



01 Sustainability Management

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1.1 Sustainability Vision and Strategies

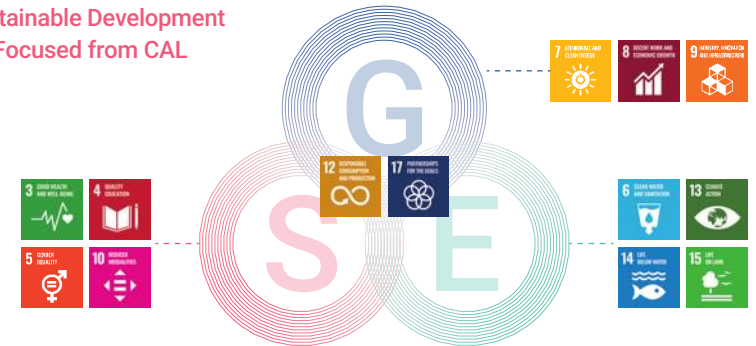
1.1.1 CAL's Sustainability Vision

In response to evolving market and operational demands, CAL regularly reviews its strategic indicators. In 2024, after reassessing internal and external environments, CAL updated its vision, mission, and values. Guided by the belief that “we can always do better,” CAL’s mission is “creating more wonderful moments through flying,” and its vision is “leading Asia-Pacific, flying worldwide.” CAL supports the UN’s 17 Sustainable Development Goals (SDGs), aligning with the SDG Compass and sustainability frameworks from ICAO, ATAG, and the global transport sector. Currently, CAL focuses on 13 SDGs to drive sustainability and create stakeholder value.

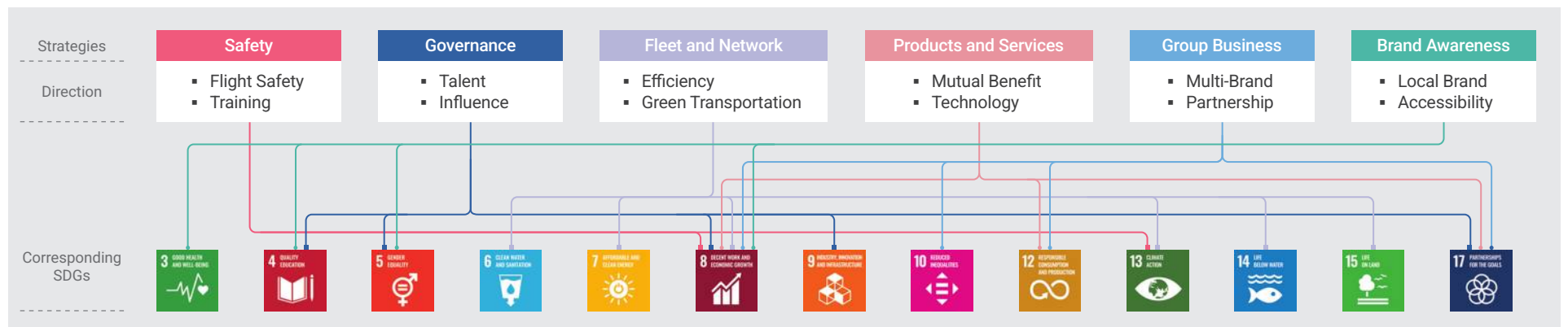
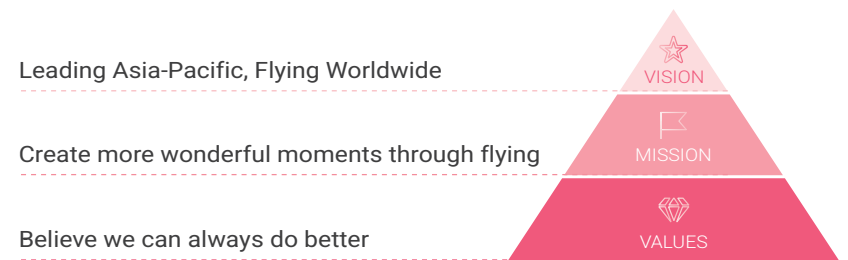
1.1.2 Sustainability Strategy

China Airlines is committed to its mission of “creating more wonderful moments through flying” and its vision of “Leading Asia-Pacific, Flying Worldwide.” Centered on “Safety” and “Governance,” CAL integrates its core strategies—“Fleet and Network,” “Products and Services,” and “Group Business”—to strengthen brand awareness. To enhance its sustainability image, CAL launched three action plans: “Smart Resilience” (adapting to extreme weather and public health concern), “Localized Global Operations” (sharing Taiwan’s culture globally), and “Youth Innovation” (engaging younger generations). These six strategic directions align with the UN Sustainable Development Goals (SDGs), forming a comprehensive sustainability framework. In 2024, CAL reviewed and updated its medium- to long-term sustainability goals. The strategy is led by the Corporate Sustainability Committee under the General Manager, and overseen by the Board-level Sustainability & Risk Management Committee and the Board of Directors.

13 Sustainable Development Goals Focused from CAL



China Airlines Sustainability Strategy



1.2 Sustainability Management Structure

GRI 2-9.2-12.2-13.2-14.2-16.2-18

1.2.1 Corporate Sustainability Committee

China Airlines established the Corporate Sustainability Committee in 2014 as its highest-level sustainability governance body. In 2024, the Corporate Development Office set up the Sustainability Development Center, which acts as the committee's executive secretary and appointed a Chief Sustainability Officer to lead sustainability efforts. The Center oversees decision-making and manages impacts on the economy, environment, and people, including human rights. To enhance ESG governance, the board-level Sustainability & Risk Management Committee was formed in 2025 to strengthen oversight. In 2024, the Corporate Sustainability Committee, chaired by the President under the Chairman's guidance, held three meetings. It comprises six value-based working groups and a risk management group. In line with CAL's Sustainable Development Practice Code, the committee formulates goals and integrates strategies to drive sustainable development, reporting twice a year to the board-level committee and the Board of Directors. As the highest governance body, CAL's Board of Directors oversees and identifies external economic, environmental, and social (including human rights) impacts, conducting due diligence through internal controls and ESG audits. The Board assigns

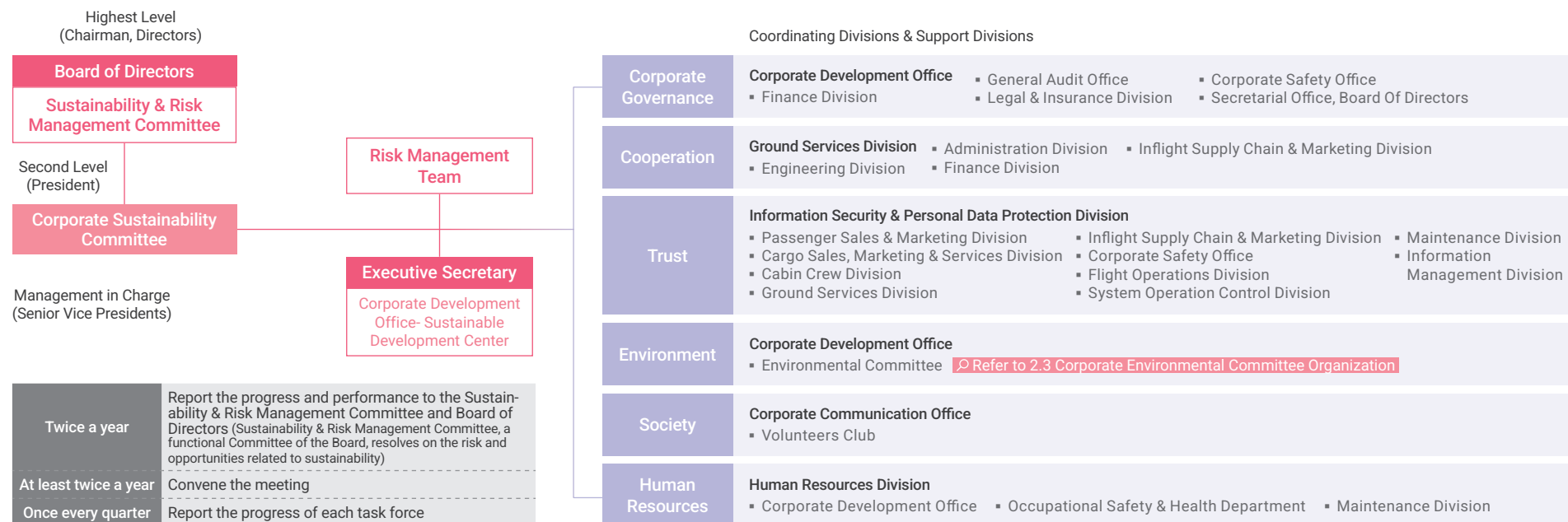
senior executives to engage in dialogue with stakeholders to address the identified impacts through multiple communication channels and platforms, which are detailed in [1.4.1 Stakeholder Engagement](#). In 2024, the Board of Directors held nine meetings to oversee the Company's due diligence and impact reporting on critical material events (Note 2), security management, operational risk management, financial conditions, greenhouse gas inventory and verification, climate governance report, human rights risks, and information security and personal risks, and to review the results of stakeholder engagement. CAL also established the performance evaluation procedures for the Board of Directors' supervision of the Company's impact on the economy, environment, and people (including human rights). It convenes at least two meetings of the Remuneration Committee each year to regularly review the overall compensation and benefits policies of senior executives. [Refer to 3.1 Governance Framework](#)



Sustainable Development
Best Practice Principles

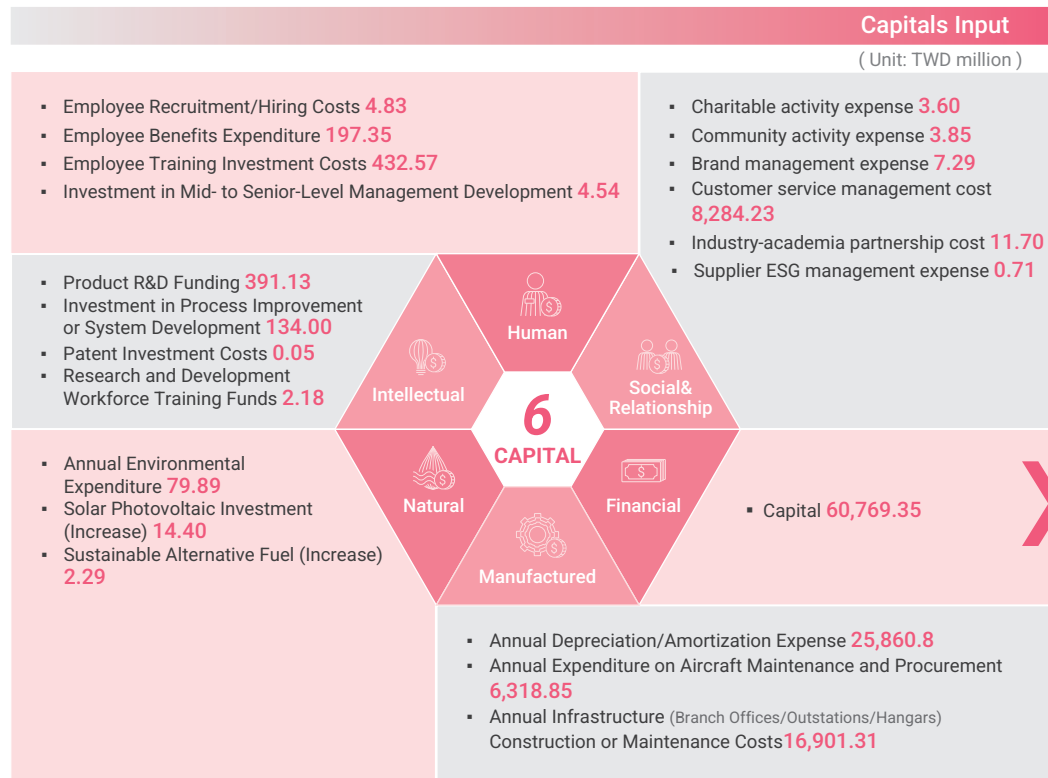
Note 1: The 2024 corporate ESG sustainability governance achievements were reported to the Board of Directors on January 13, 2025, and the contents of the 2024 Sustainability Report were presented at the third quarter meeting of the Sustainability & Risk Management Committee on August 6, 2025, and approved by the Board of Directors on August 8, 2025.

Note 2: Critical and significant events include those that are communicated to stakeholders through the grievance mechanism. Material incidents that are verified are communicated and reported to the Board of Directors based on the nature of the events.






1.3 CAL's Sustainability Value




1.3.1 Business Model and Value Creation





| Sustainability Strategies | Definition of Strategy |
|------------------------------|--|
| Governance | Root sustainable concept in value chain to make positive influence |
| Safety | Embed the safety culture into products and services |
| Brand Awareness | Highlight Taiwan's local identity and friendly transport services to shape a distinctive brand and responsible corporate citizen image |
| Fleet and Network | Promote highly efficient fleets and network to forward environmental friendliness |
| Products and Services | Create sustainable services with sustainable value and technology |
| Group Business | Spread sustainability to group business to improve cooperation and sustainable development |



| Item | Output | | Outcome | Relevant Report Sections |
|--|--|--|--|---|
|  Financial | Capital | 175,182,455,000 | Revenue increased by 8% compared to 2023, and traditional financial performance (EBITDA) rose by 22% compared to 2023. | 3.2 Operational Achievements (P.159) |
|  Manufactured | Number of New Fleet Aircraft | <ul style="list-style-type: none"> Two Boeing 777F cargo aircraft Four Airbus A321neo aircraft | <ul style="list-style-type: none"> From 2014 to 2016, ten 777-300ERs were introduced, delivering notable fuel savings. The 777F freighter, co-developed with Boeing and equipped with the same GE90 engines, supports streamlined engine management and lower maintenance costs. Differential training enables flight crew flexibility and more efficient resource deployment. The A321neo offers improved fuel efficiency, lower unit costs, extended range, greater payload, and reduced noise. Its eco-friendly design cuts carbon emissions and noise pollution, strengthening our competitiveness on regional routes. | 3.2 Operational Achievements (P.159) 2.1 Trust(P.45) |
| | Passenger Capacity of the New Fleet | 720 seats | The A321neo features a newly designed cabin with diverse and innovative hardware and software, highlighting China Airlines' unique brand and competitive product advantages. | |
| | Aircraft Maintenance Performance Indicators | Actual on-time delivery rate for high-level maintenance: 100% | Achieved the target for on-time delivery rate of advanced maintenance (100%). | |
| | Number of incidents resulting in fatalities or total aircraft loss | 0 | 0 | |
| | Number of Destinations (Including New Additions) | <ul style="list-style-type: none"> Passenger destinations : 71 Cargo destinations : 30 | <ul style="list-style-type: none"> In 2024, one new passenger route was added (SEA). In 2024, no new cargo routes were added. | |
| | New Flight Destinations | <ul style="list-style-type: none"> In 2024, one new passenger route was added (SEA) In 2024, no new cargo routes were added | <ul style="list-style-type: none"> In 2024, one new passenger route was added (SEA). In 2024, no new cargo routes were added. | |
| | Global Passenger/Freight Transport Volume (RPK/FRTK) | <ul style="list-style-type: none"> RPK: 37,267,000,000 FRTK: 5,285,064,431 | <ul style="list-style-type: none"> RPK increased 10.2% over 2023 (33,808,000,000). In 2024, cargo traffic reached 5,285 million tonne-kilometers, a decrease of 0.98% compared to 5,337 million tonne-kilometers in 2023. | |
|  Intellectual | Number of Newly Launched Products or Services | <ul style="list-style-type: none"> Two Boeing 777F cargo aircraft Four Airbus A321neo aircraft | Fuel Conservation and Noise Reduction | 2.1 Trust (P.45) 2.4 Human Resources (P.117) |
| | Research and Development Achievements | 0 | NIL | |
| | Revenue/Passenger Numbers Generated by Newly Launched Products or Services | 1. 787 New Aircraft Project <ol style="list-style-type: none"> 787-9 : Cabin equipment specifications finalized; testing and certification underway. First batch of products expected this year. 787-10: Seat, IFE, and interface specifications completed. | 1. Project for New 787 Aircraft <ol style="list-style-type: none"> 787-9 : Completed PDR/CDR meetings for 16 aircraft, finalizing cabin system specifications and customization plans. 787-10: Completed Initial Technical Coordination Meeting (ITCM) for 8 aircraft, addressing seat, IFE, and fuselage interface specifications. | |

| Item | Output | | Outcome | Relevant Report Sections |
|---|--|--|---|-----------------------------|
| | Revenue/Passenger Numbers Generated by Newly Launched Products or Services | 2. A350 Cabin Retrofit Scope and technical interfaces are being defined. Pre-ITCMs with Airbus are planned to confirm specifications | 2. A350 Cabin Modification Selected cabin design consultant; design work is in progress. Pre-ITCMs completed with equipment vendors, IFE providers, and Airbus for 15 aircraft. | |
| | Cost savings (such as labor and materials) | 89 | Reduction in manpower: 119.2 person-months per year. | |
| | Number of Patents | 1 | 1 | |
| | Number of Personnel Trained in R&D | 573 | Enhance IT personnel skills to support the development or update of various information systems within the company, covering 89 project plans. | |
|  Human | Number of New Employees in 2024 | 864 | Continue to attract diverse talent to enhance the company's operational capacity. | 2.4 Human Resources (P.117) |
| | Employee Retention Rate | <ul style="list-style-type: none"> The retention rate for newly hired/recruited employees in 2024 was 91.20% Employee retention rate before 2024: 92.49% | Compared to 2023, the retention rate of newly hired employees increased by approximately 1.3%, and the overall employee retention rate rose by 1.4%. | |
| | Employee Turnover Rate | 5.26% | The turnover rate decreased by approximately 0.6% compared to 2023. | |
| | Total Training Hours for Employees | 461,495 hours | Facilitate educational training to support operational needs. | |
| | Training Hours for Mid- to Senior-Level Management | 9,400 hours | Conduct job-related training and provide additional development resources to enhance management skills and build consensus. | |
|  Natural | Electricity Consumption | 31,856 kWh | 260,881 kWh | 2.3 Environment (P.84) |
| | Carbon Emissions | 6,570,077 tons | 47,477 tons | |
| | Waste Volume | 4,815,001 kgs | 70,740 kgs | |
| | Water Consumption | 114.37 tons | None | |
| | Noise Management Action Plan | 5 | Continue to implement five key strategies to ensure operational compliance with noise regulations. | |
| | Number of Green Buildings | 2 | Regenerative Power System: 11,304 kWh. | |
| | Percentage of Green Buildings in Total Construction | 66.67% | 66.67% | |
| | Solar Photovoltaic Investment | 296,528 kWh | 2024 Energy Savings: 296,528 kWh. | |
| | Sustainable Alternative Fuel | 26,641 liters | In 2024, carbon emissions were reduced by 67.202 tons. | |
|  Social and Relationship | Number of Public Welfare Activities | 20 | This year, we continued supporting elderly individuals in Taoyuan—particularly those who are disabled, dependent, or living with dementia—by providing care packages during the three major festivals. Leveraging our aviation expertise, we also held pilot and flight attendant experience camps for underprivileged children. To deepen our corporate social responsibility and community engagement, we made ongoing donations to disadvantaged groups, foundations, and children in rural areas. | |
| | Number of Beneficiaries | 1,460,687 | | |

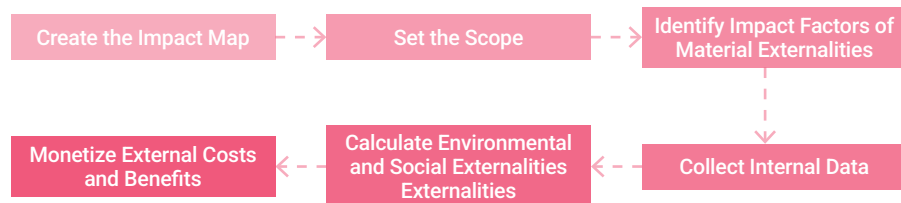
| Item | Output | | Outcome | Relevant Report Sections |
|--|--|---|--|--|
|  Social and Relationship | Community activity number | 28 | Each year, CAL visits local schools near its offices to offer lectures, sharing core aviation knowledge and English education to support local learning and global awareness. CAL also advances its ESG goals through actions such as tree-planting sponsorships, beach cleanups, and wildlife conservation, creating shared value and promoting sustainable community development. In 2024, we held charitable basketball, table tennis, baseball, and badminton camps, combining sports with social welfare to inspire children to pursue their dreams. | 2.1 Trust (P.45) 2.2 Cooperation (P.71) 2.4 Human Resources (P.117) 2.5 Society (P.139) |
| | Number of Community Participants | 19,925 | | |
| | Number of External Sponsorships | 58 | In 2024, CAL continued its humanitarian efforts regardless of nationality, actively leveraging its resources to support global relief. This included transporting supplies for the Tzu Chi Foundation after the New Year's Day earthquake in Japan and supporting the "2nd Love Without Borders International Medical Mission" and the "31st Formosa Budding Hope Association Love Without Borders." These efforts reflect CAL's corporate strength and humanitarian spirit. Additionally, CAL continued to sponsor Taiwan's tourism, arts, culture, and sports, helping raise the global profile of local Taiwanese brands. | |
| | Number of Brand Promotion and Advertising Projects | 6 | 1. Sustainability Promotions and Activities In 2024, CAL released the "Tree Planting" video, SAF collaboration ads, and a sustainability commercial. At the ITF Taipei Travel Fair, reusable lighting and bilingual balloons were featured. The 2025 desk calendar used eco-friendly ink, and sustainability results were disclosed in the PR annual report. | |
| | Brand Promotion Project Results | 80,810,000 | 2. Seattle Route Marketing To support the launch of the Seattle route, CAL rolled out a multi-channel campaign covering outdoor, TV, social media, and print, reaching 208 million impressions. Post-launch, the average load factor approached 80%, showing strong sales performance. | |
| | | | 3. 2024 ITF Travel Fair Results After eight months of preparation, CAL's booth won the "Best Pavilion Award." The four-day event attracted 364,000 visitors, with over 8,800 participating in activities. New Dynasty member sign-ups grew by 32.3%, and 16,747 tickets were issued with total sales reaching NT\$275 million. | |
| | | | 4. Brand Campaigns Continuing the "Travel the World in Your Style" theme, CAL launched the "AI Sing Out Loud" campaign, ad videos, and interactive installations. YouTube and Facebook views exceeded 19.18 million (400% KPI), with a nearly 30% conversion rate for the "AI Sing Out Loud" site. | |
| | Passenger Satisfaction Results | Passenger Net Promoter Score (NPS):72.5 | According to the passenger satisfaction survey results from January to December 2024, NPS reached 72.5, exceeding the target value and showing an improvement over 2023. Looking ahead to 2025, we have raised our target from 62 in 2024 to 69, in response to passengers' recognition and expectations of China Airlines. | |
| | Number of Passenger Complaints | 20,770 | In 2024, China Airlines transported a total of 11,464,422 passengers, an increase of 1,867,863 passengers or 19.46% compared to the 9,596,559 passengers in 2023. The number of customer complaints in 2024 was 20,770, which is an increase of 3,845 complaints or 22.72% compared to 3,845 complaints in 2023. | |
| | Cargo Satisfaction Results | 89.8 | Each year, the Cargo Sales, Marketing & Services Division distributes a customer satisfaction survey to all global cargo service locations, encouraging clients to actively provide feedback. Additionally, it enhances the secure transportation of diverse products, expands e-commerce services, and improves tracking and responsiveness to customer service requests. | |
| | | | | |

| Item | Output | | Outcome | Relevant Report Sections |
|--|---|---------|---|--|
|  Social and Relationship | Number of Cargo Complaints | 0 | All destinations continue to provide customers with relevant cargo services and are committed to further improving service quality. | 2.1 Trust (P.45) 2.2 Cooperation (P.71) 2.4 Human Resources (P.117) 2.5 Society (P.139) |
| | Number of Partners | 20 | Continuing to Develop National Aviation Talent. | |
| | Number of Collaborative Projects | 5 | Continuing to Develop National Aviation Talent. | |
| | Number of Industry-Academia Collaborations | 40 | Continuing to Develop National Aviation Talent. | |
| | Supplier ESG Management Coverage Ratio | 94.38% | In 2024, the coverage of sustainable management among suppliers decreased by 1.62% compared to 2023. This was primarily due to a reduction in bonus questions and the doubling of the weight of compliance questions. While scores in governance and general areas slightly improved, all other areas saw a decline. However, the average score for each area exceeded 80 points. | |
| | Overall Proportion of Supplier ESG Audits in the Past Three Years | 100.00% | Supplier audits are conducted at least once every three years, with a completion rate of 100% from 2022 to 2024. | |

1.3.2 True Value of China Airlines

In order to embrace mutual prosperity along with our stakeholders and endeavor to create sustainable value for all stakeholders, CAL based on China Airlines' economic, environmental, and social reporting boundaries has integrated six forms of capital (financial, natural, manufactured, intellectual, human, and social relationship) to its corporate vision and strategy, introducing the concepts of true value to monetize the environmental and of social externality's costs and benefits. This true value is viewed as an important reference point for corporate sustainability, and it helps all stakeholders understand the company's sustainability performance.

Procedures for Assessing True Value



True Value

In 2024, China Airlines' traditional EBITA rose by 21.67% year-over-year to TWD 42.95 billion. When accounting for economic, environmental, and social factors, the company's true earnings reached TWD 54.79 billion—TWD 11.84 billion higher than EBITA and TWD 11.50 billion more than in 2023.

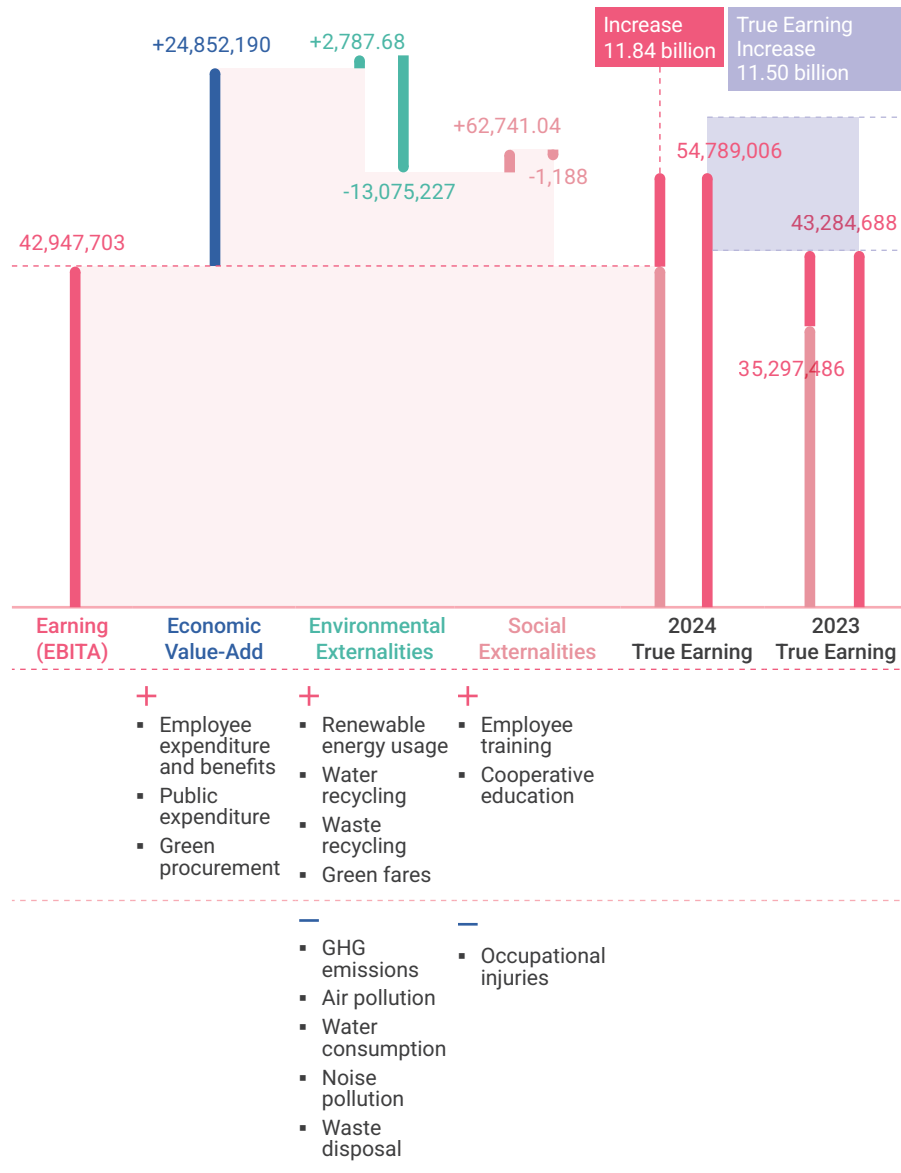
Key environmental improvements included a 22.12% increase in renewable energy use and a 73.29% rise in green fare adoption. However, greenhouse gas emissions grew by 6.97% due to a 15% increase in flight operations, while noise pollution fell by 7.35%. These impacts remain the primary environmental challenges.

Despite this, China Airlines actively advanced sustainability initiatives, including noise control, renewable energy, and green fares. Fleet renewal and fuel-saving efforts led by the Aircraft Fuel Management Task Force helped offset emissions growth.

In total, environmental externality costs in 2024 were estimated at TWD 13.07 billion, while economic and social value contributions reached TWD 24.91 billion.

True Value of China Airlines

(Unit: TWD thousand)

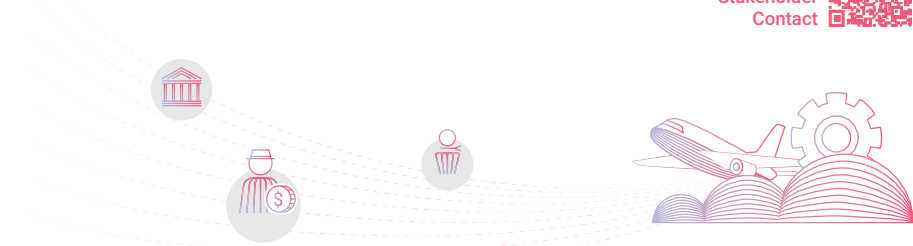


1.4 Stakeholder Communication and Materiality Analysis

1.4.1 Stakeholder Engagement

GRI 2-26.2-29

China Airlines' eight primary stakeholders include employees (including other workers), customers, investors, government, partners (suppliers and contractors), society, media, and associations (including aviation organizations). When evaluating stakeholder concerns, we also consider a broad range of stakeholders such as business partners, non-governmental organizations (NGOs, associations), and disadvantaged groups. In addition to using materiality analysis questionnaires to understand stakeholder concerns regarding sustainability topics, we have established dedicated stakeholder sections on the China Airlines website tailored to the attributes and needs of each stakeholder group. These sections provide open communication channels and platforms. Stakeholders can express suggestions or concerns regarding China Airlines' business policies and practices through these individual communication channels and platforms to convey their needs and expectations. Furthermore, China Airlines reports to the Board of Directors at least once a year on the status, frequency, and actual content of stakeholder communications. The results of stakeholder communication and discussions for 2024 were reported to the Board on January 13, 2025.



Frequency

| | | | |
|--------------------|--------------------|--|---|
| I On demand | R Regularly | 1₆ Once every 6 months | 2_v Twice every year |
| N As needed | M Monthly | Y Yearly | 4_% Four to six times a year |
| D Daily | Q Quarterly | 1_v Once every year | |

Employees

We view our employees as our most valuable assets. CAL has improved and optimized working conditions and the working environment to establish a safe and growing work place. CAL is dedicated to maintaining harmonious labor-management relations through unimpeded communication channels, thus creating a win-win situation

| Material Issues | Corresponding Chapter Section | Key Points of Communication | Communication Channels and Frequency |
|---|---|--|--|
| G Governance and Business Integrity G Information Security S Flight Safety Management | S Labor Relations and Communication S Privacy Management | 2.4 Human Resources 2.3 Environment 1. Recruitment and Retention 2. Employee development, rights and interests, healthy and safe workplace | 4% Labor-management meetings ! Labor Unions ! Employee suggestion boxes ! Employee feedback website ! China Airlines newsletter ! China Airlines Retirees Portal Q Meetings of the Occupational Safety and Health Committee |
| Communication Results | | Highlights of Communication Results | |
| 1. Employee Engagement The employee engagement survey was conducted in December 2024 and the score was 7.9 (score out of 10), which was higher than the score in the previous survey. 2. Attracting, Cultivating, and Retaining Talent CAL spares no expenses in employee training and development and invested approximately TWD 433 million in employee training in 2024. 3. Labor Relations and Communication CAL enforces anti-discrimination policies and provides communication channels and grievance procedures, with public disclosure of handling statistics. In 2024, six peaceful labor-management meetings were held at headquarters. 4. Privacy Management Employee Training In 2024, 22,835 participants attended training sessions to reinforce the importance of personal data protection and proper conduct. | | <ul style="list-style-type: none"> On January 15, 2025, CAL and the China Airlines Employees Union signed their seventh collective agreement, covering 79 articles for a three-year term. Both sides continue to improve labor conditions and benefits, maintaining strong labor relations through mutual goodwill. Additionally, CAL and the Taoyuan Union of Pilots signed a collective agreement on December 29, 2021. These agreements are typically renegotiated every three years, and during the transition period, existing terms on working conditions remain in effect by law. CAL has established the Occupational Safety and Health Committee in accordance with laws. It convenes a meeting every three months to review and coordinate occupational safety and health issues. The discussions are compiled into meeting minutes which are announced on the Intranet. Recognition as one of the HR Asia Best Companies to Work for in Asia: Efforts were acknowledged in 2024 with our being named among the "HR Asia Best Companies to Work for In Asia," standing out among 368 participating companies in our first submission. | |



Customers

Customers are our main source of revenue. CAL listens to customers and protects their rights and interests in order to meet customers' expectations

| Material Issues | Corresponding Chapter Section | Key Points of Communication | Communication Channels and Frequency |
|---|-------------------------------|--|--|
| G Governance and Business Integrity G Customer Satisfaction G Information Security S Flight Safety Management S Privacy Management | 2.1 Trust 2.3 Environment | 1. Customer Relations Management 2. Protecting customers' rights and interests: privacy, food safety, and in-flight drinking water quality 3. Providing an information integration platform for flight changes during the pandemic 4. Increase of green consumption awareness 5. Demand increase on green transport | ! Customer satisfaction survey 1.y Global business meetings 2.y Taiwan business meetings N Discussions with travel agencies ! CAL's website, CSR website, Facebook / Instagram, e-mail, text messages, and In-flight entertainment ! Customer-service hotline N Corporate customer visits |
| Communication Results | | Highlights of Communication Results | |
| 1. Overall Passenger Net Promoter Score (NPS): 72.5%. 2. Cargo satisfaction rate 89.8. 3. Maintenance Division satisfaction rate was 9.0 (score out of 10). 4. Sustainable-themed Boarding Videos: A Selection of 12 Films. 5. The official website of China Airlines states in its "Privacy Protection Policy" that personal data is collected, processed, and utilized in a reasonable and secure manner for authorized purposes. | | <ul style="list-style-type: none"> CAL's website focuses on optimizing website functions, reservations and ticketing services, streamlining website architecture, and enhancing system functions. This allows passengers to complete all necessary services for their journey through the website in a one-stop manner, providing passengers with a better digital platform usage experience. CAL promoted and broadcasted a boarding video under the idea of "Beauty of Taiwan, Sustainable China Airlines, We are all here." Inviting passengers to embark on CAL's flights together, the video showcases the beauty of Taiwan from high above and proclaims to the world that environmental conservation is our responsibility. | |



Regardless of amount, all investors are contributors to CAL. CAL treats all investors equally, and makes the information available to each investor as consistent as possible

| Material Issues | | Corresponding Chapter Section | Key Points of Communication | Communication Channels and Frequency | |
|--|---|---|--|---|--|
| <ul style="list-style-type: none"> Financial Performance Customer Satisfaction Flight Safety Management | <ul style="list-style-type: none"> Attracting, Cultivating, and Retaining Diverse Talent Privacy Management | <ul style="list-style-type: none"> 3.1 Governance Framework 2.1 Trust 2.3 Environment | <ul style="list-style-type: none"> 1. Operational results 2. Flight safety and passenger transport 3. Risk management model | <ul style="list-style-type: none"> Shareholders' meeting Shareholders hotline / mailbox | <ul style="list-style-type: none"> Road shows Interviews |
| Communication Results | | Highlights of Communication Results | | | |
| <ul style="list-style-type: none"> 1. Continue to announce and respond with operation-related results according to laws, regulations, and investors' demand. 2. To identify the related risks in processing of personal data, CAL stipulates standard operation procedures for the classification of personal data files and implements regular review as the basis for planning the risk management mechanisms. | | <ul style="list-style-type: none"> The shareholders' meeting was held on May 30, 2024. During the meeting, shareholders raised questions regarding the company's flight safety management and employee hiring. All inquiries were addressed and answered by the chairman or designated personnel. For details, please refer to the minutes of the 2024 annual shareholders' meeting. In 2024, we were invited to attend institutional investor conferences held by brokerage firms on June 6 and November 21. During these meetings, we presented an overview of our company's overall operations, business plans, and outlook to the institutional investors. Please refer to the presentations from the first and second institutional investor conferences of 2024 for details. The company has demonstrated stable operational performance post-pandemic. Given the continued strong demand for passenger services and the growth in the air cargo market driven by global e-commerce and electronic product demand, it is expected to sustain overall operational cash flow and enhance the company's profitability. In October 2024, Taiwan Ratings Corp. announced an upgrade of CAL's long-term credit rating to "twA-" and maintained the short-term credit rating at "twA-2," with a "stable" outlook. Integrate the TCFD and TNFD frameworks to disclose natural and climate change management information in the sustainability report, and independently publish the TCFD report for four consecutive years. | | | |



CAL is Taiwan's largest civilian airline. Supervised by the Ministry of Transportation and Communications. The China Aviation Development Foundation is the largest shareholder of CAL and exerts influence on CAL's operations

| Material Issues | | Corresponding Chapter Section | Key Points of Communication | Communication Channels and Frequency | |
|---|---|---|--|---|--|
| <ul style="list-style-type: none"> Governance and Business Integrity Information Security | <ul style="list-style-type: none"> Flight Safety Management Labor Relations and Communication | <ul style="list-style-type: none"> 3.1 Governance Framework 2.1 Trust 2.3 Environment | <ul style="list-style-type: none"> 1. Communication and implementation of relevant laws and regulations 2. Sharing of important industry information 3. Supporting campaigns for business development, establishment, and research activities in civil aviation | <ul style="list-style-type: none"> Missives Visits Participation in projects Participation in public hearings, seminars, and negotiation forums | <ul style="list-style-type: none"> Organization of or participation in business seminars and audits Participation in initiatives Audits |
| Communication Results | | Highlights of Communication Results | | | |
| <ul style="list-style-type: none"> 1. Selected as one of the top 21%-35% excellent companies in the 10th Corporate Governance Evaluation for listed companies. 2. Selected for the Taiwan High Compensation 100 Index and the Taiwan Employment Creation 99 Index. 3. Engaged in seminars to exchange insights and enhance flight safety. 4. Launched GHG inventory and verification guidance for subsidiaries under consolidated financial statements. | | <ul style="list-style-type: none"> At the 2024 International Aviation Safety Management Summit hosted by the Civil Aviation Administration, CAL invited Japan Airlines to share insights on the JL516 Haneda runway collision, focusing on cabin crew response and emergency evacuation. The event gathered representatives from the Flight Safety Foundation, Airbus, Boeing, and major airlines to reinforce collective aviation safety efforts. CAL held the "Geopolitical Risk's Impact on Aviation Security Seminar" to strengthen aviation security personnel's risk awareness and response to emerging threats. Held at the Civil Aviation Administration, the seminar drew 120 attendees from government agencies, the military, airlines, and related sectors. Participated in five sessions of the CAA-led Global Market-Based Mechanism (GMBM) working group and SAF-related discussions. Participated in the Ministry of Environment's Net Zero Workshop and the Taiwan-France Aerospace Industry Cooperation Conference. Invited to attend the ROC Civil Aviation Society's seminar to share on environmental topics. In response to the Ministry of the Interior's National Park Service's Forum on Promoting the Construction of the Formosa Sustainable Axis. | | | |



Partners (Suppliers and Contractors)

Service provided by suppliers and contractors is one of the key factors for CAL to provide services that satisfy customers.

| Material Issues | Corresponding Chapter Section | Key Points of Communication | Communication Channels and Frequency |
|--|---|--|--|
| G Governance and Business Integrity G Fleet Development and Innovation | G Customer Satisfaction S Flight Safety Management | 2.1 Trust 2.2 Cooperation 2.3 Environment Sustainable Supply Chain Management | N TEL N e-mail N Coordination meetings N Business visits 1.6 Site inspections |
| Communication Results | Highlights of Communication Results | | |
| 1. 100% of critical tier-1 suppliers signed the Supplier Code of Conduct. 2. Green procurement in 2024 increased by 71% compared to 2023. 3. Convened the group sustainable governance and environmental management communication meeting in 2024. | <ul style="list-style-type: none"> In November 2024, CAL held a supplier conference with 28 suppliers and 42 participants, focusing on global sustainability trends, carbon reduction, biodiversity, and circular economy. The event covered CAL's sustainable practices and the use of SAF, with bilingual materials shared with domestic and overseas tier-1 suppliers. CAL also joined IATA communication meetings to exchange insights on the international carbon market and SAF developments. | | |
| | 2024 Convene Annual Supplier Conference  | | |



Society

Social support is the key to our success. As an economic entity in society, CAL continuously contributes to the economy while fulfilling our corporate social.

| Material Issues | Corresponding Chapter Section | Key Points of Communication | Communication Channels and Frequency |
|---|---|--|---|
| G Governance and Business Integrity G Customer Satisfaction G Information Security | E Green Services and Sustainable Catering S Flight Safety Management S Privacy Management | 2.1 Trust 2.3 Environment 2.4 Human Resources 2.5 Society | 1. Support for social development 2. Assumption of social responsibility 3. Create a sustainable society N Charity events N Community activities M News releases D Online mailbox |
| Communication Results | Highlights of Communication Results | | |
| 1. In 2024, CAL's charitable and public welfare efforts benefited a total of 4,853,610 people. 2. CAL regards environmental protection as a key business operation. There were no major environmental pollutions in 2024. We also actively promote energy conservation and carbon emissions reduction to fulfill environmental protection ideals and policies. | As a global citizen, CAL actively fulfills its social responsibility. In 2024, the airline supported international humanitarian efforts, including transporting relief supplies for the Japan earthquake, and backing medical missions and charity programs like the "2nd Love Without Borders" and the "31st Formosa Budding Hope Association." CAL also advanced ESG practices through tree planting, beach cleanups, and wildlife conservation advocacy. The company aims to create a positive cycle between community development and business operations. Additionally, CAL continued sponsoring Taiwan's tourism, culture, and sports, and held four charity sports camps to inspire children to pursue their dreams. | | |



Media

Media reports and comments on CAL affect CAL's reputation and image.

| Material Issues | Corresponding Chapter Section | Key Points of Communication | Communication Channels and Frequency |
|---|--|---|---|
| S Flight Safety Management S Occupational Safety and Health | 2.1 Trust 2.3 Environment 2.4 Human Resources | Collection of issues of stakeholders' concern and promotion of transparent communication. | N News releases N Press Conference N Interviews N Active communication of industry information |
| Communication Results | Highlights of Communication Results | | |
| Released 124 announcements (including press releases, statements, revenue reports, and news) in 2024. | China Airlines is dedicated to ESG development and actively discloses its sustainability efforts. In 2024, this included support for the underprivileged, employee beach cleanups, charity sports camps, reforestation, the SkyTeam The Aviation Challenge (TAC), and the airline's first marathon event—each paired with media outreach to enhance its sustainability image. To meet rising travel demand, CAL announced new routes, promotions, and fleet plans, including A350 cabin retrofits and 24 new aircraft orders. The airline also continues to improve cabin service, offering passengers diverse, high-quality travel experiences. | | |



Associations (including Aviation Organizations)

CAL participates in association, international organization, and aviation alliance meetings and seminars, to exchange opinions and get an early grasp on changes to aviation-related laws and regulations, thus ensuring compliance of our business activities

| Material Issues | Corresponding Chapter Section | Key Points of Communication | Communication Channels and Frequency | |
|---|---|---|--|--|
| <ul style="list-style-type: none"> G Sustainable Supply Chain Management G Information Security S Flight Safety Management S Occupational Safety and Health S Privacy Management | 2.1 Trust 2.3 Environment | 1. Collection of trends at home and abroad and promotion of business operations 2. Coordination of business relationships and promotion of mutual benefits 3. Improvement of flight safety through discussions on safety issues, information exchange, and sharing security management experience | M Participation in project meetings N Participation in work seminars R Organizing or participating in summits, executive summits, committees, and coordination meetings | R Participation in government convened meetings N Telephone, e-mail, and exchange platforms |
| Communication Results | Highlights of Communication Results | | | |
| In 2024, we participated in over 48 meetings held by TAA, ICAO, IATA, SkyTeam, AAPA, and other organizations, engaging in discussions on environmental sustainability management, strategies, and actions to build consensus and explore solutions. | 1. China Airlines supported SkyTeam's sustainability efforts and won the "Best Forward-looking Strategy Award" in the Aviation Challenge (TAC). 2. CAL regularly attends monthly IATA environmental policy meetings and AAPA Environmental Working Group sessions, participating in 25+ discussions on SAF, sustainable cabins, carbon footprint, and illegal wildlife transport. 3. Actively engaged in 10+ sustainability exchanges with SkyTeam, including Aviation Challenge pre-meetings and SDG consultations, to enhance sustainability management. 4. Participates in IATA's CO2 Connect program to track carbon footprint tools and share data for global airline sustainability. 5. Aligns with SkyTeam's UN SDGs, providing recommendations in Executive Board and Sustainability Advisory Group meetings. | | | |

1.4.2 Stakeholder Engagement

GRI 2-28

To maintain political neutrality and avoid corruption risks, China Airlines (CAL) has never engaged in lobbying or made political contributions. Instead, CAL focuses on participating in international aviation and nonprofit organizations that influence public policy, aiming to promote industry exchange, development, and sustainability. In 2024,

CAL invested approximately NT\$50.33 million in organizational initiatives—NT\$47.79 million (94.95%) in aviation industry operations and development, and NT\$2.54 million (5.05%) in corporate sustainability, environmental, and related professional fields. Detailed participation expenses are disclosed in the ESG data and Appendix—Organizational Initiative Policy Donations and Other Expenditures.

Memberships

Airline Development



International Air Transport Association (IATA)

Sustainability & Environment Advisory Council (SEAC), CSR Work Group, Carbon Offsetting and Reduction Scheme for International Aviation Work Group (CORSIA), Air Freight Carbon Footprint Work Group.

CAL's Role and Participation

CAL kept in close touch with IATA headquarters and IATA North Asia and participated in meetings, industry committees and task forces; and served as a member of Sustainability and Environment Advisory Council. It was also involved in environmental discussions relevant to international civil aviation, and supports research and studies of related environmental subjects.

Contribution and Benefit in 2024

- CAL assisted IATA's Executive Committee in formulating and implementing global aviation environmental and sustainability strategies to align with the Paris Agreement carbon reduction targets.
- As a member of the Sustainability and Environmental Advisory Committee, CAL monitored international trends in sustainable aviation fuel and cabin waste, offering timely input to support Taiwan's policymaking.
- In 2024, CAL joined the IATA Carbon Footprint Data Sharing Program, contributing to industry sustainability through data sharing and practical exchange.
- CAL participated in the IATA 25by2025 initiative to monitor industry workforce diversity and promote gender equality.

Airline Development



Association of Asia Pacific Airlines (AAPA)

Founding Member

CAL's Role and Participation

CAL is a founding member of AAPA, exerting every effort to facilitate the cohesion of operators in the Asia-Pacific region and dedicating ourselves to advocating for the development of aviation industry players in the Asia-Pacific region. CAL also served as the chair of the 35th Environmental Working Group (EWG) meeting.

Contribution and Benefit in 2024

- In 2024, AAPA focused on environmental issues, facilitating information exchange among member airlines through meetings and sharing carbon reduction practices.
- In support of the Paris Agreement and AAPA's goal of 5% SAF usage by 2030, CAL urged regional governments, fuel producers, and industry stakeholders to collaborate in strengthening the SAF supply chain and reducing aviation carbon emissions.

Airline Development



SkyTeam

Alliance Board and Executive Board Member

CAL's Role and Participation

CAL became the fifteenth member of SkyTeam on September 28, 2011, and was the first airline in Taiwan that joined SkyTeam. To optimize services and markets in the aviation industry, CAL attends working meetings at all levels, as well as annual meetings held by the Executive Board and the Alliance Board on a regular basis.

Contribution and Benefit in 2024

- SkyTeam supports CAL in expanding its global network and strengthening cooperation with member airlines to connect Taiwan with major destinations.
- CAL joined the SkyTeam RISE Female Leadership Program to foster the development of female executives.
- CAL participated in the SkyTeam 2024 The Aviation Challenge (TAC) to enhance international visibility.
- CAL also actively took part in alliance SDG meetings to build consensus on feasible environmental sustainability strategies, ensuring alignment with the goals of the Paris Agreement.

Airline Development



Taipei Airlines Association (Taipei Airlines Association, TAA)

Director

CAL's Role and Participation

TAA was established in March 1990, with CAL as a founding member airline. Serving in an advisory and coordinating role, CAL acts as a communication bridge between the government and the industry, participating in the annual Member Representative Assembly and board meetings to implement government directives and advocate for industry interests.

Contribution and Benefit in 2024

- To combat human trafficking, CAL coordinates with central agencies to provide staff training and reminds foreign travelers at departure counters to provide contact information for emergency support.
- In response to rising bird strike risks due to climate change, CAL supported TAA in submitting recommendations to the Civil Aeronautics Administration and Taoyuan Airport Corporation to improve flight safety at domestic airports.

Airline Development



Flight Safety Foundation-Taiwan (FSFT)

Managing Director, Technical Regulation Committee - Convener, Educational Training Committee - Convener

CAL's Role and Participation

CAL serves as the managing director and the conveners of the FSFT's Technical Regulation and Educational Training Team, to participate in governance decision-making, establish government-industry-university-institute cooperation mechanism to promote international regulations studying, strategic research and engagement related to international aviation safety and environmental sustainability.

Contribution and Benefit in 2024

- CAL leads efforts to collect and study international regulations, promote education, and propose amendments or strategies to improve national legislation and industry competitiveness.
- CAL also drafts proposals and lobbying documents to urge the government to align with global carbon reduction targets and develop sustainable fuel strategies.



Association of Atmosphere Protection in Taiwan (AAPT)

Executive Director

CAL's Role and Participation

CAL participates in the decision-making of organizational management, and promote the strategic engagement of the government-industry-university-institute in response to the issues of global atmospheric protection and climate change.

Contribution and Benefit in 2024

CAL helped facilitate the communication between the industry, the government, and the academia about policies, laws, academic research, technology research and development, counseling, and services pertaining to atmosphere protection and climate in Taiwan.



Taiwan Center for Corporate Sustainability(TCCS)

Advisory Director

CAL's Role and Participation

CAL served as an advisory director of the Center for Corporate Sustainability, regularly sharing its sustainability practices as a lecturer during themed meetings. CAL also participated in training courses and seminars on sustainable competitiveness and reporting to stay updated on industry trends.

Contribution and Benefit in 2024

- As a member and advisory director, CAL gained insights into the latest sustainability laws, regulations, and standards while using the platform to advocate for the industry's interests.
- On April 25, 2024, CAL co-hosted the 36th Board Meeting of the Taiwan Institute for Sustainable Energy, delivered a speech on ESG practices, and facilitated ESG discussions alongside a visit to its flight simulator and museum to support the sustainable growth of Taiwan's aviation sector.

External Advocacy and Evaluation Support

2017-2024

Buckingham Palace Declaration

At the 73rd IATA Annual General Meeting in June 2017, CAL signed the Buckingham Palace Declaration against illegal wildlife trafficking. CAL has worked with 79 other airlines to stamp out the transport of illegal wildlife in conformity with the UN's SDGs.



Signing the Initiative to Ban Illegal Wildlife Trafficking

2016-2024

Dow Jones Sustainability Indices (DJSI)

China Airlines supports the DJSI in promoting global sustainable development information disclosure. Since 2015, it has proactively completed the DJSI questionnaire, disclosing management objectives, strategies, and practices in the environmental, social, and economic/governance dimensions. In 2024, our CSA results ranked us second highest in the global airline industry and received the Top 5% honor in the airline industry in the 2025 Sustainability Yearbook.

2012-2024

Pacific Greenhouse Gases Measurement (PGGM)

Since 2012, CAL has participated in the PGGM by installing the In-service Aircraft for a Global Observing System (IAGOS) Package-1 in its aircraft cabins to collect trans-Pacific high-altitude gas data for global warming and climate studies conducted by science agencies around the world. To strengthen greenhouse gas monitoring operations and collect more data on the types of high-altitude air and changes for global atmospheric and greenhouse gas research, CAL commenced collaboration with National Central University, In-service Aircraft for a Global Observing System (IAGOS) of the EU, and Japan Aerospace Exploration Agency (JAXA) to install Package-2, the add-on components for Package-1 in 2023. It will monitor changes in the concentration of NO_x, CO₂, and CH₄. CAL became the second airline company in the world and the first airline company in Asia to be fitted with laser sensors for precision detection of CO₂ and CH₄. The project also promoted collaboration in scientific research between Taiwan, Japan, and the EU. By the end of December 2024, CAL assisted in collecting high-altitude atmospheric data from a total of 20,977 flights.

2012-2024

Carbon Disclosure Project (CDP)

CAL supports CDP in promoting the global environmental disclosure system to enhance the management of issues related to carbon, water, and forests worldwide. CAL is Taiwan's first service provider to independently review greenhouse gas emissions generated from its operations and respond to the CDP questionnaire. Since 2012, CAL has conducted greenhouse gas inventory training and surveys of greenhouse gas emissions for its affiliates on a regular basis and disclosed its climate governance, strategies, management of risks and opportunities,

indicators and targets, greenhouse gas emissions, and reduction management and performance. After receiving a Leadership-level A- rating for five straight years, CAL was named to the CDP SER A-List in 2024 for its active efforts in climate action and supply/value chain management. CAL will continue to review and improve carbon management strategies through participation in the CDP.

2022-2024

Science-Based Targets Initiative (SBTi)

China Airlines actively responded to international carbon reduction initiatives by being the first to sign the Science Based Targets initiative (SBTi) in 2022. CAL continuously refines its carbon reduction targets according to the guidelines. In June 2024, China Airlines became the first transportation service provider in Taiwan to officially pass the SBTi organizational review. It was also recognized for aligning with the science-based pathway of limiting global average temperature rise to 1.5°C, as outlined in the United Nations Framework Convention on Climate Change - Paris Agreement. This demonstrates that China Airlines' carbon reduction goals are in line with international sustainability trends, establishing it as a leader in the domestic industry.

2008-2024

Earth Hour

CAL has supported the event since 2008 by working with the Group's partners, providing support through concrete actions, and urging the public to take notice of the impact of global warming and climate change through media outlets.

2018~2024

Task Force on Climate-related Financial Disclosures (TCFD)

CAL became Taiwan's first airline to publicly sign and adopt the Task Force on Climate-Related Financial Disclosures (TCFD) in 2018. CAL works actively to make TCFD part of the company's management system. In 2019, we assisted in completing the translation of the TCFD guidelines into Traditional Chinese and participated in several industry government academia promotional activities. Since 2021, we have annually published an independent Task Force on Climate-Related Financial Disclosures report showcasing the results of internal management through press releases and social media channels. In 2024, we further followed the Task Force on Nature-Related Financial Disclosures (TNFD) to integrate the TCFD operational mechanism, enhancing the management of nature and climate issues. Additionally, CAL implemented an internal carbon pricing mechanism, initially using the operational costs of international carbon regulations, SAF, and renewable energy as decision-making references for company operations and carbon reduction initiatives. CAL continues to establish a climate governance framework through the Sustainability Committee, Environmental Committee, and TCFD platform. The execution results are reported annually to the Board of Directors for supervision and management, ensuring continuous progress along the carbon reduction pathway.



Task Force on Climate-related Financial Disclosures (TCFD)

Assessment of Climate-Related Lobbying Activities and Industry Association Participation

CAL actively engages in public affairs in accordance with internal procedures, including the "Procedures for Joining Domestic and International Tourism Organizations" formulated by the Social Task Force under the Corporate Sustainability Committee's Corporate Communication Office, and the "[Participation of China Airlines in International Initiatives and Organizational Operations](#)" issued by the Sustainable Development Center under the Corporate Development Office's Corporate Governance Task Force. These guidelines help evaluate whether participation supports ESG promotion, corporate strategies, and operational goals. To fulfill its corporate social responsibility and support industry development, CAL actively participates in climate-related forums and industry associations in Taiwan, promotes SAF policy and the 2025 pilot program, engages in public dialogue, and provides SAF-related recommendations to international organizations and the Taiwan government. An annual review mechanism ensures alignment between association involvement and company objectives. In line with the Paris Agreement, CAL also expects participating associations to support climate goals. In 2024, CAL continued evaluating its participation in climate-related direct lobbying and external organizations, including IATA, AAPA, SkyTeam, TAA, FSFT, AAPT, and TCCS, to ensure consistency with global carbon reduction and sustainability commitments. CAL will continue to work with relevant organizations to help limit global warming to well below 2°C.

1. Public Affairs Participation Management Mechanism/Audit Organization

- ① CAL evaluates public affairs participation based on the "Procedures for Joining in Domestic and International Tourism Organizations" (by the Public Affairs Department under the Corporate Communication Office of the Social Task Force) and the "Participation of China Airlines in International Initiatives and Organizational Operations" (by the Sustainable Development Center of the Corporate Development Office of the Corporate Governance Task Force). Proposals are submitted to the Corporate Sustainability Committee, chaired by the President, for approval.
- ② The Environmental Task Force under the Corporate Sustainability Committee, specifically the Corporate Environmental Committee, conducts semi-annual reviews and pre-assessments of climate-related lobbying activities according to the corporate environmental management system and TCFD framework. These reviews determine whether participating associations have clear climate policies aligned with the Paris Agreement.
- ③ The results of these reviews will be reported annually to the Corporate Environmental Committee and the Corporate Sustainability Committee (both chaired by the President) to regularly assess and supervise participation in climate-related lobbying activities and public associations.

2. Management Scope of Climate-Related Public Associations

CAL complies with the Paris Agreement and expects the industry associations it participates in to do the same. China Airlines is involved in various initiatives and organizations related to the development of the aviation industry both domestically and internationally, corporate sustainability, environmental issues, and other professional fields. The external organizations it participates in, including IATA, AAPA, SkyTeam, TAA, FSFT, AAPT, and TCCS, are all included in the management scope of climate-related associations.

3. Evaluate Whether the Associations Participated in Comply with the Paris Agreement

Evaluation includes the climate change policy positions disclosed by public associations, relevant declarations and principles, adopted countermeasures, the implementation of action plans, and performance.

- ① The association publicly supports climate change policies that align with the Paris Agreement's climate change goals.
- ② The public declarations and principles related to climate change disclosed by the association set a 2050 net-zero carbon emission target to comply with the Paris Agreement climate change goals, and climate change countermeasures are effectively implemented in daily operations.
- ③ Verify whether the public association has effectively implemented climate change action measures in its daily operations.

4. Response Measures for Association's Failure to Comply with Paris Agreement Targets

- ① For associations that have not complied with the climate change targets of the Paris Agreement, improvement recommendations will be proposed, and compliance with the Paris Agreement climate change targets will be facilitated through communication and coordination.
- ② If there is no improvement before the next evaluation, CAL will take appropriate measures, such as withdrawing from the association.

In 2024, CAL participated in industry associations related to aviation industry development and corporate sustainability. The climate-related associations adhered to the annual assessments and analysis results of the Paris Agreement as follows:

| Organization Name | Analysis Results | | | Compliance Status (Are the objectives aligned?) |
|---|---------------------------------------|--|--|--|
| | Publicly supports the Paris Agreement | Unpublicized support for the Paris Agreement but declared alignment with the 2050 net-zero carbon emissions target | No actions supporting the Paris Agreement were found | |
| International Air Transport Association (IATA) | ✓ | | | ✓ |
| Association of Asia Pacific Airlines (AAPA) | | ✓ | | ✓ |
| SkyTeam | ✓ | | | ✓ |
| Taipei Airlines Association (TAA) | | ✓ | | ✓ |
| Flight Safety Foundation-Taiwan (FSFT) | | ✓ | | ✓ |
| Association of Atmosphere Protection in Taiwan (AAPT) | ✓ | | | ✓ |
| Taiwan Center for Corporate Sustainability (TCCS) | ✓ | | | ✓ |

1.4.3 Materiality Analysis

GRI 3-1.3-2.3-3



Corporate Sustainability Website

CAL identified eight stakeholders in accordance with the five major principles defined in the AA1000 Stakeholder Engagement Standard (SES), and followed the Reporting principles of GRI Standards (accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability) to establish a materiality analysis process and evaluate the significance of material issues every year in terms of their impact on the economy, environment, human rights and other social challenges. They are used as the basis for planning the sustainable development strategies to identify material issues of stakeholders' primary concern. Different channels of communication are also established to respond to stakeholders' needs and expectations.

Step 1 Analyze Sustainability Context

1. We analyzed CAL's core operations, value chain relationships, and the risks and challenges faced by the industry across legal, economic, environmental, and human rights aspects, and identified key stakeholders for sustainability issues.
2. Refer to sustainability ratings and standards relevant to the airline industry when identifying material issues.
3. Understand CAL's potential impacts on the economy, environment, and people across the value chain.

Step 2 Identify Actual and Potential Impact

1. CAL analyzed the organization and consulted experts to identify 17 sustainability issues related to CAL (divided into 34 sustainability topics with positive/negative impact).
2. The members of the task forces of CAL's Corporate Sustainability Committee and unit managers discuss the opinions and feedback of eight major stakeholders and identified the level of impact of CAL on the economy, environment, people, and company operations in each sustainability issue.
3. They also identified business relationships with negative/positive impact and actual and potential impact to effectively manage the impact of material issues.

Step 3 Evaluate the Significance of Impact

1. After identifying sustainability issues, CAL conducted internal materiality assessments and surveys. Externally, a sustainability issues survey was conducted with eight key stakeholder groups in early 2025 to integrate internal and external perspectives and assess the impact of these issues on the economy, environment, people (including human rights), and company operations.
2. Based on actual and potential, positive and negative impacts, different assessment methods were applied accordingly. Following the double materiality principle, each topic's impact on CAL's operations was evaluated, combined with the level of stakeholder concern across eight groups to score, analyze, and categorize issues as material, secondary, or ongoing attention.

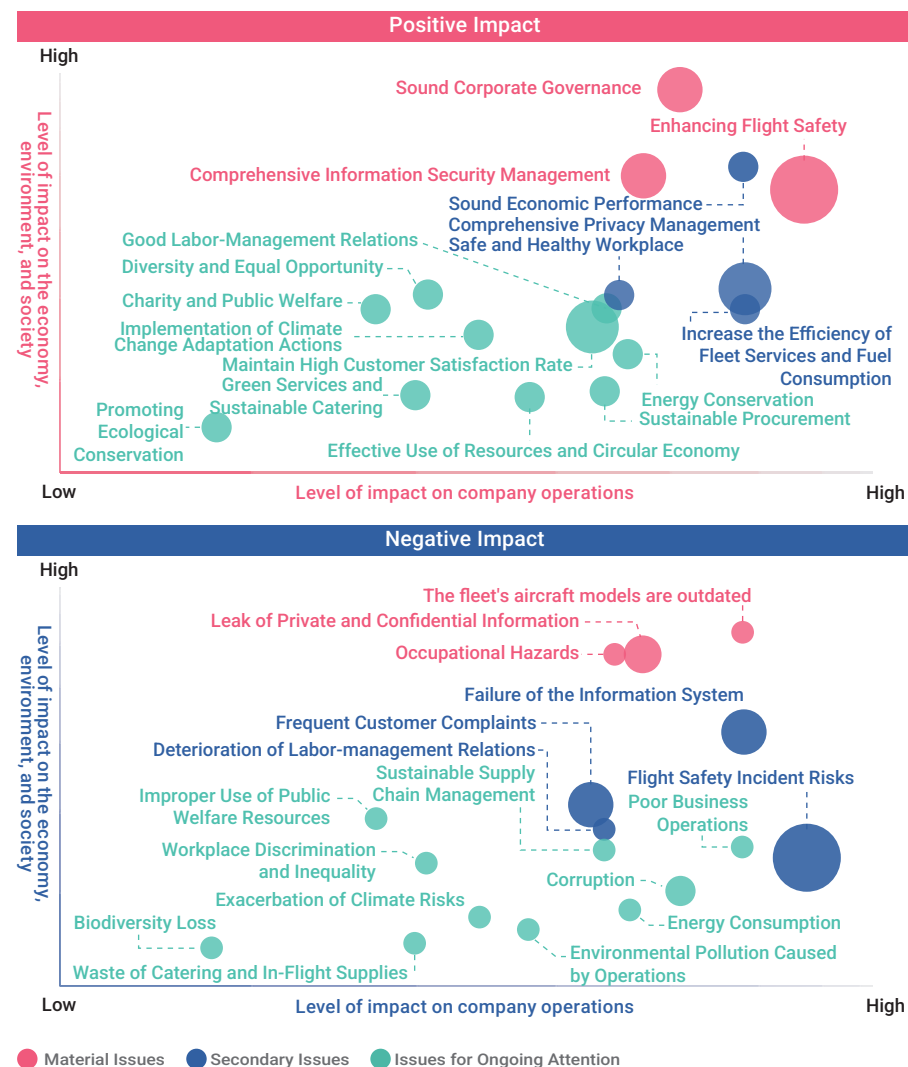
Negative impact : Evaluate impact based on the severity and probability of occurrence and consider the negative impact of human rights violations.

Positive impact : Evaluate impact based on the scale and scope of the impact and the probability of occurrence.

Step 4 Set Priorities for the most Significant Impact

1. Through surveys conducted by Corporate Sustainability Committee Task Forces, managers, and stakeholders, CAL gathered 454 valid responses to assess the impact of sustainability issues.
2. These were benchmarked against aviation industry standards. Following expert discussions, three material positive and negative topics were identified and included in the 2024 Materiality Analysis Matrix.
3. Final decisions were made by the Corporate Sustainability Committee and submitted to the Board of Directors for review. Management policies are detailed in this report, with stakeholder responses disclosed on CAL's sustainability website.

2024 Materiality Analysis Matrix



Note: Based on the GRI Material Topics 2021 Reporting Principles, CAL has identified and ranked material topics through stakeholder perspectives and a double materiality assessment across three dimensions. X-axis: The impact on company operations (encompassing both negative impacts and positive influences), Y-axis: The impact on the economy, environment, and society, and Z-axis: the size of the circle indicates the level of concern from eight key stakeholders. CAL has categorized the topics based on impact assessment into 3 major positive impact topics, 4 secondary topics, and 10 topics for ongoing attention; 3 major negative impact topics, 4 secondary topics, and 10 topics for ongoing attention, totaling 34 sustainability topics. Major topics are highlighted in red in the Major Impact Analysis Matrix.

Importance of and Changes in Material Topics for 2024

| Economy | No. | Sustainability Issues for 2024 | Issues of Concern to Human Rights at CAL | Positive / Negative Impact of Sustainability Issues | Significance of Impact | Issue Classification | Correspondence Regarding Changes in Material Topics in 2023 |
|---------|-----|-------------------------------------|--|--|---|----------------------|---|
| | 1 | Governance and Business Integrity | v | ⊕ Sound Corporate Governance | A robust governance framework and strong ethics are key to sustainability. We aim to enhance governance, uphold ethical practices, protect our reputation, and earn the trust of investors and customers | ● | ≈ |
| | | | v | ⊖ Corruption (Note 1) | Corruption and unethical business practices or advertising may result in loss of assets or damage to the Company's reputation or affect upstream and downstream suppliers or shareholders' equity | ● | ↘ |
| | 2 | Financial Performance | | ⊕ Sound Economic Performance (Note 2) | The purpose of companies is to continuously improve business performance, increase profitability, and support capital market operations to contribute to the local, national, and global economies | ● | ↘ |
| | | | | ⊖ Poor Business Operations (Note 3) | Poor business operations will affect the Company's smooth operations and even cause losses to investors | ● | ↘ |
| | 3 | Fleet Development and Innovation | | ⊕ Increase the Efficiency of Fleet Services and Fuel Consumption | We can help reduce greenhouse gas emissions by launching new aircrafts and new services, improving fleet efficiency, and retiring older aircrafts that consume large quantities of energy | ● | ≈ |
| | | | | ⊖ The fleet's aircraft models are outdated.[*](Note 4) | The inability to provide innovative services with new aircraft models would reduce CAL's competitiveness, subsequently affecting revenue performance. This may also impact flight safety and hinder the achievement of greenhouse gas reduction targets | ● | ☆ |
| | 4 | Customer Satisfaction | | ⊕ Maintain High Customer Satisfaction Rate | Use comprehensive customer relationship management to optimize and improve the customer experience and increase customer retention and loyalty | ● | ≈ |
| | | | | ⊖ Frequent Customer Complaints [*] | Failure to meet customer expectations has led to complaints and even consumer disputes, negatively impacting CAL's corporate image and subsequently affecting revenue performance | ● | ☆ |
| | 5 | Sustainable Supply Chain Management | v | ⊕ Sustainable Procurement | Through fair and equitable selection, we consider quality, delivery time, local sourcing, and suppliers' ESG performance to drive positive impact across the value chain | ● | ≈ |
| | | | v | ⊖ Sustainable Supply Chain Management | CAL selects suppliers with care to avoid environmental harm and human rights issues such as pollution, child labor, forced labor, workplace accidents, and poor labor relations | ● | ≈ |
| | 6 | Information Security | | ⊕ Comprehensive Information Security Management [*] | Implement robust information security management to comply with regulations, prevent penalties, and protect trade secrets, safeguarding the company's and shareholders' interests | ● | ☆ |
| | | | | ⊖ Failure of the Information System | An insufficient information security system can lead to system crashes or cyber attacks, causing data breaches and disrupting business operations | ● | ≈ |

[*] The symbol indicates that this impact aspect is a new positive/negative impact subdivision for 2024.

⊕ Positive ⊖ Negative ● Material Issues ● Secondary Issues ● Issues for Ongoing Attention ↗ Increasing ↘ Declining ≈ Maintaining ☆ Newly Added

Note 1. CAL has long been committed to integrity in governance, establishing a comprehensive internal control system. In recent years, there have been no major corruption incidents, and the assessed likelihood of impact on external economic and social aspects has gradually decreased. Therefore, this year, the focus has shifted to ongoing attention.

Note 2. In recent years, CAL has operated steadily, with revenue repeatedly achieving excellent results. The overall financial performance is good and tends to be stable. The level of attention from the eight major stakeholders has slightly decreased, thus this year it has shifted to a secondary issue.

Note 3. Considering CAL's overall financial performance in recent years has been good and stable, and there have been no significant financial or social impacts due to poor operations, the level of concern from the eight major stakeholders has slightly decreased. Therefore, this year, the focus has shifted to ongoing attention.

Note 4. This impact is a newly added negative impact under the "Fleet Development and Innovation" topic for this year. The CAL Sustainability Committee's various groups generally believe that the issue of outdated fleet models may have significant negative effects on the environment and society (such as high carbon emissions or flight safety issues), and therefore it is classified as a material issue.

| Environment | No | Sustainability Issues for 2024 | Issues of Concern to Human Rights at CAL | Positive / Negative Impact of Sustainability Issues | Significance of Impact | Sustainability Issue Classification | Correspondence Regarding Changes in Material Topics in 2023 |
|-------------|----|---|--|--|--|-------------------------------------|---|
| | | | | | | | |
| | 7 | Climate Change Mitigation and Adaptation | | ⊕ Implementation of Climate Change Adaptation Actions[*] | CAL has identified climate change-related risks within the company and proposed specific adaptation measures to successfully mitigate the impacts of climate risks | ● | ☆ |
| | | | | ⊖ Exacerbation of Climate Risks (Note 5) | Failure to control greenhouse gas emissions worsens climate change and heightens climate risks, threatening the business environment of the aviation industry | ● | ↘ |
| | 8 | Energy Management | | ⊕ Energy Conservation (Note 6) | The aviation industry consumes significant fuel and electricity. Effective energy management enables usage monitoring and conservation, helping reduce overall energy use, costs, and financial risks | ● | ☆ |
| | | | | ⊖ Energy Consumption [*] | Without proactive energy transition planning for flight and ground operations, energy use will continue to rise, hindering net-zero goals, weakening sustainability and competitiveness, and further harming the environment | ● | ☆ |
| | 9 | Environmental protection benefits and resource management | | ⊕ Effective Use of Resources and Circular Economy | If a lifecycle model is adopted to effectively manage water and waste resources, it would help reduce environmental risks and increase the benefits for the ecology in the Company's operations | ● | ↘ |
| | | | | ⊖ Environmental Pollution Caused by Operations | Enterprises must manage environmental indicators like sewage, waste (general, hazardous, food), packaging, chemicals, toxins, noise, and air pollutants (nitrogen and sulfur oxides) to reduce risks and prevent pollution of the environment and nearby communities | ● | ↘ |
| | 10 | Green Services and Sustainable Catering | v | ⊕ Green Services and Sustainable Catering | Promote green consumption and local procurement, use innovative solutions in service processes and operations to reduce product and food waste and disposal costs, and continuously improve the environmental friendliness of services | ● | ↘ |
| | | | v | ⊖ Waste of Catering and In-Flight Supplies [*] | Failing to promote green consumption and recycling leads to unnecessary waste of in-flight catering and supplies, causing higher handling costs and increased waste generation | ● | ☆ |
| | 11 | Biodiversity | | ⊕ Promoting Ecological Conservation [*] | CAL accurately assesses its operational impact on the environment and actively participates in ecological conservation to strengthen sustainability and enhance its corporate image | ● | ☆ |
| | | | | ⊖ Biodiversity Loss | If company operations harm biodiversity—through resource overuse or misuse—without proper management, they can negatively affect natural ecosystems | ● | ≈ |

[*] The symbol indicates that this impact aspect is a new positive/negative impact subdivision for 2024.

⊕ Positive ⊖ Negative ● Material Issues ● Secondary Issues ● Issues for Ongoing Attention ↗ Increasing ↘ Declining ≈ Maintaining ☆ Newly Added

Note 5. Despite the ongoing global climate risks, CAL has gradually established a comprehensive climate risk management mechanism in recent years. In the short term, these risks have not caused significant impacts on the company's operations. We will continue to pursue and refine various climate goals. Therefore, this year, the focus has shifted to ongoing attention.

Note 6. In recent years, CAL has consistently implemented various energy-saving and electricity-saving measures, achieving stable results with minimal economic, environmental, and social impact. Moving forward, we will continue to execute and refine these efforts towards its goals. Therefore, this year, the focus has shifted to ongoing attention.

| People | No | Sustainability Issues for 2024 | Issues of Concern to Human Rights at CAL | Positive / Negative Impact of Sustainability Issues | Significance of Impact | Sustainability Issue Classification | Correspondence Regarding Changes in Material Topics in 2023 |
|--------|----|---|--|--|--|-------------------------------------|---|
| | | | | | | | |
| | 12 | Flight Safety Management | v | ⊕ Enhancing Flight Safety [*] (Note 7) | With the aspiration to become one of the safest airlines, CAL continuously conducts safety assessments and personnel training to ensure the flight safety of our customers and crew | ● | ☆ |
| | | | v | ⊖ Flight Safety Incident Risks | The aviation industry's highest goal is zero flight safety accidents, as any serious incident can cause significant loss of life, property, and customer trust | ● | ≈ |
| | 13 | Attracting, Cultivating, and Retaining Diverse Talent | v | ⊕ Diversity and Equal Opportunity | CAL establishes a sound training system and structure to attract and train aviation professionals; we value the development of employee competency in order to promote sustainable employment | ● | ≈ |
| | | | v | ⊖ Workplace Discrimination and Inequality | Create an equal, diverse, and inclusive workplace environment, including equal pay for men and women, and a friendly work environment for minorities or disadvantaged groups | ● | ≈ |
| | 14 | Labor Relations and Communication | v | ⊕ Good Labor-Management Relations [*] | CAL has an effective labor-management communication mechanism that enhances interaction, reduces conflicts, and strengthens employee trust and identification with the company | ● | ☆ |
| | | | v | ⊖ Deterioration of Labor-management Relations | Without effective communication to understand employee feedback, maintaining harmonious labor relations and a secure work environment becomes difficult. | ● | ≈ |
| | 15 | Occupational Safety and Health | v | ⊕ Safe and Healthy Workplace [*] | Creating a healthy work environment, CAL continues to promote employee health programs to assist employees in managing their health, ensuring their physical and mental well-being | ● | ☆ |
| | | | v | ⊖ Occupational Hazards (Note 8) | Due to poor workplace environments and labor conditions, occurrences of occupational accidents or hazards to employee health may arise, potentially affecting service quality over time | ● | ↗ |
| | 16 | Privacy Management | v | ⊕ Comprehensive Privacy Management [*] (Note 9) | CAL has a comprehensive personal data management system to prevent data leaks and misuse, helping avoid penalties and build customer trust | ● | ☆ |
| | | | v | ⊖ Leak of Private and Confidential Information (Note 10) | If the Company fails to protect personal information of employees and customers, it may face data breaches and privacy violations, leading to regulatory fines, reputational harm, and significant financial impacts | ● | ↗ |
| | 17 | Social Feedback and Engagement | | ⊕ Charity and Public Welfare | CAL uses its professional capabilities and devote themselves to social welfare and social responsibility to win the support of the society | ● | ↘ |
| | | | | ⊖ Improper Use of Public Welfare Resources [*] | Lacking a comprehensive selection mechanism for charities has led to funding inappropriate or poorly viewed organizations, harming our corporate social responsibility image | ● | ☆ |

[*] The symbol indicates that this impact aspect is a new positive/negative impact subdivision for 2024.

⊕ Positive ⊖ Negative ● Material Issues ● Secondary Issues ● Issues for Ongoing Attention ↗ Increasing ↘ Declining ≈ Maintaining ☆ Newly Added

Note 7. This impact is a positive addition to this year's "Flight Safety Management" issues. After analysis, the CAL Sustainability Committee's Task Force leaders generally believe that enhancing flight safety has a significant impact on company operations. Additionally, it is of high concern to the eight major stakeholders, and thus it is classified as a material issue.

Note 8. Considering the workplace safety incident that occurred at CAL in early 2024, we have actively responded by conducting hazard identification assessments and implementing improvements. Additionally, we have strengthened our occupational safety management system and prevention mechanisms to ensure workplace safety. Therefore, this issue has been elevated to a material issue.

Note 9. This impact is a positive addition to this year's "Privacy Management" issues. Personal data protection has become an increasingly important topic in the international community. CAL's Sustainability Committee Task Force also believe that comprehensive privacy management reduces the risk of infringing on the personal data rights of customers and employees, and therefore, it is classified as a material issue.

Note 10. As the international community increasingly emphasizes the importance of personal data protection, any incidents of privacy breaches will have significant economic and social impacts. Therefore, this issue has been elevated to a material issue.

Sustainability Issues Corresponded to GRI Standards

⊕ Positive ⊖ Negative

| Economy | Sustainability Issues | Positive/ Negative Impact | Sustainability Topic | Corresponding to GRI Topic-Specific Standards | Initiatives and Organizations | Position of the Sustainability Issue on the Value Chain | | | Management Strategies (Corresponding Chapters and Page Number) |
|---------|-------------------------------------|---------------------------------|--|--|---|---|--------------|------------|--|
| | | | | | | Upstream | CAL Internal | Downstream | |
| | Governance and Business Integrity | ⊕ | Sound Corporate Governance | <ul style="list-style-type: none"> GRI 2-9 Governance structure and composition GRI 2-10 Nomination and selection of the highest governance body GRI 2-11 Chair of the highest governance body GRI 2-15 Conflicts of interest GRI 2-17 Collective knowledge of the highest governance body GRI 2-19 Remuneration policies GRI 2-20 Process to determine remuneration | TAA, TCCS, United Nations Global Compact (UNGC) | | ● | | 3.1 Governance Framework/ 3.4 Regulatory Compliance/ ESG Data and Appendix-GRI Content Index |
| | | ⊖ | Corruption | <ul style="list-style-type: none"> GRI 2-23 Policy commitments GRI 2-24 Embedding policy commitments GRI 2-25 Processes to remediate negative impacts GRI 2-27 Compliance with laws and regulations GRI 412-2 Employee training on human rights policies or procedures GRI 205-2 Communication and training about anti-corruption policies and procedures GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | TAA, TCCS, United Nations Global Compact (UNGC) | ● | ● | ● | 3.4 Regulatory Compliance/ ESG Data and Appendix-Management of Material Human Rights Issues in 2024 |
| | Financial Performance | ⊕ | Sound Economic Performance | <ul style="list-style-type: none"> GRI 201-1 Direct economic value generated and distributed | | | ● | | 3.2 Operational Achievements/ ESG Data and Appendix for Financial Performance Presentation |
| | | ⊖ | Poor Business Operations | | | | ● | | |
| | Fleet Development and Innovation | ⊕ | Increase the Efficiency of Fleet Services and Fuel Consumption | <ul style="list-style-type: none"> GRI 2 General Disclosures 2021 GRI 2-1 Organizational details GRI 2-6 Activities, value chain and other business relationships | IATA, SkyTeam, and AAPA | ● | ● | | Preface, Business Overview/ 2.1 Trust |
| | | ⊖ | The fleet's aircraft models are outdated | | | ● | ● | ● | |
| | Customer Satisfaction | ⊕ | Maintain High Customer Satisfaction Rate | | | | ● | ● | 2.1.4 Customer Relations Management |
| | | ⊖ | Frequent Customer Complaints | | | ● | ● | ● | |
| | Sustainable Supply Chain Management | ⊕ | Sustainable Procurement | <ul style="list-style-type: none"> GRI 2-6 Activities, value chain and other business relationships GRI 204-1 Proportion of spending on local suppliers | United Nations Global Compact (UNGC) | ● | ● | | 2.2 Cooperation |
| | | ⊖ | Sustainable Supply Chain Management | <ul style="list-style-type: none"> GRI 308-2 Negative environmental impacts in the supply chain and actions taken GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk GRI 414-2 Negative social impacts in the supply chain and actions taken | United Nations Global Compact (UNGC) | ● | ● | | |

| Economy | Sustainability Issues | Positive/ Negative Impact | Sustainability Topic | Corresponding to GRI Topic-Specific Standards | Initiatives and Organizations | Position of the Sustainability Issue on the Value Chain | | | Management Strategies (Corresponding Chapters and Page Number) |
|-------------|---|------------------------------|---|--|---|---|--------------|------------|---|
| | | | | | | Upstream | CAL Internal | Downstream | |
| Environment | Information Security | ⊕ | Comprehensive Information Security Management | | | ● | ● | ● | 2.1.5 Information Security Management |
| | | ⊖ | Failure of the Information System | | | ● | ● | ● | |
| | Climate Change Mitigation and Adaptation | ⊕ | Implementation of Climate Change Adaptation Actions | <ul style="list-style-type: none"> ▪ GRI 305-1 Direct (Scope 1) GHG emissions ▪ GRI 305-2 Energy indirect (Scope 2) GHG emissions | Pacific Greenhouse Gases Measurement (PGGM), Task Force on Climate Related Financial Disclosures (TCFD), Earth Hour, Carbon Disclosure Project (CDP), IATA, AAPA, AAP | | | | 2.3 Environment/ ESG Data and Appendix -Environmental Performance |
| | | ⊖ | Exacerbation of Climate Risks | <ul style="list-style-type: none"> ▪ GRI 305-3 Other indirect (Scope 3) GHG emissions ▪ GRI 305-4 GHG emissions intensity ▪ GRI 305-5 Reduction of GHG emissions ▪ GRI 305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions | | ● | ● | ● | |
| | Energy Management | ⊕ | Energy Conservation | <ul style="list-style-type: none"> ▪ GRI 302-1 Energy consumption within the organization ▪ GRI 302-2 Energy consumption outside of the organization ▪ GRI 302-3 Energy intensity | | ● | ● | | |
| | | ⊖ | Energy Consumption | <ul style="list-style-type: none"> ▪ GRI 302-4 Reduction of energy consumption ▪ GRI 302-5 Reductions in energy requirements of products and services | | | | | |
| | Environmental protection benefits and resource management | ⊕ | Effective Use of Resources and Circular Economy | <ul style="list-style-type: none"> ▪ GRI 303-1 Interactions with water as a shared resource ▪ GRI 303-2 Management of water discharge-related impacts ▪ GRI 303-3 Water withdrawal ▪ GRI 303-4 Water discharge ▪ GRI 303-5 Water consumption | | ● | ● | | |
| | | ⊖ | Environmental Pollution Caused by Operations | <ul style="list-style-type: none"> ▪ GRI 306-1 Waste generation and significant waste-related impacts ▪ GRI 306-2 Management of significant waste-related impacts ▪ GRI 306-3 Waste generated ▪ GRI 306-4 Waste diverted from disposal ▪ GRI 306-5 Waste directed to disposal | Buckingham Palace Declaration | | | | |
| | Green Services and Sustainable Catering | ⊕ | Green Services and Sustainable Catering | | United Nations Global Compact (UNGC) | ● | ● | ● | |
| | | ⊖ | Waste of Catering and In-Flight Supplies | | | | | | |
| | Biodiversity | ⊕ | Promoting Ecological Conservation | <ul style="list-style-type: none"> ▪ GRI 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas ▪ GRI 304-2 Significant impacts of activities, products and services on biodiversity | Buckingham Palace Declaration | ● | ● | ● | 2.3 Environment/ ESG Data and Appendix - TNFD Table |
| | | ⊖ | Biodiversity Loss | <ul style="list-style-type: none"> ▪ GRI 304-3 Habitats protected or restored ▪ GRI 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations | | | | | |

| People | Sustainability Issues | Positive/ Negative Impact | Sustainability Topic | Corresponding to GRI Topic-Specific Standards | Initiatives and Organizations | Position of the Sustainability Issue on the Value Chain | | | Management Strategies (Corresponding Chapters and Page Number) |
|--------|---|------------------------------|--|--|--------------------------------------|---|--------------|------------|--|
| | | | | | | Upstream | CAL Internal | Downstream | |
| | | | | | | | | | |
| | Flight Safety Management | ⊕ | Enhancing Flight Safety | <ul style="list-style-type: none"> GRI 404 Training and Education | FSFT | ● | ● | | 2.1 Trust |
| | | ⊖ | Flight Safety Incident Risks | | | | ● | ● | |
| | Attracting, Cultivating, and Retaining Diverse Talent | ⊕ | Diversity and Equal Opportunity | <ul style="list-style-type: none"> GRI 404-1 Average hours of training per year per employee GRI 2-7 Employees GRI 2-8 Workers who are not employees GRI 202-2 Proportion of senior management hired from the local community GRI 401-1 New employee hires and employee turnover | United Nations Global Compact (UNGC) | | ● | | 2.4 Human Resources/ ESG Data and Appendix: Talent Value Data |
| | | ⊖ | Workplace Discrimination and Inequality | <ul style="list-style-type: none"> GRI 405-1 Diversity of governance bodies and employees | | | | | |
| | Labor Relations and Communication | ⊕ | Good Labor-Management Relations | <ul style="list-style-type: none"> GRI 2-30 Collective bargaining agreements GRI 201-3 Defined benefit plan obligations and other retirement plans GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | United Nations Global Compact (UNGC) | | ● | | 2.4 Human Resources/ ESG Data and Appendix: Talent Value Data |
| | | ⊖ | Deterioration of Labor-management Relations | <ul style="list-style-type: none"> GRI 401-3 Parental leave GRI 402-1 Minimum notice periods regarding operational changes GRI 405-2 Ratio of basic salary and remuneration of women to men GRI 2-23 Policy commitments GRI 2-25 Processes to remediate negative impacts GRI 406-1 Incidents of discrimination and corrective actions taken GRI 412-1 Operations that have been subject to human rights reviews or impact assessments | | | ● | ● | |
| | Occupational Safety and Health | ⊕ | Safe and Healthy Workplace | <ul style="list-style-type: none"> GRI 403-1 Occupational health and safety management system GRI 403-2 Hazard identification, risk assessment, and incident investigation GRI 403-8 Workers covered by an occupational health and safety management system | United Nations Global Compact (UNGC) | ● | ● | | 2.4 Human Resources/ ESG Data and Appendix: Talent Value Data |
| | | ⊖ | Occupational Hazards | <ul style="list-style-type: none"> GRI 403-9 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism GRI 403-10 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | | | | | |
| | Privacy Management | ⊕ | Comprehensive Privacy Management | <ul style="list-style-type: none"> GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | United Nations Global Compact (UNGC) | ● | ● | ● | 2.1.6 Privacy Management |
| | | ⊖ | Leak of Private and Confidential Information | | | | | | |
| | Social Feedback and Engagement | ⊕ | Charity and Public Welfare | | | | ● | ● | 2.5 Society |
| | | ⊖ | Improper Use of Public Welfare Resources | | | | | | |

Note 1: The sustainability topics impact assessments cover all CAL internal, upstream and downstream operation activities of the value chain, with a coverage rate of 100%.









Note 2: Upstream (e.g., Suppliers and Contractors)

Note 3: Downstream (e.g., Customers and Travel Agencies)







1.5 Achieving Sustainable Development Goals


















Sustainable Development Goals for Six Value Task Forces




★ Goal Exceeded ✓ Goal Attained ✗ Goal Not Attained



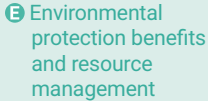








| Task Force Corresponding SDGs | 2024 Objectives | Progress | Key Results and Performance | Short-term Targets (2025) | Medium-term Targets (2030) | Long-term Targets (2040) |
|--|--|----------|---|--|---|--|
| Corporate Governance ⑥ Governance and Business Integrity ⑥ Financial Performance ⑥ Fleet Development and Innovation   | Achieving 100% of sustainability tasks for the year and implementing the employee awareness improvement plan | ✓ | 1. From 2018 to 2024, a total of 3 "Sustainable Development Awareness Training" e-Learning sessions have been held for all employees of the China Airlines Group 2. Provided employee ESG awareness training and added mandatory online courses for new employees | Regularly reporting progress on ESG tasks to the Corporate Sustainability Committee and holding at least two ESG training sessions for affiliates | Disclosing sustainable development of airline transport affiliates | Continuously cooperating with regulatory authorities and international trends to comprehensively disclose the boundaries of the group |
| | Implementing operating mechanisms for SDGs | ✓ | 1. Conduct a rolling review of each working group's SDGs sustainability goals and action plans annually 2. The working group submits progress reports on a quarterly basis, and the Corporate Sustainability Committee reviews the implementation progress of the task force annually 3. CAL has held a "Sustainable Flight Seminar" in December 2024, inviting corporate customers to participate and share China Airlines' net zero strategy and practices to help | Supporting industry partners in developing sustainable capacity | Support international sustainability initiatives to enhance industry influence by participating in two initiatives or public associations | Support international sustainability initiatives to enhance industry influence by participating in five initiatives or public associations |
| Trust ⑥ Customer Satisfaction ⑥ Information Security ⑤ Flight Safety Management ⑤ Privacy Management       | Implementing personal data management systems, in accordance with GDPR and personal data protection laws | ✓ | 1. Established a personal data management system aligned with laws and ISO standards, implemented through tiered documentation and the PDCA cycle for effective control 2. Expanded personal data inventories at overseas branches; conducted annual unit-level self-audits to identify and correct issues promptly 3. Held four training sessions in 2024 on personal data and cybersecurity—executive management seminars, personal data regulations and management guidelines, incident case studies, and new employee training—tailored to job roles, with quarterly awareness newsletters also issued 4. Developed internal audit SOPs, set annual audit plans each Q4, and reviewed results via the Information Security and Personal Information Committee 5. Conducted response drills to enhance incident reporting and handling procedures 6. CAL's passenger sales and marketing processes in Taipei and Kaohsiung were certified under ISO 27701 Privacy Information Management System | Receiving ISO27701 Privacy Information Management certification in the collection, processing, and use of personal data in the Passenger Service Management Procedure (including Taiwan and EU headquarters) | Maintaining validity of ISO27701 Privacy Information Management certificate | Maintaining validity of ISO27701 Privacy Information Management certificate; Adjustment of our personal data management system based on the regulations, international trends, and our company's operational needs to minimize the risk of data breaches |






| Task Force Corresponding SDGs | 2024 Objectives | Progress | Key Results and Performance | Short-term Targets (2025) | Medium-term Targets (2030) | Long-term Targets (2040) |
|--|---|----------|--|---|---|--|
| Trust       | Increasing the cargo service customer satisfaction to 88.5 points | ✓ | 89.8 points in 2024 for Customer Satisfaction in Cargo Transport | Customer Satisfaction of Cargo Transport | | |
| | | | | 89points | 90 points | 90 points |
| | Performing aviation data study and analysis for future release | ✓ | <ol style="list-style-type: none"> 1. Domestic Aviation Safety Seminar: "Geopolitical Conflicts and Aviation Security Risk Seminar" 2. Co-organized the 2024 International Summit on Flight Safety Management | Publishing the results of flight operations studies to improve the technical capacity of the aviation industry | Developing innovation plans with other airlines to drive innovation momentum | Expanding collaborative research projects with domestic and international transportation peers and manufacturers/suppliers to enhance environmental performance |
| | Continuing to pass IOSA certification standards and improve the safety management system | ✓ | <ol style="list-style-type: none"> 1. After completing the 12th IOSA recertification audit in 2024, CAL is preparing for IATA's more rigorous Risk-based IOSA in 2026 to maintain alignment with top international safety standards 2. To promote a safety culture and reinforce 2024 safety policies, targets, and performance indicators, CAL completed SMS training for 11,396 employees across all units 3. Continuing the spirit of experiential learning, we organized a visit to Taiwan High Speed Rail Corporation for practical experience sharing and exchange. This was aimed at enhancing our personnel's understanding of air traffic controllers' responsibilities, air traffic control operations, and the safety management system of the Air Traffic Control Center. The goal is to improve awareness of the purpose and related tasks of air traffic control across various departments, thereby reducing potential operational risks caused by human error | Continuing to pass IOSA certification standards and improve the safety management system (SMS) | Continuing to pass IOSA certification standards and improve the company safety culture | In consideration of safety regulations and international requirements, we continue to pass rigorous safety certification standards |
| | Continuously strengthening the development of core business information systems and conducting annual disaster recovery drills, while actively promoting innovative application services to increase revenue, reduce costs, and enhance daily work efficiency for the Company | ✓ | <ol style="list-style-type: none"> 1. CAL continuously improves its disaster recovery plan, conducts annual drills, and enhances offsite recovery facilities to address geopolitical risks and ensure business continuity 2. Upgraded domestic backbone network equipment to meet future high-speed connectivity needs 3. Strengthened compliance with the Cyber Security Management Act by enhancing the ICT security framework and implementing an Endpoint Security Protection Mechanism to monitor, detect, block, and preserve evidence of intrusion incidents. Also reconstruct the attack chain and preserve forensic evidence to support post-incident analysis and continuous improvement 4. Applied BI tools for data analysis (e.g., duty-free sales, overseas living costs, fuel usage) to support business decisions on revenue growth, cost control, and service improvement | 1. Promoting a smart airport: Establish a smart airport at Terminal 3 of Taiwan Taoyuan International Airport and increase customer satisfaction with digital and innovative technology application | 1. Promoting smart tourism: Achieving horizontal and vertical integration of tourism-related industries to provide a one-stop smart travel eco-system | Promote smart airports: Expand the application of new technologies and passenger-sharing platforms to more overseas operating terminals, and actively collaborate with airports, suppliers, or other innovative technology companies |

| Task Force Corresponding SDGs | 2024 Objectives | Progress | Key Results and Performance | Short-term Targets (2025) | Medium-term Targets (2030) | Long-term Targets (2040) |
|---|--|------------|--|--|---|--|
| Trust  Customer Satisfaction  Information Security  Flight Safety Management  Privacy Management       | | | 5. Promoted process automation with RPA, automating tasks like SAP/ Email system integration, maintenance invoice dispatch, and SABRE fare verification to reduce manual workload 6. Optimized AI chatbot services and developed internal AI assistants (e.g., cabin crew assistant, IT helpdesk) to enhance service and query efficiency 7. Deployed generative AI tools (e.g., contract templates, smart cargo checks, safety compliance inspection, talent selection) to boost work efficiency and productivity 8. Created AI-generated virtual characters (e.g., crew, staff, pilots) for use in videos and aviation visuals, reinforcing CAL's innovative brand image in AI application | 2. High-speed ICT network: Set up a dedicated optical fiber and terminal system network to increase data and audio connection performance and increase operating efficiency 3. Continuous improvement of disaster recovery plans by ensuring on-site redundancy with adequate hardware and software to handle core database anomalies and maintain high system availability | 2. continuously optimize and expand the disaster recovery capacity | |
| Human Resources  Attracting, Cultivating, and Retaining Diverse Talent  Labor Relations and Communication  Occupational Safety and Health     | Organizing eight expert seminars that provide an opportunity for internal cross-disciplinary networking Optimizing CAL's aviation management talent training mechanisms | ★ ✓ | In 2024, we completed four aviation expert seminars, covering topics such as the effective use of employee tickets, flight dispatch, the intricacies of in-flight meals, and engine introductions, with a total of 527 participants. From 2021 to 2024, we successfully held a total of 14 sessions, achieving our short-term goal for 2021-2024 of completing 8 in-house aviation expert seminars. Optimizing talent pools for different levels of management (including a master talent pool, management training courses, and advanced management courses) and related training mechanisms to develop talent for the company over the long term and lay the foundation for passing on knowledge and experience | We conducted four internal aviation knowledge-sharing sessions, with a total participation of 350 people. Establishing the optimal learning path for CAL's aviation management talent pool | Between 2026 and 2030, CAL will conduct a total of 15 internal aviation knowledge-sharing sessions, with cumulative participation reaching 1,800 attendees The cumulative number of CAL's aviation management talent training reaching 150 individuals by 2030 | From 2031 to 2040, CAL conducted a total of 30 internal aviation knowledge-sharing sessions, with cumulative participation reaching 3,600 attendees The cumulative number of CAL's aviation management talent training reaching 400 individuals by 2040 |
| | Percentage of female executives reaching 25% | ★ | The percentage of female managers has risen to 30.33% in 2024 | Percentage of female executives reaching 26% 27% 30% | | |

| Task Force Corresponding SDGs | 2024 Objectives | Progress | Key Results and Performance | Short-term Targets (2025) | Medium-term Targets (2030) | Long-term Targets (2040) |
|--|---|----------|---|--|---|--|
| Cooperation    | Maintain SAQ score at 89 points | ✓ | 1. Four high-risk suppliers were identified in the 2024 sustainability self-assessment questionnaire 2. The average annual score for 2024 is 94.38 points | SAQ risk assessment ratio | | |
| | | | | <ul style="list-style-type: none"> 100% of critical tier-1 suppliers 20% of non-critical tier-1 suppliers | <ul style="list-style-type: none"> 100% of critical tier-1 suppliers 40% of non-critical tier-1 suppliers 30% of critical non-tier-1 suppliers | <ul style="list-style-type: none"> 100% of all tier-1 and critical non-tier-1 suppliers |
| | | | | Ratio of purchasing units to include at least 5% ESG performance in procurement evaluation criteria | | |
| | | | | Before making a purchase, the purchasing unit should establish a selection plan that takes into account the specific case | 40% of purchasing units | 100% of purchasing units |
| | | | | Ratio of suppliers signing contracts should be obligated to comply with the commitments of the "Forest and Biodiversity Conservation Commitment" | | |
| | Before 2024, CAL will hold a supplier conference and improve key suppliers' sustainability scores to above 89 points. | ✓ | 1. Supplier Code of Conduct Signing Rate 100% 2. In 2024, we successfully held a supplier conference, inviting a total of 28 suppliers to participate 3. The average sustainability score for key suppliers reached 94.38, achieving a completion rate of 100% 4. The review coverage of high-risk suppliers is 100% | Both new suppliers signing contracts and existing suppliers renewing contracts should be obligated | 40% of suppliers | 100% of suppliers |
| | | | | Create a list of critical non-tier-1 suppliers | Assessment ratio of critical tier-1 suppliers | |
| | | | | 100% of critical non-tier-1 suppliers and high-risk suppliers | 30% of critical non-tier-1 suppliers | 100% of both critical tier-1 suppliers and critical non-tier-1 suppliers |
| | | | | Establish a comprehensive supply chain improvement plan and capacity-building program | | |
| | | | | 50% implementation of improvement measures and 50% implementation of the capacity-building program | 100% implementation of improvement measures and 100% implementation of the capacity-building program | 100% implementation of improvement measures for high-risk suppliers to ensure regulatory compliance |
| Environment | Improving annual aviation fuel efficiency by 1.5% (flight operations) | ✓ | 1. Maintain leading position among Asia Pacific airlines with fuel efficiency at 0.2284 tons per 1,000 RTK 2. Implemented 11 fuel saving measures | Improving annual aviation fuel efficiency by 1.5% and achieving carbon-neutral growth (Attain net zero emissions by 2050) (flight operations) | | |
| | | | | Used SAF | | |
| | | | | 0.5% | 5% | 40% |

| Task Force Corresponding SDGs | 2024 Objectives | Progress | Key Results and Performance | Short-term Targets (2025) | Medium-term Targets (2030) | Long-term Targets (2040) |
|--|---|----------|---|---|--|--|
| Environment            | Reducing carbon emissions in ground operations by 3% compared to 2023 | ✘ | 1. Reducing carbon emissions in ground operations by 2% compared to 2023 2. Implemented 89 environment and energy improvement plans | Reduction in ground operations' carbon emissions compared to 2023: 5% | 15% | 60% |
| | | | | Renewable energy installation capacity has reached contracted capacity: | | |
| | | | | | 10% | 15% |
| | Reducing general waste (non-recyclable) by 6% compared with 2018 | ✘ | 1. Increased output in 2024 by 5% compared to 2018 2. Enhancing resource recycling through Management by Walking Around | Reducing general waste (non recyclable) compared with 2018 | | |
| | | | | 7% | 12% | 15% |
| | Increasing industrial waste recycling ratio to 44% | ★ | 1. Industrial waste recycling ratio reached 61% in 2024 2. Renovate the temporary storage area for construction waste and optimize its layout | Reducing general waste (non recyclable) compared with 2018 | | |
| | | | | 45% | 50% | 58% |
| | Reducing water consumption from ground operations by 6% compared to 2018 | ★ | 1. Reduced water consumption from ground operations in 2024 by 23% compared to 2018 2. Review and optimize the irrigation process and timing | Reduced water consumption from ground operations compared to 2018 | | |
| | | | | 7% | 10% | 12% |
| | Reducing paper consumption by 22% compared to 2018 | ★ | 1. Reduced paper consumption in 2024 by 30% compared to 2018 2. Continuously promote the digitization of cabin service and air quality operation processes | Reducing paper consumption compared to 2018 | | |
| | | | | 30% | 50% | 52% |
| | | | | Ratio of Sustainably Certified Paper/ Wood Items in Air and Ground Services | | |
| | | | | 10% | 50% | 80% |
| | Embargoing transport of endangered species and prohibiting use of illegal species as food ingredients | ✔ | 1. CAL did not transport illegal wild animals and plants 2. We expanded collaboration with the Forestry and Nature Conservation Agency, engaging the Saisiyat tribe for reforestation and nurturing. The adoption area grew by 5.25 hectares, supporting sustainable tourism at Jialishan Trail 3. Led by the Senior Vice President, the Corporate Environmental Committee participated in a tree-planting activity | Embargoing transport of endangered species and prohibiting use of illegal species as food ingredients Since 2023, we at CAL have participated in and implemented a total of biodiversity conservation activities or initiatives. | | |
| | | | | 2 | 4 | 10 |
| | Reducing total in-flight waste by 33% compared to 2018 | ✔ | 1. Reduction of in-flight waste in 2024 by 33% compared to 2018 2. Plan and execute the cabin waste weighing project Note: The original per capita in-flight meal waste target has been consolidated into the total in-flight waste target. | Reduction of in-flight waste compared to 2018 | | |
| | | | | 50% | 65% | 70% |
| | Reducing use of disposable plastics for in-flight services by 80% | ✔ | 1. Reducing use of disposable plastics for in-flight services by 80.9% 2. We continue to promote a variety of alternative SUP service items, such as RPET plastic cups, headrest covers, and stainless steel cutlery for economy class. | Reduction in the number of disposable plastics by 90% | Reduce use of disposable plastics for in-flight services by 100% | Reduce use of disposable plastics for in-flight services by 100% |

| Task Force Corresponding SDGs | 2024 Objectives | Progress | Key Results and Performance | Short-term Targets (2025) | Medium-term Targets (2030) | Long-term Targets (2040) |
|--|---|----------|---|---|---|--|
| Society    S Social Feedback and Engagement | We aim to increase Taiwan's global presence by implementing sponsorship programs and harnessing the influence of businesses to support the humanitarian values of international rescue operations | ✓ | This year, we continued to respond to international relief efforts by assisting Tzu Chi Foundation in transporting disaster relief supplies following the New Year's earthquake in Japan. Additionally, we supported the "2nd Love Without Boundaries International Medical Mission" and the "31st Sprout of Hope Love Without Borders Medical Mission" through practical actions, demonstrating the corporate commitment to creating, prospering, and benefiting together with society | Supporting international initiatives and organizing at least one long-term charity project | Supporting international initiatives and organizing at least one long-term charity project | Establishing long-term cooperation with international relief organizations to organize at least one long-term charity project |
| | Organize at least one educational charity event in rural areas outside of Taoyuan, as part of our long-term commitment to volunteer teaching activities and public welfare sports camps, thereby expanding the beneficiaries | ✓ | 1. Volunteer Teaching: In 2024, we continued visits to six nearby elementary schools and expanded to four rural schools in Lanyu, Miaoli, and Taitung, promoting core aviation knowledge and educational equity 2. Public Sports Camps: Held a charity basketball camp with P.League+ Taoyuan Pauian Pilots; organized a charity baseball camp in Hualien with baseball stars Chen Wei-Yin, Chen Yung-Chi, and Chen Po-Yu; hosted a charity table tennis camp in Kaohsiung with table tennis master Chuan Chih-Yuan; and conducted a charity badminton camp with gold medalist badminton players Lee Yang and Lin Chun-Yi. These four charity sports camps were all inspired by the personal experiences shared by star athletes, encouraging young players to bravely pursue their dreams | Organize at least one educational event in rural areas to promote international educational opportunities for young students | Integrate central and local resources to host at least one rural education event, ensuring equal access to education for all | Partner with international education organizations to coordinate a minimum of one rural education event, thereby improving the quality of national education |
| | To fulfill our corporate social responsibility, we will collaborate with indigenous peoples or local farmers in Taiwan to provide PR gifts, as well as giving back to another vulnerable group to create mutual benefits and enhance the value of our sponsorship program | ✓ | 1. CAL purchased 326 cans of cookies produced by non-profit organizations and Indigenous communities this year to include in care packages, in collaboration with the Huashan Foundation, for elderly residents in Taoyuan who are disabled, dependent, or suffering from cognitive impairment. This mutually beneficial partnership aims to fulfill the commitment to achieving social equality and welfare 2. Additionally, CAL has long collaborated with Taiwan Good Agriculture to offer Taiwanese snacks in the Sky Lounge, continuously promoting local agricultural products. In 2024, we introduced new Hualien local snacks, the Forget Worries Five Elements Pastry and Vanilla Red Quinoa Stick, on board. This initiative aims to increase the income of farmers and producers, promote the development of local agriculture, and bring Hualien's agricultural specialties to the skies | Organize an event aimed at promoting economic growth and providing employment assistance in rural areas, thereby enhancing social wellbeing | Boost the efficacy of sponsorship, sponsoring an event aimed at promoting regional economic growth and providing employment assistance in rural areas, thereby enhancing social wellbeing | Organize projects to support economic development in underdeveloped regions or developing countries, enhancing employment opportunities in those areas |

Note: The importance of material issues to CAL may correspond to more than one task force; table lists only most relevant task force.

