the Corporate Sustainability Committee is responsible for the management of human rights management in order to enhance CAL's ability to respond to human rights risks in the value chain. In addition to ensuring CAL's respect for human rights, CAL supported the government business and human rights campaign and signed the "Letter of Intent for Promoting Business and Human Rights in Taiwan" in November 2022. CAL joined hands with several other companies in signing the "National Action Plan on Business and Human Rights". CAL also requires suppliers to sign the Supplier Code of Conduct during procurement to ensure that suppliers meet CAL's Human Rights Policy.

> CAL's Human Rights Policy

In addition to complying with CAL Group's human rights policies, Mandarin Airlines has incorporated management measures for equality and anti-discrimination and whistle-blowing channels into their regulations and organized training on a regular basis. In 2024, Mandarin Airlines organized a "Mandarin Airlines and Me" workshop on sexual harassment prevention, a course on gender equality and friendly workplace and sexual harassment prevention for managers and regular employees, and safety and health training for preventing illegal infringement.

GRI 2-23.2-25.406-1.412-1

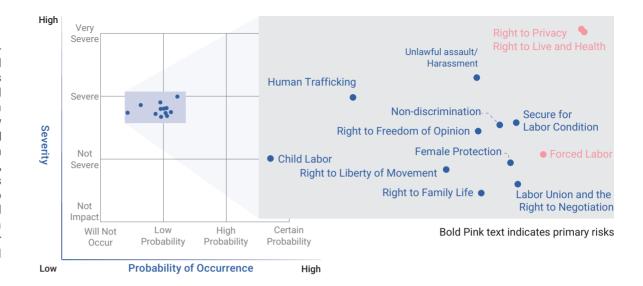
	Regulations and Procedures on Human Rights				
Employee Code of Conduct	Employees should support company policies on human rights, fairly treat and respect for every employee, avoid infringing on the rights of others or become accomplices to human rights abuses. We not only implement policies to protect the human rights of employees, but have also established a management mechanism to ensure employee care. We do not use forced labor. We do not adopt race, gender, age, family, political affiliation, or religious beliefs as the criteria for employee assignment, performance evaluation, or promotion.				
Human Resource Manual / Employee Complaints Regu- lation / Sexual Harassment Complaints and Disciplinary Actions Regulation	 Proclaimed employee human rights protection includes basic stipulations, freedom of employment, humane treatment, and prohibition of discrimination or sexual harassment. In January 2024, CAL conducted a "Sexual Harassment Prevention" seminar, and in November, we held an "E-Learning Course on Sexual Harassment Prevention." A total of 9,881 employees completed the training. 				
Sustainable Development Best Practice Principles — Child Labor Prohibited	Hiring people younger less than 16 years old is strictly prohibited to ensure full compliance with legal minimum age for employment. To safeguard the physical and psychological health and safety of employees whose age are below 18, hazardous assignments are strictly prohibited.				
Supplier Code of Conduct	Human rights standards were specified in the Supplier Code of Conduct include: 1. Prohibition of child labor 2. Anti-discrimination 3. Remuneration and working hours 4. Freedom of labor 5. Respect for freedom of assembly and association, and the right to collective agreement.				
Anti-discrimination Policies and Courses	Front-line staff must attend non-discriminatory policy courses for boarding passengers with physical and mental disabilities to ensure the interests of passengers.				

Procedures for Identifying Material Human Rights Issues



Human Rights Risks Identification Results

CAL has identified human rights risks independently in accordance with the United Nations Guiding Principles on Business and Human Rights. The Human Resources Task Force first selects material human rights issues of the year through internal and external stakeholder engagement and issues risk identification questionnaires to stakeholders in the entire value chain (no new business relationships were established in 2024, such as material mergers & acquisitions). In 2024, it analyzed the material human rights risk issues of the year based on 340 valid questionnaires. while reviewing the occurrence nodes of human rights risks and material risk issues throughout the value chain in order to perform human rights due diligence and develop mitigation and remedial measures. The overall human rights risk level for CAL in 2024 was low, but we are still responding to three relatively major risk issues, including the right to privacy, the right to life and health, and forced labor.



Mitigation and Remedial Measures for Material Human Rights Risks

In order to ensure the integrity of the human rights framework, CAL, in accordance with the United Nations Guiding Principles on Business and Human Rights on due diligence, worked with external consultants to develop and implement a human rights due diligence mechanism to review the mitigation and remedial measures for material human rights risk issues. Based on the three material risks identified, except that forced labor does not apply to the downstream of CAL's value chain, CAL has launched three major risk mitigation and remedial measures at each node of the value chain for various

groups (including own employees, women, children, indigenous people, migrant workers, third-party employees, local communities) in the upstream and midstream as well as in the downstream. CAL also adapted the measures for all locations of operations across the globe based on the regulations of the host countries (65 branch offices, coverage 100%). In response to potential risks, CAL adopts early warning and remedial measures. Relevant information is described below.

Management of Material Human Rights Issues

No	de of Value Chain	Human Rights Issues	Mitigation Measures (Prevention)	Remedial Measures (Response)
		Right to Life and Health	For general merchandise suppliers, there are quality assurance obligations in the terms of the purchase contract, stating that the supplier shall guarantee that its products are free from safety or hygiene hazards; if the nature of its products is inherently hazardous, warning labels and methods of handling should be prominently displayed	CAL has established a sustainable supply chain management mechanism, and the high risk
Upstream	Supply Chain Partners	Right to Privacy	Formulated the "Personal Information Entrustment Management Procedure" to regulate the matters requiring attention and rights and responsibilities for product / service providers 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	and the high-risk sustainability issues of supply chain partners are audited, guided, and improved through review
		Forced Labor	 CAL has established the "Policy Statement on Sustainable Supply Chain Management" and "CAL Supplier Code of Conduct," requiring all suppliers to adhere to the elimination of forced labor and the protection of labor freedom. Kept abreast of the current status of critical suppliers management through the periodic supply chain sustainability risk survey. Through the 2024 Supplier Conference, CAL promoted guidelines on human rights and labor conditions. 	

	de of e Chain	Human Rights Issues	Mitigation Measures (Prevention)	Remedial Measures (Response)
2		Right to Life and Health	 Established an Occupational Safety and Health Committee, which meets regularly every three months to review, coordinate, and make recommendations on safety and health related matters. CAL has been certified by ISO45001:2018, CNS45001:2018 and TOSHMS, and regularly conducts internal audits once a year as well as external follow-up audits once a year. Through the risk management mechanism, risk classification is carried out according to each type of operation and job category. The establishment of the "Occupational Hazard Management System" allows for the inquiry of historical occupational hazard-related information and facilitates statistical analysis to aid in the control and prevention of occupational hazards. Regularly conduct employee health checkups to achieve the goals of early detection, early prevention, and early treatment An "Employee Health Management System" has been set up so that employees can inquire about health check reports over the years, make appointments for physician consultation services, and record self-monitoring indexes to facilitate independent health management and disease prevention Regularly provide free influenza vaccination every year, and offer multiple channels for vaccination (stationed at various workplaces, subsidized by external hospitals, and scheduled vaccination at the airport medical center) to take care of employees' health In terms of aviation safety, CAL promotes a Safety Management System to prevent potential risks or hazards through continuous risk identification and management Established a safety reporting system to encourage all employees to proactively identify possible safety impact factors and strengthen risk control 	 CAL operates through the Occupational Safety and Health Committee and follows the guidelines of the ISO 45001:2018 and TOSHMS occupational safety and health management systems. Utilizing the "Occupational Accident Management System," CAL regularly conducts statistical analysis of the company's occupational accident cases and reports and tracks subsequent safety and health management plans.
stre	CAL's Opera- tions	Right to Privacy	 According to CAL's "Personal Information Management System," we have established standard operating procedures for the collection, processing, and use of personal data to ensure compliance with regula- tions. We also conduct relevant training and seminars to enhance awareness of personal data protection. 	 Formulated a standard operating procedure in accordance with CAL's "Personal Information Protection Management System" for collecting, handling, and using personal infor- mation to ensure regulatory compliance
		Forced Labor	 In our human rights policy, we declare a prohibition on forced labor. Additionally, our personnel operations manual and employee work regulations include procedures for employees to perform their duties in compliance with the human rights policy. Our crew scheduling employs a dispatch method that exceeds regulatory requirements, supplemented by a fatigue management mechanism and system as a reference for reviewing and adjusting schedules. We strive to distribute flight assignments as evenly as possible and conduct regular meetings to review and improve, proactively preventing potential factors leading to fatigue, and for avoiding or reducing overtime or excessive working hours. Conduct training to enhance flight crew members' understanding and awareness of relevant regulations. On specific flight segments, CAL reserves passenger seats or crew bunks to appropriately schedule in-flight crew rest periods, thereby alleviating work fatigue. We use scheduling or attendance systems to manage employees' daily working hours in compliance with regulations. We conducted personnel regulations training for managers to ensure they are well-versed in relevant government regulations and company policy requirements. All overtime work must be agreed upon by the employee and their supervisor; it is not mandatory. Conduct an expatriate willingness survey, respecting employees' preferences, and do not force those unwilling to be assigned overseas or to affiliated companies. 	 We have established diverse channels for feedback and grievances. After employees submit their concerns according to the Employee Grievance Procedures, CAL addresses and responds to them, ensuring that employees receive appropriate handling when their labor rights are compromised. We operate various committees with employee participation to communicate on matters such as labor conditions, work environment, and workplace safety, and to ensure remedial improvements and preventive measures for the protection of rights. CAL consistently prioritizes human rights and the protection of employee rights. The number of special leave days and related benefits for employees exceed labor law requirements.

١	lode of Value Chain	Human Rights Issues	Mitigation Measures (Prevention)	Remedial Measures (Response)
		Right to Life and Health	 Conduct regular health checkups for early detection, prevention, and treatment. Partner with health exam hospitals to provide employees access to past reports, doctor consultations, and self-monitoring tools for better health management. Operate a quarterly Occupational Safety and Health Committee to review and coordinate safety matters. Implement a Safety Management System to identify and manage risks continuously. 	 Based on regular health checkups, high-risk groups are identified, and company medical staff offer care, education, or referrals for further consultation. Occupational safety meetings and preventive measures are supported by regular analysis, reporting, and tracking of hazards to enable early risk detection and incident prevention.
Midstream	Joint	Right to Privacy	• Following the Taiwan Personal Information Protection Management System, CAL has established SOPs to ensure compliant collection, processing, and use of personal data, along with training to raise awareness.	 Established SOPs under the Personal Information Protection Management System to ensure compliant collection, handling, and use of personal data.
eam	venture	Forced Labor	 Overtime requires mutual consent between employees and supervisors, respecting employee preferences. Work regulations define hours, overtime procedures, shift changes, and rest periods to ensure compliance with the Labor Standards Act. Training is provided to keep managers informed of regulations and aligned with company policies. 	 Employees can file grievances via form, email, phone, or verbally, following the Employee Grievance Implementation Measures. CAL handles grievances per regulations to ensure proper treatment when labor rights are affected. Regular labor-management and occupational safety meetings are held to address labor conditions, work environment, and safety, ensuring ongoing improvement and risk prevention. CAL upholds human rights and protects employee interests through clear standards on special leave and compensatory benefits.
Down		Right to Life and Health	 CAL promotes a Safety Management System to proactively prevent aviation risks through continuous identification and management. For in-flight food safety, CAL follows "Caterer Selection Procedures," requiring local suppliers to hold third-party food safety certifications or official documentation from local health authorities. 	 The Safety Management System conducts assessments to identify and control hazards, ensuring passenger flight safety through ongoing monitoring and review. CAL's "In-Flight Medical Consultation Service" offers passengers professional medical advice during travel, supported by the Taiwan Medical Association's "Caring Doctors on Board" program for immediate in-flight medical assistance.
stream	Stream Customers	Right to Privacy	To ensure consumer trust in personal data protection, the Company complies with the R.O.C. Personal Data Protection Act, Civil Aviation personal data regulations, the EU GDPR, and other relevant laws. Personal information is collected, processed, and used only for authorized purposes, safely and reasonably, while enabling individuals to exercise their rights to access, correct, delete, restrict use, and withdraw consent.	CAL has formulated a link for "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.
		Forced Labor	Not applicable (customer is not employed, no labor condition issue)	Not applicable (customer is not employed, no labor condition issue)

Note: For more information on privacy management practices, please \wp refer to the Privacy Management section of this report at 2.1.6.

In addition to the material human rights risks identified in 2024, CAL has always maintained an open attitude toward employees' membership in the union. As each CAL employee is an ex-officio member of the corporate union, they can freely participate in various union affairs or be directly selected as leaders in the union. CAL regularly holds negotiation meetings with the Employees Union to listen to the opinions of the union; employees can also join occupational unions outside the Company according to their own wishes, and CAL maintains an equally open attitude toward employees' membership in external occupational unions and does not resist substantive negotiations with any union.

CAL has established diversified communication channels, including regular labor management negotiation meetings, an employee care mailbox, a sexual harassment mailbox and associated grievance hotline, the "Speak Your Mind" Employee Portal, and Team+, an internal messaging software so that employees can put forward their opinions or suggestions. In addition, CAL has formulated the Employee Grievance Regulations. When employees' rights and interests are infringed or handled improperly, they can file a complaint in accordance with the regulations. If they disagree with the results of the complaint, they can also re-file the complaint to protect their rights. In 2024, there were a total of 11 grievances from CAL employees, which were mainly about the use of concessional flight tickets and workplace harassment, and all of the complaints have been answered and closed, and there were no discriminatory incidents.

Employee Grievance Cases from 2022 to 2024

	2022	2023	2024
Performance Review	0	1	2
Concessional Flight Tickets	1	3	0
Leave of Absence	1	0	0
Disciplinary Actions	5	1	2
Occupational Disasters	0	0	0
Salary	0	1	0
Illegal Infringement at the Workplace	1	6	3
Others	2	2	4
Total	10	14	11

CAL is committed to eradicating sexual harassment. We conduct annual training courses on the prevention of sexual harassment for both new and current employees. Information on the definition and types of sexual harassment, as well as the company's complaint channels, is disseminated through posters on our website and in the workplace. Employees can file complaints via a dedicated sexual harassment complaint mailbox or hotline. For cases falling under the Gender Equality in Employment Act, the Human Resources Department will form an investigation team within seven days of receiving a complaint. This team includes an external lawyer. Upon completion of the investigation, a "Sexual Harassment Incident Investigation Report and Handling Recommendations" is prepared, and a complaint committee meeting is convened. The committee is composed of at least 50% female members. If sexual harassment is confirmed, appropriate disciplinary action or other measures will be decided, and psychological counseling may be offered to both parties as needed. If the perpetrator of the incident is not a CAL employee, CAL will assist the victim and provide legal aid. Mandarin Airlines requires all new employees to take the "Mandarin Airlines and Me" course, which includes maintaining a friendly workplace and sexual harassment prevention. Mandarin Airlines also published a statement about the ban on sexual assault and harassment and posted information on sexual harassment prevention on the EIP website. In 2024, CAL had a total of five sexual harassment cases. Depending on the severity of each case, we implemented job transfers or administrative penalties. Starting from March 8, 2024, in accordance with legal regulations, we reported any sexual harassment complaints received from employees to the Ministry of Labor's Workplace Sexual Harassment Reporting System, In 2024, Mandarin Airlines had three sexual harassment incidents. Based on the severity, job transfers or administrative penalties were applied. In accordance with current legal regulations, if the cases fell under the Sexual Harassment Prevention Act, they were also reported to the competent authorities.

Grievances Against Sexual Harassment from 2022-2024

	2022	2023	2024		
Number of Grievances	5	6	8		
Number of Filing	3	5	5		
Category		Improper behavior			
Outcome	Administrative disciplinary actions				



Employee Grievance

wecare@china-airlines.com

Grievances against Sexual Harassment

303-399-8922

SHC@china-airlines.com



Employee Grievance/ Grievances against Sexual Harassment

02-2514-2050

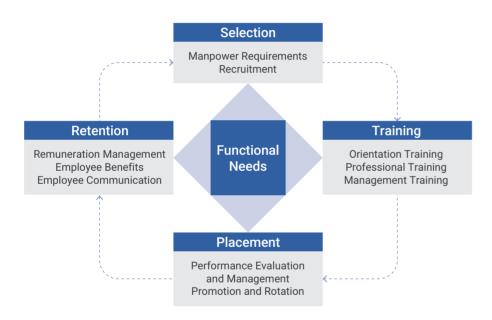
SHC@email.mandarin-airlines.com

2.4.2 Recruitment and Retention



Human Resource Management System

CAL recruits employees based on human resource needs and job requirements. New hires undergo duty-specific orientation training and begin work upon passing, followed by continuous training. Performance is regularly evaluated; outstanding staff may receive rewards, promotions, or job rotations to enhance capabilities. Annual bonuses are issued based on business performance. CAL provides competitive benefits and maintains multiple communication channels. Regular employee satisfaction surveys are conducted, with feedback reviewed and improvements made to boost retention.



Workforce Structure of CAL Group

As of the end of 2024, the total number of employees of CAL and Mandarin Airlines were 11,518 and 954, respectively. Compared to the number of employees in 2023, CAL added 260 employees and Mandarin Airlines added 69. The number of employees employed by the two airlines is in compliance with the regulations. CAL responded to flexible work requirements for basic ground service and employed 141 dispatched workers. **Q Refer to Detailed Workforce Structure Tables in the Appendix

2024 Overview of CAL Group Employees

		$\overline{}$					
Employees				<u>.≪</u>			
Employees	Total	Male	Female	Total	Male	Female	
Full-time Employees	11,392	5,560	5,832	944	446	498	
Non-full-time Employees	105	20	85	10	2	8	
Temporary Employees	21	15	6	0	0	0	
Total	11,518	5,595	5,923	954	448	506	
Interns (Not Included in the Number of Employees)	34	8	26	16	7	9	
		total of 82 I (43 males, 3	•	Employs a individuals	total of 8 In (0 males, 8 f	•	

Note 1: Full-time employees are those whose contracted work hours are normal work hours.

and 101 disabled individuals

(63 males, 38 females)

Note 2: Non-full-time employees are those whose contracted work hours are lower than normal work hours.

and 7 disabled individuals

(4 males, 3 females)

Gender Equality and Diversity

We value gender equality. In 2024, female employees accounted for 51.42% of CAL's total workforce, with 30.33% in managerial positions; at Mandarin Airlines, the figures were 53.04% and 26.97%, respectively. Due to the specialized nature of aviation roles, recruitment often reflects gender imbalances in relevant academic fields, which is a common societal trend pender diversity targets are detailed in the appendix. CAL is committed to balanced career development, with equal pay for equal work regardless of gender. Female cabin crew may apply for unpaid leave or transfer to ground duties during pregnancy and may request to resume flight duties after maternity leave. Two breastfeeding rooms are available 24/7 at CAL Park. Male employees are entitled to seven days of fully paid paternity leave. To support work-life balance, CAL signed agreements with seven daycare centers and kindergartens in 2024 to offer employee discounts.

In terms of workforce diversity, CAL employed 82 Indigenous employees (0.71%) and 101 employees with disabilities (0.88%) in 2024, exceeding the legal quota since September 2015. Job redesign has been implemented for employees with disabilities, focusing on improving the work environment, conditions, and development opportunities. CAL also provides dedicated shuttle buses and regular health checkups. In addition, visually impaired massage therapists have been employed long-term to offer free on-site massage services, enhancing employee well-being while supporting employment for the visually impaired.

Workforce Diversity of CAL Group in 2024

		Male	Femal
Business	<30 31-50	151 —	353
business	>51	450	390
	<30	77 🔳	407 1950
Air service	31-50 >51	471	551
Maintenance	<30 31-50 >51	156 — 1101 — 838 —	i 13 ■ 71 i 18
Others	<30 31-50 >51	38 I 326 328	98 566 289

		<u> </u>		
		Male		Femal
Business	<30 31-50 >51		34 86 24	104 153 22
Air service	<30 31-50 >51		14 49 41	1 15 102 1 17
Maintenance	<30 31-50 >51		28 49 57	4 6 2
Others	<30 31-50 >51		10 20 36	34

Local Employees

The flight network of CAL spans across the globe, and a large number of job opportunities are available. This results in contributions to local employment and economic development. About 85.89% of all CAL employees are based in Taiwan. The composition of CAL's international employees includes foreign pilots from 22 countries, and cabin crew from Vietnam, Japan, and Thailand. We also employ local employees in 25 countries around the world. CAL endeavors to provide a friendly work environment for our international employees, with equal opportunities and benefits to our Taiwanese employees.

Recruitment

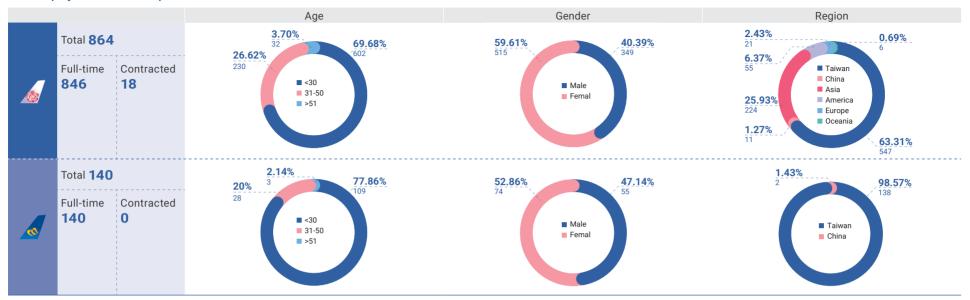
Due to CAL Group's business growth and fleet/flight network expansion in recent years, we have recruited in various areas to meet the requirements of our growing business. To fulfill our commitment to social responsibility, we continue to promote industry-academia collaboration programs and employ people with disabilities. In 2024, CAL recruited 864 employees, including 846 full-time employees and 18 contract employees, accounting for 7.5% of the total workforce. Mandarin Airlines recruited 140 full-time employees, accounting for 14.68% of the total workforce.

Local Employment of CAL Group in 2024							
Company	Region	Employees	Management				
	Taiwan	98.24%	100.00%				
	China	95.36%	42.86%				
	Asia	94.53%	42.99%				
	Americas	62.81%	24.44%				
	Europe 45.74%		18.52%				
	Oceania	35.00%	21.43%				
	Taiwan	100.00%	100.00%				
60	China	75.00%	29.17%				

Note: Local employees refer to employees of the local nationality.



New Employees of CAL Group in 2024



Employee Turnover

Over the past three years, CAL's average employee turnover rate was 5.36%. All employees are protected by employment contracts that clearly define rewards, disciplinary actions, and termination provisions, in compliance with the Labor Standards Act, including notice periods for resignation. In areas with higher turnover, we assess local labor laws, wage levels, and feedback from departing employees and managers to evaluate potential adjustments in compensation and benefits. Internal systems and incentive programs are also used to reduce turnover.

In 2024, the number of employees leaving CAL decreased by approximately 0.59% compared to 2023. The proportion of involuntary departures increased by 0.35%, while the voluntary departure rate decreased by 0.94%. CAL will continuously optimize internal management to maintain low turnover.

At Mandarin Airlines, employee turnover in 2024 decreased by approximately 2.24% compared to 2023, mainly due to personal career plans with applications for retirement or resignation. Despite the decrease in the turnover rate, Mandarin Airlines will continue to provide diversified channels of communication for its employees and gradually enhance its employee benefit system to retain talent.

Employee Turnover Statistics of CAL Group for 2022-2024

		/			
Year					<u>~</u>
real	Turnover	Voluntary	Non-Voluntary		Turnover
2022	4.96%	3.66%	1.30%		13.44%
2023	5.85%	4.57%	1.28%		10.73%
2024	5.26%	3.63%	1.63%		8.49%
Average	5.36%	3.95%	1.40%		8.06%
2	13.44%	10.73%		19%	8.06%
<u> </u>	4.96%	5.85%	5.2	26%	5.36%
)%———	2022	2023	20	24	The average of the past 3 year

Employee Retention

Periodic Performance Evaluations Conducted on a Fair and Objective Basis

CAL conducts performance evaluations three times a year, covering all employees except those with insufficient service periods, with a 100% execution rate. The system includes performance interviews to provide feedback and support. If an employee requires assistance in improving their work performance or needs other consultations, the respective department will arrange agile conversations as needed to enhance communication and connection between supervisors and employees.

To ensure fairness, each employee at CAL is evaluated through multidimensional performance appraisal by several supervisors. Evaluation criteria are tailored by job level and professional function, covering core competencies and role-specific requirements. For managers, evaluations also include annual Management by Objectives (MBO) aligned with company strategy.

Cabin crew receive two-way performance feedback. Those with over one year of service are assessed based on attendance, rewards/disciplinary records, and job performance within standardized guidelines to ensure objectivity and avoid bias.

Sound Remuneration System

CAL offers competitive remuneration, benefits, and insurance based on company policy and overall earnings. Employees with outstanding performance may receive performance-based salary adjustments and promotions, ensuring transparency and fairness. Additional benefits include dividends, training, stock options, concessional airfares, work allowances, and flexible programs such as retirement packages—designed to meet diverse employee needs, strengthen employee-management relations, and enhance satisfaction and retention.

To support long-term retention and performance, CAL provides annual bonuses tied to business results and implements performance-linked increases in work allowances(eligible when achieving a certain performance rating or above). The employee stock ownership trust also features a mechanism for annually increasing company contributions, incentivizing long-term participation, with both components subject to caps after five years.

2.4.3 Employee Development

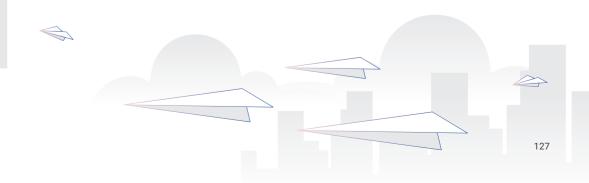
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Sound Training System and Framework Training Framework

CAL has established a comprehensive training system to cultivate aviation professionals, combining on-site and online learning with investments in training hardware and software. Emphasizing both fundamental aviation knowledge and practical experience, CAL regularly offers management and general training aligned with its development strategy to strengthen employee expertise, cross-functional understanding, and interdepartmental collaboration.

The Training Advisory Committee oversees annual training plans based on the CAL training framework, aiming to equip all employees with the skills required for their roles. CAL also established the Talent Development Committee, chaired by the President, with senior vice presidents serving as members. The Talent Development Committee is responsible for regularly reviewing and improving training for potential talents. Each department refers potential talents to the Talent Development Committee, which then determines their qualifications and development paths. During training, potential talents are provided with appropriate job rotations and management skill training to build their management capacity and experience. In addition to the annual talent recommendations. CAL also selects talents from different levels and sets up management improvement courses and management training courses. CAL provides two-year courses based on the ranks of the employees to continue to enhance their management skills. CAL has always sought out and successfully trained many potential talents to serve as unit chiefs both at home and abroad. CAL will continue to provide them with opportunities to develop their careers, in hopes of achieving corporate sustainability.

In 2024, CAL invested approximately TWD 433 million in training and development, averaging TWD 37,600 per employee. Total training hours reached around 461,400 (average of 37.18 hours per employee), with a completion rate of 98.08%.



	Training Framework						
	Skill Type	Orientation Training	On-the-job Training	Advanced Training			
Strategic	Abilities required for employees to perform projects according to CAL business strategies	Organized ad hoc ba and strategic develo		siness operations			
Professional	Qualities and skills required to perform specific duties or tasks	Basic Training for Various Professional Roles (divided into four main categories: Flight Crew, Maintenance, Operations, and Others)	 Model/class training Annual retraining for each professional position 	 Instructor training Advanced job training (pilot in command / purser / super- visor) 			
Management	Knowledge and skills required for managerial positions	New manager training	Management skill training	Executive training / seminars			
General	Knowledge, skills, and conduct required for every employee	"CAL and me" orientation training	Career experience camp	General aviation management training			

Note: In addition to the above training programs, CAL encourages employees to participate in work-related trainings organized by the Ministry of Labor's Workforce Development Agency, by offering training allowances to employees who pay tuition at their own expense (20% of the full tuition).

Sound Internal Recruitment and Rotation System

CAL is committed to assigning employees to suitable positions through regular job rotations and internal training. Departments decide on rotations based on labor needs. An internal recruitment system allows employees to participate in selection according to their career plans, enabling flexible human resource use and optimal job placement. The internal hiring rate in 2024 was 56.46%, slightly up from 2023.

To ensure management flexibility and competency, CAL conducts regular management reviews and rotation evaluations. Managers serving three years in domestic departments, outstations, or joint ventures are included in these evaluations per relevant regulations.

Employee Development Programs Supporting CAL's 2024 Business Objectives

To align with CAL's operational growth, talent cultivation, and digital transformation, we have implemented comprehensive training initiatives. Our two-year Management Advancement Program and Management Training Program focus on leadership development, digital transformation trends, communication, team morale, and accountable leadership. These programs

include mentorship, study groups, and internal sharing sessions to foster mutual learning and develop leadership talents.

We also provide diversity, equity, and inclusion (DEI) courses across all employee levels, contributing to a reduction in voluntary turnover from 4.57% in 2023 to 3.63% in 2024 and increased employee engagement.

In support of digital transformation, CAL offers ongoing AI and big data training to enhance employees' skills and improve work efficiency.

Human Capital ROI

Through educational training, we can align our employees with the company's strategies and business objectives, fostering mutual growth and continuously enhancing corporate assets, thereby establishing a foundation for sustainable operations. In recent years, CAL has adopted the Human Capital ROI metric to estimate the returns generated from human capital investments and to serve as an indicator of the company's medium- and long-term performance. Although 2024 saw rising operational costs related to inflation and oil prices, employee salaries and benefits also

increased. However, due to the continued growth in demand for passenger and cargo services, the company's revenue increased significantly, resulting in an improvement in this metric compared to the previous year.

Human Capital ROI					
	2022	2023	2024		
Human Capital ROI	1.29	1.27	1.42		

Note: Human Capital ROI = Income-[Operatingexpenses-(Salary+Benefits)]/(Salary+Benefits)

Training to Promote Awareness of Diversity, Equality, and Inclusion

To create a positive workplace environment and promote a "diverse, equal, and inclusive" work setting, CAL continued to offer relevant courses in 2024. These included "Team Synergy" retraining for domestic managers to further strengthen trust between supervisors and colleagues, and "Team Leadership and Skills" courses for frontline supervisors to enhance on-site leadership and communication skills. We also provided courses on "Intergenerational Communication" and "Cross-Departmental Collaboration" for all employees, regardless of full-time, contractual or part-time status. Additionally, we continued the Expert Sharing Series to raise awareness of different cultures and values across generations and departments, aiming to enhance mutual understanding, respect, inclusion, and promote legacy. We increased offerings of various courses to improve work efficiency and skills for grassroots employees, including work management, business negotiation, and problem-solving, striving to provide self-development resources for employees at all

levels. Furthermore, starting in 2024, we continued the "Me and CAL" retraining for new employees who have completed one year, to assess learning and development progress and feedback, serving as a channel for care and two-way communication.

Industry-Academia Collaboration

CAL has a wealth of practical experience sound aviation training facilities and courses. We actively support the "Industry-Academia Collaboration for Technical Colleges and Universities and Talent Cultivation" initiative promoted by the Ministry of Education and we have promoted the campus talent development program since 2013. CAL has cooperated with colleges and universities nationwide to offer internship programs that last for six months to one year in a wide variety of fields. CAL also offers interns scholarships and allowances and arranges training courses for them. To start an internship, interns are required to pass the training courses first, CAL will continue to strengthen industry-academia collaboration and provide students with opportunities to gain aviation expertise and make their career plans, and thus help CAL recruit potential talents.

In 2024, operations gradually returned to normal, allowing us to resume various industry-academia collaborations (totaling 40 participants across 20 schools). In 2024. Mandarin Airlines conducted industry-academia collaborations (totaling 16 participants across 6 schools).



Best Practices

TALENT

Continuous Support for TALENT in Taiwan

Talent development has always been a core focus for CAL. On March 24, 2025, CAL reaffirmed its support for "TALENT, in Taiwan" in partnership with CommonWealth Learning and other enterprises, promoting sustainable talent development in line with ESG trends and global emphasis on human capital. CAL continues to align training programs with its operational strategies, enhancing service quality while preserving corporate culture and values.

In line with the 2025 alliance theme, "Diversity, Equality, and Inclusion 3.0," CAL will offer employees more resources for personal growth, cross-departmental exchange, and professional development. These efforts aim to strengthen

> team performance, foster shared success, and support the company's long-term sustainability goals by empowering every employee to build a stronger, brighter future.

CAL announces its continued participation in TALENT in Taiwan



Best Practices

Honored as a mentor for the National Civil Service Academy-Take-Off Program for Senior Civil Service

Since 2022, China Airlines has accepted the invitation of the National Civil Service Academy's "Take-Off Program for Senior Civil Service" every year to help cultivate government talents, planning relevant units to arrange job internship courses for senior civil servants trained in the company, and the chairman will serve as the mentor.

2.4.4 Employee Rights

GRI 2-30.201-3.401-2.401-3.402-1.405-2

CAL values employee well-being and feedback. In addition to regular salary and benefits reviews and labor-management meetings, CAL has established multiple communication channels and activities to strengthen cohesion. We also respect the independence of labor unions and maintain positive communication in accordance with the law.

Employee Care



Salary and Benefits

CAL believes employees are its most valuable assets and is committed to balancing employee welfare with shareholder interests. We offer competitive, nondiscriminatory salaries and benefits regardless of gender, race, religion, political affiliation, or marital status. In principle, salary adjustments are planned every year based on the company's operating conditions, changes in the minimum wage, living standards such as prices, and relevant information such as the situation of other airlines, so that colleagues can share the consequent of company operations and be more engaged to work. In 2024, the average salary increase was 5.01%. Employees required to work overtime received fair compensation in accordance with regulations, and no one was forced to work against their will.

Male:Female Salary Ratio of CAL Group in 2024 (Female Salary is 1)						
Company	Category	Base Salary	Bonus	Remuneration		
	Business Operations	1.13	1.16	1.14		
	Flight and Cabin Crews	1.08	1.09	1.08		
	Maintenance Personnel	1.12	1.06	1.09		
	Others	1.16	1.13	1.15		
	Business Operations	1.04	1.07	1.06		
60	Flight and Cabin Crews	1.4	2.73	2.27		
	Maintenance Personnel	1.16	1.43	1.31		
	Others	1.07	1.19	1.14		

Note 1: Remuneration = base salary + bonus

Note 2: Female salary is 1 in this Salary Ratio Table.

Note 3: Flight and cabin crews: Flight and cabin crews include pilots and cabin crew, pilots were mostly male, while cabin crew were mostly female. Pilots' salaries are higher than cabin crew', resulting in a large difference in the male / female salary ratios. Others: 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.

Note 4: Base salary: Basic pay; bonus: pay outside base pay.

In accordance with the Taiwan Stock Exchange Corporation Rules, CAL reports that in 2024 it employed 9,876 full-time non-managerial staff, an increase of 223 from the previous year. Total salary was TWD 22,149.162 million, with an average of TWD 2.243 million and a median of TWD 1.722 million. Compared to 2023, total salary increased by TWD 2,120.172 million, the average salary by TWD 168,000, and the median by TWD 177,000.

 \wp Details of the annual total compensation ratio are provided in the appendix

Full-time Employees not in a Managerial Position	Numerical Value	Difference from the Previous Year
Number of people	9,876	1 223
Total Salary (TWD million)	22,149.162	1 2,120.172
Average Salary (TWD million)	2.243	↑ 0.168
Median Salary (TWD million)	1.722	↑ 0.177

orefer to the Appendix for more information on the gender pay gap analysis



Pension Scheme

CAL places great importance on protecting employee rights. Pension fund management is reported quarterly to the Labor Pension Reserve Supervisory Committee. Each year, contributions are allocated based on actuarial assessments and legal requirements. The contribution rate is 6% under the new pension system and 15% under the old system—the legal maximum—fully allocated in accordance with Paragraph 2, Article 56 of the Labor Standards Act to ensure employees receive their entitled retirement benefits

(Unit: TWD million)

(one ivid inmon)							
Salary,	Salary, Benefits and Pension Reserve Fund of CAL Group in 2024						
	Item	2022	2023	2024			
	Salary	17,372	17,291	20,756			
	Benefits	197	194	197			
	Pension Reserve Fund	7,437	7,740	8,469			
	Salary	740	800	990			
***	Benefits	3.6	4.8	5.3			
	Pension Reserve Fund	409	437	465			

Note: Benefits offered by CAL/Mandarin Airlines included travel allowances, allowances for the elderly, scholarships for employees' children, Labor Day gift money, spring parties, and anniversary expenses.

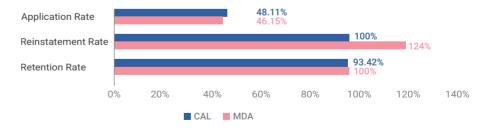


Unpaid Parental Leave

CAL supports the government's unpaid parental leave policy, enabling employees to balance work and family. In line with the Gender Equality in Employment Act, employees may take up to two years of unpaid leave before their child turns three and may apply for early reinstatement based on family or career needs. In 2024, CAL received 456 applications for unpaid childcare leave.

Employees are also entitled to 8 weeks of paid maternity leave and 7 days of paid paternity leave. If paternity leave overlaps with business trips or holidays, it may be deferred within 15 days. CAL's leave policies are more favorable than statutory requirements.

PRefer to the Appendix Unpaid Parental Leave of CAL Group Tables



Benefits for CAL Employees

	ltem	Explanation	Compliance Level
	Care for Family Members	Applicable when an employee's spouse or direct relative is seriously ill or when necessary	Beyond Compliance
	Illness	Applicable when an employee is seriously ill and has not recovered after taking relevant leave in accordance with regulations	Beyond Compliance
Unpaid Leave	Joining Family on Overseas Assignment	Dependents of employees assigned overseas may apply for unpaid leave	Beyond Compliance
	Advanced Education	All employees are eligible to apply, regardless of their school or major, provided that the field of study is related to their current position or aligns with company needs and is recognized by the Ministry of Education	Beyond Compliance
Paid Benefits and Compensatory Leave		Ground service personnel receive 7 additional leave days annually in lieu of working national holidays. This leave is paid and is provided for employees to use for various needs (such as temporarily taking care of family members or other personal matters)	Beyond Compliance
Paid Sick Leave		Employees receive full salary for the first 5 days of non-hospitalized sick leave annually; from the 6th to 30th day, half salary is provided. Hospitalized sick leave is fully paid for up to 45 days	Beyond Compliance
Year-end Diviends	d Bonuses /	Year-end bonuses are distributed based on CAL earnings. Employee dividends are issued in accordance with individual performance and annual business goals	Beyond Compliance
CAL Retiree Association		CAL supports the CAL Retiree Association, which holds quarterly gatherings to promote interaction among retirees. The company provides funding and support	
Employee Benefits		Employee benefits include wedding and childbirth cash gifts, disaster relief subsidies, travel subsidies, scholarships, elder allowances, emergency loans, birthday gifts, Labor Day vouchers/cash, and funeral allowances	Beyond Compliance
Paid Annual Leave Scheme		Leave days provided by CAL exceed the requirements under the Labor Standards Act	Beyond Compliance
Childcare		ildcare CAL has contracts with 7 daycare centers across Taiwan to support childcare needs	

ltem	Explanation	Compliance Level
Breastfeeding Environment	Breastfeeding (collection) rooms are provided at the workplace, along with maternity health consultations, job suitability evaluations, and risk control advice for pregnant or postpartum employees	In Compliance
Group Health Insurance	Group insurance includes medical, accident, and critical illness coverage. Dependents may join at preferential rates	Beyond Compliance
Commuting	Shuttle services are available for general commuters, shift workers, cabin crew, and employees with disabilities, covering routes from Keelung, Taipei, and New Taipei City to Taoyuan and Zhongli	Beyond Compliance
Flexible Work Hours	Ground staff in CAL Park who do not use shuttle services may apply for flexible work hours (up to one hour daily) with supervisor approval; each application must cover at least three months	Beyond Compliance
Concessional Flight Tickets	Employees and their dependents enjoy free and concessional flight tickets on CAL flights and code-shared concessional flight tickets from other airlines.	Beyond Compliance
Employee Stock Ownership Trust	Participation in the employee stock ownership trust is voluntary. Contributions are deducted monthly based on salary grade	Beyond Compliance
Resignation Program	Employees are eligible for CAL's resignation benefits if they apply for resignation after 10 years of service and meet the requirements.	Beyond Compliance
Psychological Counseling	Psychological counseling is available to support employee well-being and stress management	Beyond Compliance
Health Check and Promotion	Health check-up programs exceed regulatory requirements, including advanced cancer and cardiovascular screenings from 2023 onwards. Family members are also eligible. Based on results, health risk classifications, one-on-one consultations, and referral services are provided. Maternity health protection surveys are distributed to pregnant or breast-feeding employees, with results reviewed by contracted physicians. CAL regularly invites doctors, nutritionists, and experts to host diverse health promotion activities	Beyond Compliance
Sport Initiatives	CAL offers sports facilities (basketball courts, badminton courts, fitness rooms) and organizes activities such as softball, basketball, and badminton competitions. Sports club activities are also subsidized	Beyond Compliance
Job Transfer	Offer the opportunity for part-timers for application of transferring to full-timers	Beyond Compliance

Employee Communication

Each and every employee matters to CAL. We maintain multiple channels of communication with our employees, such as regularly scheduled labor-management meetings, and strive to find solutions to problems. We have established an employee care mailbox, a sexual harassment mailbox with an associated grievance hotline, and also a "Speak Your Mind" employee communication mailbox. In addition, our Team+internal company messaging software enables employees to express their opinions and make suggestions at any time. When facing significant operational changes that will affect employees, CAL gives notice in compliance with relevant labor regulations and promptly communicates with labor unions and employees. Information on material issues and employee rights is made available on CAL's website or e-mailed to all employees. When employees express concerns about certain internal regulations or practices, CAL seeks to clarify the issue and communicate with the employees more frequently.

Diverse employee communication channels

1. Labor-management Meetings

The head office holds regular meetings with representatives of the China Airlines Employees Union(CAEU) and all front-line units also convene meetings with the respective branches of the union.

2. Supervisor Mailbox

CAL encourages employees to express opinions and give suggestions through the level 1 manager mailbox.

3. "Speak Your Mind" Employee Portal

CAL encourages employees to express opinions and give suggestions through the "Speak Your Mind" Employee Portal on the Intranet.

4. wecare@china-airlines.com e-mail

The Human Resources Division has set up a dedicated mailbox to provide employees with grievance channels and protect employee rights and interests.

5. Sexual Harassment Mailbox and Hotline

CAL's Human Resources Department has established a confidential mailbox (SHC@china-airlines.com) and hotline (03-399-8922), with dedicated personnel handling cases.

6. Team+

This internal company messaging system is offered to employees for free, to facilitate two-way communication and instant reporting to supervisors.

Note: In the event of a mass redundancy due to a major change in operations, CAL shall process related matters in accordance with the Act for Worker Protection of Mass Redundancy. Under general conditions, CAL shall, at least 60 days prior to the occurrence of the mass redundancy, inform the competent authority and other relevant agencies or personnel of its redundancy plan and announce it by publishing an announcement.

Labor Unions

CAL maintains open communication and cooperation with all labor unions, treating each with equal respect in accordance with the law. In 2024, there were no major labor disputes or strikes. The China Airlines Employees Union (CAEU), which has the highest employee participation rate at CAL, is a member of the National Federation of Aviation Industry Employees' Unions and the Taiwan Confederation of Trade Unions. CAEU has six subordinate branches, classified according to the members' or operations' locations:

GRI 102-41

Branch 1	Divisions in Head Office
Branch 2	Flight Operations Division
Branch 3	Cabin Crew Division and In-flight Supply Chain & Marketing Division
Branch 4	Maintenance Division, Engineering Division, and Quality Assurance Division
Branch 5	Taipei Branch, Ground Service Division, and Cargo Sales, Marketing & Service Division
Branch 6	Kaohsiung Branch, Kaohsiung Cargo Department, Kaohsiung Maintenance Group

The Mandarin Airlines Employees Union (MDAEU) comprises six subordinate branches:

Branch 1	Divisions in Taipei Head Office
Branch 2	Flight Operations Division and Operation Control Center
Branch 3	Inflight Services Department
Branch 4	Customer Service Division (Taipei, Kinmen, Taitung, and Nangan)
Branch 5	Engineering & Maintenance Division
Branch 6	Customer Service Division (Taichung, Magong, Hualien, and Kaohsiung)

All CAL employees, except senior managers as defined by the union constitution, are members of the China Airlines Employees Union and are covered by a collective agreement first signed in 2002—the first of its kind in Taiwan's aviation industry. The agreement was renewed for the seventh time on January 14, 2025. CAL also signed a collective agreement with the Pilots Union Taoyuan on December 29, 2021. Mandarin Airlines signed its collective agreement with the Employees Union in January 2017. These agreements cover union support, labor-management cooperation, dispute resolution, employment and termination, working hours, leave, salary, allowances and bonuses, transfers, rewards and disciplinary actions, benefits, training, and occupational safety and health. Each agreement is reviewed and renegotiated every three years. During the renewal process, the existing terms regarding working conditions remain in effect by law.

CAL and Mandarin Airlines maintain cooperative and communicative relationships with CAEU and MDAEU, respectively, based on mutual dependence and partnership. Over the years, both parties have established diverse communication channels, and all resolutions are addressed upon reporting. Minutes from labor-management meetings held at the Head Office are made available to all employees via the CAL and Mandarin Airlines websites. In 2024, CAL and CAEU held six labor-management meetings, while Mandarin Airlines held three quarterly meetings with MDAEU in accordance with legal requirements. Both companies remain committed to fostering harmonious labor relations through open and efficient communication.

Union Participation Rate of CAL and Mandarin Airlines

Company	Item	2022	2023	2024
	Number of Participants	9,382	9,621	9,794
	Participation Rate	98.41%	99.17%	99.14%
No.	Number of Participants	747	829	902
	Participation Rate	99.34%	98.57%	97.72%

Note 1:The number of CAL participants refers to the number of people being members of CAEU in the year (including employees in Taiwan and expatriates); part-time and contracted employees are not included.

Note 2:The number of Mandarin Airlines participants refers to the number of people being members of MDAEU in the year (including employees in Taiwan below the rank of vice president (inclusive) and expatriate executives in mainland China); temporary employees (interns), hourly-paid work-study students, executives transferred from CAL, and employees in mainland China are not included.

Note 3:The collective bargaining coverage rate of CAL/Mandarin Airlines is equal to the labor union participation rate.

Employee Engagement

CAL has established diverse and accessible communication channels to reflect its belief that employees are the Company's most valuable asset. To understand employee perspectives and needs, CAL conducted an employee engagement survey from December 9 to 27, 2024. Administered anonymously via online questionnaire by an external consulting firm, the survey covered six major dimensions: Corporate Culture, Leadership Culture, Work and Development, Employee Engagement, Work Environment, and Compensation and Benefits. The questionnaire also included items related to job satisfaction, purpose, happiness, stress, psychological resilience, and multiculturalism. Sample statements included: "I am proud to serve at CAL," "Overall, I am satisfied with my compensation," "My supervisor effectively communicates company policies and goals to colleagues," "My team's work atmosphere values diverse perspectives," "I am able to maintain a balance between work and personal life," and "I will not let personal emotions affect my work performance".

A total of 6,161 valid responses were received (response rate: 61.6%; male: 3,126 [50.74%], female: 3,035 [49.26%]), marking the highest participation rate in the survey's history. This reflects growing employee confidence in the survey and CAL's

follow-up actions. Survey results indicated the highest approval for compensation and benefits, followed by employee engagement, corporate culture and career development, leadership culture, and work environment. The overall satisfaction score rose to 7.9, up from 7.8 in 2022. Notably, career development and leadership culture saw the greatest improvements.

Following the previous survey, CAL launched improvement programs focused on accountability, cross-generational communication, and workplace friendliness. The latest survey results not only helped assess the effectiveness of these initiatives but will also be reviewed internally to design a new round of actions aimed at continuously enhancing the employee experience.

In 2024, CAL organized a variety of employee engagement activities, including six corporate visits—two of which were themed around the Double Ninth Festival to honor parents—allowing employees' families to better understand the workplace and strengthen shared connection with the Company. CAL also hosted retirement planning seminars, health and stress-relief days, and holiday care events, reinforcing employee well-being and aligning with corporate sustainability goals. We promote a positive and supportive work environment through three pillars: the "Work Side" (pleasant workplace), "Family Side" (family-friendly measures), and "Health Side" (physical and mental wellness). Additionally, CAL conducts the "Me and CAL" retraining program for employees after one year of service to assess development, provide continued support, and gather suggestions for future improvements.

To further enhance workplace comfort and inclusiveness, CAL will allow frontline employees to choose women's trouser uniforms starting in 2025, aligning with trends in diversity, equality, and inclusion.



Best Practices

Recognition as One of the "Best Companies to Work for in Asia" in 2024

The Best Companies to Work For in Asia Award, organized by the renowned HR publication HR Asia, is one of the most prestigious honors in the field of human resources management across Asia. CAL has been recognized for two consecutive years, standing out among 368 outstanding companies.

This achievement reflects our ongoing efforts to cultivate aviation professionals through comprehensive training programs, diverse career development opportunities, effective communication channels, and a healthy, safe, and inclusive workplace. In addition to providing competitive compensation and benefits, CAL was once again honored with the "Asia's Best Employer Award" this year, underscoring our dedication to sustainable talent development and reinforcing our reputation as Taiwan's airline of choice. Together with our employees, we continue to achieve shared success and reach new milestones.

2.4.5 Healthy and Safe Workplace

GRI 403

International Safety and Health Management System Dual Certification

GRI403-1.403-8

In response to the trend of globalization and international labor development, we comply with domestic and international safety and health standards, as well as enhance the efficiency of safety and health management and promote systematic management measures. Since 2016, we have established an independent safety and health management system, and are committed to aligning our risk management capabilities with those of the rest of the world.

Headquarter's Taoyuan area has been qualified by OHSAS18001 and TOSHMS since 2016~2018; in 2019, it was converted to ISO45001:2018, CNS45001:2018, and TOSHMS. In accordance with the "Safety and Health Internal Audit Management Procedures", we will perform internal audits of each unit once a year. We continue to accept external audits and commission SGS to conduct regular tracking audits once a year. Through the risk management mechanism, risk classification is carried out according to each type of operation and job category. The scope of application includes 10,016 employees (95.1%) and 381 non-employees (4.9%), accounting for 100% of the total number of employees and non-employees of CAL, except for overseas employees and non-employees who are not included in the consolidated statistics, e.g., overseas locations are not included in the consolidated statistics because the occupational safety and health management system is established in accordance with the laws and regulations of the respective countries.

Category	Hazard Risk Classification	Job Type (Examples)
Category 1	Significant Occupational Risk	Maintenance staff, flight crew, cabin crew, transportation staff, cargo loading personnel
Category 2	Moderate Occupational Risk	Information equipment, plant electrical and mechanical air conditioning equipment maintenance personnel
Category 3	Low Occupational Risk	Office administrators

Taipei Branch and Kaohsiung Branch operate under the Occupational Safety and Health Management System of the head office in Taoyuan, Taiwan, and the Engineering & Maintenance Organization has been certified as ISO45001:2018 compliant from 2022 onwards. The scope of verification covers aircraft maintenance operations.

The Occupational Safety and Health Policy of CAL is committed to the goal of "complying with legal regulations and building a healthy workplace." by establishing a robust occupational safety and health management system. We actively allocate

necessary resources, provide training, implement risk management, eliminate potential hazards, and pursue continuous improvement to support sustainable corporate development. In 2024, we continued to monitor and improve our performance through safety and health indicators—both proactive (e.g., safety program proposals) and reactive (e.g., occupational accidents, penalties, audit findings). Performance metrics for each unit were regularly reviewed during Occupational Safety and Health Committee meetings to enhance workplace safety and promote employee well-being.

Unfortunately, a fatal workplace accident occurred at a maintenance facility in 2024, resulting in 6,000 lost days and preventing us from meeting our FSI (Frequency-Severity Index) target of 0.42. In response, CAL has implemented daily inspections of high-risk operations at all maintenance production units to prevent recurrence. Despite the incident, CAL's disabling injury frequency rate (FR) stood at 2.29—remaining below the pre-pandemic 2019 average (FR 2.97) and the post-pandemic 2022–2024 air transportation industry average (FR 2.46). Additionally, one minor contractor injury occurred in 2024, resulting in a 3-day loss. A total of 1,565 occupational safety inspections were conducted across CAL workplaces, identifying 146 deficiencies. All issues were promptly addressed and rectified, with a 100% completion rate under the supervision of the occupational safety management unit.

Establishing an Occupational Safety and Health Policy GRI 403-4

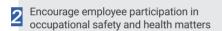
CAL has established an occupational safety and health policy with the following targets: a total injury index (FSI) below 0.42, an employee annual health check-up participation rate of over 70%, and an achievement rate of over 80% for health education among those with significant abnormalities. Upholding the principle of "Safety First," we are committed to "providing a safe working environment" and "safequarding the rights and interests of stakeholders" to achieve the five major goals of our safety and health policy. Additionally, we have implemented an occupational safety and health management system, actively providing necessary resources and training, enforcing risk management, eliminating potential hazards, and continuously conducting hazard identification, assessment, and improvement to pursue sustainable corporate development. After discussing with labor representatives and signed by the chairman of the board of directors and the president, the Occupational Safety and Health Policy was formulated and published on December 1, 2016 in accordance with the ISO45001 standard, and is regularly reviewed annually. The Occupational Safety and Health Policy applies to all employees in our own operations, contracted employees, outsourced manpower, and contractors, and we provide a variety of channels, such as questionnaires, committees, and occupational safety and health zones, to promote consultation and participation of workers in the field of occupational safety and health.

The Occupational Safety and Health Committee is established by law to oversee workplace safety and health. It is chaired by the president, with one deputy chairperson and one executive secretary appointed. The committee members include supervisors from designated units, occupational safety and health personnel, engineering and technical staff, medical personnel, and labor representatives who make up over one-third of the members, designated by the labor union. The committee meets quarterly to review occupational accident statistics, analyze cases, and monitor the implementation of safety and health management plans. In 2024, the committee reviewed and completed 15 safety and health proposals.

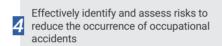


Five Major Goals of CAL's Occupational Safety and Health





Provide a safe and comfortable working environment to protect employees' physical and mental well-being



Regularly review and optimize the performance of occupational safety and health management

	Proportion of Labor Representatives in Occupational Health and Safety								
Company		2022	2022	2024	2024 Number of Labor Representatives	2024 Total Number of Committee Members			
	Taipei Branch	36.36	36.36	33.33	3	9			
	Taoyuan (%)	37.73	37.74	38.46	20	52			
	Kaohsiung Branch (%)	35.29	35.29	37.50	6	16			
	EMO Park (%)	34.78	34.78	34.29	12	35			
100	,	33.33	33.33	33.33	5	15			

Note: Labor representative proportion = (Occupational Health and Safety Committee labor representatives / Occupational Health and Safety Committee total members) × 100%

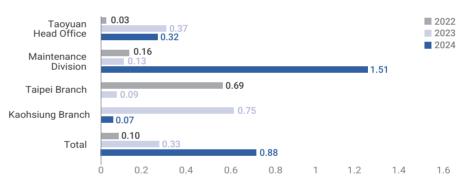
Enhancing Operational Safety and Implementing Hazard Identification, Risk Assessment, and Accident Investigation GRI 403-2.403-9

CAL has established an "Occupational Safety and Health Management Manual" and follows procedures for emergency response, accident notification, investigation, and assistance. Employees can stop work or leave immediately if they encounter immediate hazards without fear of punishment.

In 2024, CAL's occupational injury frequency rate (FR) was 2.29, severity rate (SR) 339, total injury index (FSI) 0.88, and absenteeism rate (AR) 1.42%. The main cause was unsafe employee behavior causing falls and injuries. A fatal work accident at the maintenance facility led to 6,000 lost workdays, increasing the SR and FSI. Despite this, the FR remained below the 2019 pre-pandemic rate (2.97) and the 2022–2024 industry average (2.46). CAL had 141 outsourced personnel and 381 contractors; one minor contractor injury caused 3 lost days. CAL continues to promote injury prevention and training.

© Refer to the appendix for injury statistics and trends

Comparing the Frequency-Severity Indicator (FSI) Over the Past 3 Years



In 2024, following the "Health Risk and Opportunity Management Procedure," "Safety and Health Performance Monitoring and Measurement Procedures," and "Corrective and Preventive Measures for Safety and Health Non-conformities," CAL received 212 safety reports from staff, all of which were addressed and closed. An additional 91 cases were handled, achieving a 100% completion rate. The false alarm report rate improved by 75% compared to 2023.

The Occupational Safety and Health units conducted risk assessments on occupational hazards and sensitive groups, implemented hazard identification, and applied hierarchical controls to eliminate or reduce risks. They also established performance evaluation systems for continuous improvement. In 2024, these units developed 58 occupational safety and health management programs, achieving over 100% of the target.

Identification of Major Hazards

China Airlines achieved 100% completion in hazard identification and risk assessments for common safety risks (e.g., slips, falls, collisions). Slip injuries from unsafe behavior were most common, with corrective actions completed. All departments also completed assessments for physical, ergonomic. chemical, biological, and psychosocial hazards. Key measures as below:



Figonomic Hazards

Under the "Ergonomic Hazard Prevention Program" a proactive health status survey was conducted for 230 employees. Among them, 23 were identified as potential cases of ergonomic hazard exposure. Workplace assessments were completed for these individuals to understand their work patterns and provide appropriate occupational safety and health recommendations. Additionally, one seminar on ergonomic hazard prevention was held, with a total of 115 participants, to enhance employees awareness of related risks.



Noise Hazards

According to the "Hearing Conservation Program" employees are provided with hearing protection equipment and receive enhanced education and training. Regular risk monitoring and health examinations are also conducted. Noise monitoring is carried out on the apron for 7 person-times every six months. and special health examinations are conducted annually to ensure the hearing health of employees.



Maternity Health Protection

In 2024, hazard identification and risk assessment of the work environment were conducted for 202 employees potentially exposed to maternity health risks. All assessment results were classified as Level 1 (lowest level of risk management).



Prevention of Workplace Violence

To foster a safe and friendly workplace, a total of 226 managerial and newly appointed supervisors completed a self-assessment on unlawful conduct in 2024. Each department also carried out hazard identification and risk assessment based on the nature of their work, achieving a 100% completion rate.

Main Hazard Mitigation Action Plan

- 1. CAL implemented and completed investigation reports on 80 cases of occupational accidents (including 34 cases of commuting), with a 100% correction rate.
- 2. The construction of chemical management mechanism has been completed. Hazardous chemicals are posted with hazard labels, preparation lists, and disclosure safety data sheets, and necessary hazard prevention measures have been taken, with a completion rate of 100%.
- 3. Operational environmental monitoring was conducted twice a year. Carbon dioxide monitoring was conducted at 128 locations, and the monitoring results all met the legal value of 5,000 PPM or less. Noise environmental monitoring was conducted by a total of 14 sampling trips, and an on-site visit by occupational medicine physicians to the workplace was conducted to assess the units and personnel whose average sound pressure levels exceeded the legal limit of 85 decibels or more over an eight-hour day during the workday of noise exposure, and to provide protective gears and education and training to enhance hearing protection for the employees.

Education and Training on Occupational Safety and Health GRI 403-5

In accordance with CAL's "Safety and Health Education and Training Management Procedures," we have completed the establishment of safety and health officers and on-the-job training for each unit, with a total of 12,386 participants completing the training. The report includes guidance on identifying workplace hazards, classifying risks, drafting management plans, and the process for determining occupational accidents. We assist various units in risk assessment and implementing preventive improvements. Based on the five key elements of the occupational safety and health management system and related execution items, we conduct regular internal and external audits annually. This effectively controls occupational accident risks, strengthens occupational disease prevention management, enhances occupational safety and health management performance, and enforces occupational safety policies to ensure employees work in a safe, healthy, and comfortable environment.

No.	Key Projects	Content
1	Safety and Health Training for Newcomers	In 2024, in cooperation with the "CAL and Me" program of the Human Resources Division, the 19th tier of general safety and health education training for new recruits was implemented for 3 hours, with a total of 482 people completing the training. Training completion rate: 100%; training satisfaction rate: 94.3%.
2	Safety and Health Training for In-service Personnel	 In 2024, the following safety and health education and training for in-service personnel was organized: On March 12 and March 13, we conducted two sessions of a 3-hour internal training course titled "Occupational Accident Prevention and Management Education and Training for the Taoyuan Area Head Office." A total of 51 employees completed the training. Training completion rate: 100%; training satisfaction rate: 95%. On July 3, we conducted a one-hour 2024 Human Factors Hazard Prevention Seminar at the CAL campus, with a total of 115 participants. Training completion rate: 100%; training satisfaction rate: 97%. On October 7 and October 16, we conducted two sessions of occupational safety and health education and training for safety and health officers, with a total of 55 participants. The completion rate was 100%, and the training satisfaction rate was 98%. In December, CAL conducted a company-wide e-Learning safety and health training on "Unlawful Acts Encountered While Performing Duties." 1 hour, with a total of 10,203 trainees completing the program. Training completion rate: 100%; training satisfaction rate: 89%. In December, we conducted a one-hour occupational safety and health committee member training session, with a total of 57 participants. Training completion rate: 100%; training satisfaction rate: 91%.
3	Safety and Health Training for Supervisors	 On September 23, we organized a 6-hour training on occupational safety and health for new supervisors, with a total of 34 people completing the training. Training completion rate: 100%; training satisfaction rate: 94%. In 2024, we cooperated with the Human Resources Division to organize the 9th tier of occupational safety and health education training for new outstation supervisors for 0.5 hours, with a total of 19 people completing the training, and the satisfaction rate of the training: 97.1%
4	Other Related Safety and Health Education and Training	In 2024, the Occupational Safety and Health Department participated in a total of 11 times in occupational safety and health external training and seminars, totaling 15 attendances.
5	Safety and Health Promotion	In 2024, a total of 25 safety and health advisories were issued.

Preventing and Minimizing Occupational Health and Safety Impacts on Those Directly Associated with the Business GRI 403-7

In accordance with the "Procurement Safety and Health Management Procedures" and "Contractor Safety and Health Management Procedures", to ensure the safety of contractors' workers, the eight existing regular contractors have included CAL's "Safety and Health Code for Contractors" in the "Notice to Bidders" and the "Contracts" at the time of the delivery of the contract to each delivery organizer to be used as the basis for the subsequent implementation of the contract by the two parties.

For those who have not signed a contract or whose contract does not include safety and health regulations, the organizer of the contract should provide the "Safety and Health Code for Contractors" to the contractors for their signature and keep the record of the signature for reference.

Before, during, and after the actual operation of the contractors, each delivery contractor organizer, in accordance with occupational safety and health related laws and regulations and the "Contractor Safety and Health Management Procedures", convenes a safety coordination meeting for the contractor's operation, notifies the contractor of hazards, and carries out coordination, command, supervision, and inspection to enhance the quality of the contractor's construction and to prevent occupational accidents. Upon completion of the project, a contractor evaluation is conducted to identify manufacturers with high occupational health and safety risks, and periodic audits are conducted to serve as a reference for the next solicitation.

Occupational Health Services, Worker Health and Promotion of Work-related Disease Prevention





Implementation of the Health Management Grading System

1.CAL has an established medical department with a professional healthcare team that exceeds regulatory standards. We have occupational health nurses and provide on-site physician services in accordance with the law. In addition to offering employee health consultation services, we assist employers in assigning work based on the physical examination results of new employees, as well as in implementing return-to-work and workplace maternal health protection programs, among other services. We implemented the Employee Health Protection Plan to assist in executing the Abnormal Workload-Induced Disease Prevention Program. This involves assessing related hazards and high-risk groups, formulating improvement methods, and ensuring the safety and health of our employees. In 2024, we reviewed a total of 904 medical consultation cases.

- 2. To care for our employees, CAL offers several health check items and frequencies that exceed regulatory requirements. As the average age of our workforce increases, with 48% being middle-aged or older, we have added advanced screening items related to common cancers and cerebrovascular and cardiovascular diseases (such as endoscopy, lung CT scans, and cardiac ultrasounds) since 2023. This ensures more comprehensive care for our employees. Additionally, employees' family members receive discounted health check prices. In 2024, the health check participation rate was 93.08%. For the 150 employees with significant abnormalities in their health check results, we provided health guidance and follow-up management, achieving a 100% follow-up rate.
- 3. Based on the results of employee health examinations, CAL implements a graded health risk management system. We provide one-on-one health guidance conducted by medical professionals, offering personalized health advice and outpatient referral information. If a flight crew member experiences any health abnormalities, they must temporarily suspend their duties and report to the Aviation Medical Center in accordance with the Civil Aviation Act and the standards for the physical examination of aviation personnel. An assessment and related procedures for grounding and resuming flights will be conducted.
- 4. In 2024, a total of 464 maternal health protection employees underwent health risk classification and management, with the Occupational Safety and Health Department and each subordinate unit carrying out risk assessments of environmental hazards in the workplace and identifying obvious and hidden hazards in the workplace and related operations, all of which were classified as level 1 management; pregnant employees were adjusted to work in units with low risk of hazards, and a total of 388 were interviewed by a doctor, with an achievement rate of 91.45%, informing them of safety and related health education during pregnancy and after giving birth. The Company has also equipped four breastfeeding rooms with bottle sterilizers and breastmilk refrigerators, as well as an access-control system and dedicated personnel to maintain them for increased safety.
- 5. In order to encourage employees to actively and conveniently manage their own health and disease prevention, in addition to installing "tunnel-type" blood pressure monitors in each office to provide employees with the opportunity to measure their blood pressure and pulse at any time, and to develop the habit of self-health management, the Company has also established the "E-Employee Health Management System", which allows employees to check their health examination reports from previous years, make appointments for physician consulting services, and record their self-monitoring indexes at any time.



Creating a Secure and Healthy Work Environment

- 1. With the increase in international exchanges, to prevent infectious diseases from posing a threat to frontline employees and passengers and causing public health incidents, CAL continues to offer free MMR (measles, mumps, and rubella) vaccinations to frontline employees. In 2024, the measles immunity rate reached 80.4% for cabin crew, 68.4% for flight crew, and 73.1% for ground staff. Each year, CAL implements on-site influenza vaccination services at various workplaces. Considering the nature of shift work, we offer employees diverse vaccination options, such as fixed-site vaccinations at airports and subsidies for external clinics. In 2024, the influenza vaccination rate among all domestic employees was 27.3%, with a total of 2,711 employees vaccinated.
- 2. To provide a safe working environment for our employees, CAL has installed AEDs on passenger aircraft in compliance with legal requirements and has exceeded regulatory standards by installing AEDs at all office locations. We also regularly conduct CPR and AED training courses for all employees, ensuring that in emergencies, our staff can quickly locate and proficiently use AEDs to save time in rescue efforts. A total of 277 of our first aid personnel are registered on the company website for departmental reference, and the ratio of first aid personnel to employees surpasses the legal requirements for "workplace first aid personnel."
- 3. CAL "tunnel-type" blood pressure monitors in each office to provide employees with the opportunity to measure their blood pressure and pulse at any time, and to develop the habit of self-health management, as well as establishing the "E-Employee Health Management System", which allows employees to check their health examination reports from previous years, make appointments for physician consulting services, and record their self-monitoring indexes at any time.



Diverse Health Promotion Initiatives

- 1. Based on health check results, employee needs, and seasonal changes, CAL organized a variety of health promotion activities, such as weight loss and fat-burning super slow jogging, cancer prevention and healthy eating, and traditional Chinese medicine guidance on musculoskeletal health.
- 2. CAL held a "Health and Stress Relief Day" at the CAL campus, offering various health promotion activities and incorporating food trucks to create a fair-like atmosphere. This event encouraged our colleagues to step outside, enjoy delicious food, and participate in activities. The health promotion activities include 3D Al body analysis and InBody testing services, eye care to prevent poor vision, and advocacy for the prevention of e-cigarette and drug abuse.
- 3. We called on our employees to actively participate in a blood donation drive, collaborating with the Taiwan Blood Services Foundation Hsinchu Blood Donation Center, and successfully collected over 70 bags, totaling 17,500 cc of blood.





Recruitment

In 2025, CAL will continue to recruit flight crew members, maintenance staff, and other relevant professionals in accordance with the recovery of operations, resume industry-academia collaboration, and continue to hire people with disabilities to fulfill our commitment to corporate social responsibility



2 Diversification

Over the past three years, CAL's female employees have accounted for 48.00% of the total workforce. The 2025 target is also set at 48.00%. In terms of CAL's female managers, the proportion has increased year by year over the past three years. In 2025, the target is set at 26%



3 Employee Training

In 2025, CAL will celebrate its 65th anniversary by enhancing service quality and professional training under the theme "Innovation, Breakthrough, and Immediate Combat Readiness." The focus includes expanding courses on management and general competencies, embedding corporate culture, and fostering innovation. Key offerings include management seminars, leadership readiness, training for instructors and HR, and courses on aviation management, market awareness, communication, and emerging technologies. CAL will also optimize its talent development system to support future growth

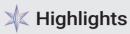
Mandarin Airlines implements comprehensive training aligned with strategic goals and regulatory requirements to develop aviation professionals. By combining online learning with hands-on training, it enhances employee expertise and interdepartmental collaboration. Management and aviation training are regularly held to improve skills and foster teamwork across functions



4 OHS System Implementation & Cultural Integration

We will continue strengthening CAL's occupational safety and health management system by deepening audits and driving continuous improvements. Through fostering safety awareness, values, and commitment, we aim to minimize occupational accidents, prevent major incidents, and provide a safe, healthy, and secure workplace—laying a solid foundation for CAL's sustainable development

2.5 Society





Over TWD 62.38 million in charity activities

In 2024, CAL allocated a total of TWD **62,384,660** for charitable contributions



Benefitting 1.46 million people

In 2024, a total of 1,460,687 individuals benefited from China Airlines' commercial activities, charitable initiatives, and community investments



Benefitting nearly 3,000 rural students

In 2024, CAL Volunteers Club, Rural Development Team, and Love Walking Club took it upon themselves to share aviation knowledge in remote rural areas, benefiting nearly 3,000 students



Caring for 420 senior citizens

In 2024, a total of 3 events were held to care for vulnerable elderly individuals, with 420 people receiving assistance



7th Social Inclusion Leadership Award from TCSA

This award recognizes organizations for their outstanding performance in specific sustainability issues and their benchmarking leadership positions. This marks the seventh time CAL has received this award