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2.1 Trust

Highlights



Received the highest 7-star safety rating from AirlineRatings

CAL was awarded the highest 7-star safety rating by AirlineRatings, demonstrating strong operational capability and safety management aligned with international aviation standards. The rating is based on comprehensive assessments including safety audit results, operational safety standards, major incident records, and regulatory evaluations.



Organized the 2025 Aviation Security Conference

To strengthen and consolidate aviation security personnel's perspectives and understanding of aviation security to improve security awareness, in response to the highly uncertain and diverse threats in the future aviation security environment, thereby truly implementing the spirit of "Security by All." CAL, together with the Civil Aviation Administration, the China Aviation Development Foundation, and the Aviation Safety Foundation, held the "2025 Aviation Security Conference" at the Civil Aviation Administration International Conference Hall.



Co-organized the 2025 International Aviation Safety Management Summit

Hosted by the Civil Aviation Administration, the 2025 International Aviation Safety Management Summit featured a special report by CAL on the impact of GNSS interference on flight operations. CAL shared operational practices and risk management experiences, and engaged in exchanges with international aviation authorities and industry stakeholders. Through continued advancement of flight safety research and international cooperation, CAL aims to strengthen operational resilience, promote a culture of safety, and actively contribute to passenger safety and our sustainable development.



12th consecutive IOSA safety certification achieved

CAL has maintained its commitment to flight safety by obtaining the IOSA (IATA Operational Safety Audit) certification in 2005 and undergoing re-certification audits every two years in accordance with IATA regulations. In 2025, CAL met the IATA Operational Safety Audit (IOSA) standards for the 12th time (the next certification will be in 2026), and continues to meet the highest international standards.



Digital × Service × People-Centered Sustainable Advancement

CAL is driving the digitalization of cabin operations, benchmarking against international standards, and enhancing service quality. The Department is also strengthening workforce supplementation and professional training. Meanwhile, a dedicated Customer Service System (CSS) team has been established to improve service governance. CAL actively promotes public welfare education, optimizes uniform policies and workplace environment, and is committed to building an efficient, friendly, and resilient sustainable service team.



10th time awarded APEX Five-Star Airline Award

CAL continues to implement its service declaration of "Touching every moment" and enhance operational and service quality, earning the APEX Five-Star Airline Award for ten consecutive years.

Management Approach

Material Issues

Flight Safety Management

Customer Satisfaction

Information Security

Privacy Management

Importance of Material Issues

Zero accident is the foundation for creating sustainable value for customers. Therefore, providing reliable and safe service is not only the core value of CAL, but also our way to sustainability. As a professional transportation service provider, the sustainable operations of CAL depend on the quality of transportation service provided. To create sustainable value for customers, CAL is dedicated to protecting customers' privacy, providing premium service that meets their expectations and needs, and continuing optimizing the quality of service.

CAL has always valued passenger satisfaction with our services and their willingness to recommend CAL flights to their friends and relatives. In addition to proactively sending out survey surveys to passengers, we have set up multiple channels for surveys or links, making it convenient for all passengers to participate. By continuously collecting and analyzing survey data, we submit the results to the relevant departments to research and improve areas that need strengthening, striving to provide the highest quality service to passengers on every flight.

As a multinational airline company, CAL understands that information security and personal privacy protection are critical in all operations. In addition to continuous enhancement of personal data protection mechanisms, CAL also complies with the requirements of personal data protection legislation in different countries and continuously amends the personal data operation regulations and specify a reasonable scope of personal data collection. We also use the latest encryption technologies and regular inspections to implement management. CAL provides contact information in accordance with laws to help passengers exercise their legal rights granted in the Personal Data Protection Act. If there is a suspicion of a breach of personal data, CAL immediately takes action to preserve and protect the rights and interests of the parties.

Commitment

Flight safety is CAL's most solemn and important commitment to customers and the public in its 65 years of history. We are committed to compliance with regulations and zero flight safety accidents and we pledge that we shall do all we can to ensure the safety of all passengers and cargo on each journey. We shall also uphold our consistent service ideals of passenger-oriented service and protecting passenger rights during the global COVID-19 pandemic by monitoring international development while complying with national policies and full consideration of customer interests to create a reliable and high-quality service experience.

Long-term Goals



2027

- To protect passenger personal data security, CAL has expanded the scope of personal data collection, processing, and utilization verification within the "Passenger Service Management Procedure" and continues to maintain ISO 27701 Privacy Information Management certification.
- Increasing the cargo service customer satisfaction to 89 points
- Publishing the results of flight operations studies to improve the technical capacity of the aviation industry
- Maintaining IOSA certification standards and improve the safety management system (SMS)
- 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
- 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
- Continuous improvement of disaster recovery plans: Provide on-site redundancy with sufficient hardware and software capacity to respond to anomalies in the core database system and ensure its high availability.

2030

- Maintaining validity of ISO27701 Privacy Information Management System (PIMS) certificate
- Increasing the cargo service customer satisfaction to 90 points
- Developing innovation plans with other airlines to drive innovation momentum
- Maintaining IOSA certification standards and improve the company safety culture
- Promoting smart tourism: Achieving horizontal and vertical integration of tourism-Evaluate the adoption and applications of new technologies and continuously optimize and expand the disaster recovery capacity

2040

- Maintaining validity of ISO27701 Privacy Information Management System (PIMS) 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
- Maintaining the cargo service customer satisfaction at 90 points
- Expanding collaborative research projects with domestic and international transportation peers and manufacturers/suppliers to enhance environmental performance
- 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

Unit in Charge

Corporate Sustainability Committee – Trust Value Task Force, Corporate Safety Committee

Management Mechanisms

- The meeting of the Corporate Sustainability Committee, at least twice a year
- The meeting of Corporate Safety Committee, every quarter on a regular basis
- The quality review and target setting meeting, every year on a regular basis
- The Trust Value Task Force reports the KPI progress to the Corporate Sustainability Committee, every quarter
- The information security and personal data management review meeting, every year on a regular basis

Objectives and Plans

Key Point	SPI (Note 1)/KPI	2025			2026 Objectives
		Objectives	Performance	Achievement	
Flight Safety	Fatal & Hull Loss Accidents (Note 2)	0	0	100%	0
	Runway Excursions (RE)	0	0	100%	0
	Controlled Flight into Terrain (CFIT)	0	0	100%	0
	Loss of Control in Flight (LOC-I)	0	0	100%	0
	Mid-Air Collision (MAC)	0	0	100%	0
Customer Service	Overall Passenger Net Promoter Score (NPS)	69	73.3	100%	70.5
	Overall Cargo Service Satisfaction (point)	89	89.1	100%	89
	Overall Maintenance Satisfaction (point)	8.4	9.0	100%	8.4

Note 1: SPI refers to Safety Performance Indicators.

Note 2: Fatal & Hull Loss Accidents refer to aviation incidents that result in passenger fatalities or the total aircraft destruction. Over the past four years (2022-2025), the Company has not experienced any incidents resulting in passenger fatalities or total aircraft destruction.

Grievance Mechanism



Stakeholder Contact



Global Cargo Operations
Passenger Branch Offices



Global Passenger Operations
Passenger Branch Offices



Maintenance Services
Engineering & Maintenance Organization
emo.customer@china-airlines.com

2.1.1 Flight Safety

Safety is the core value of CAL and our absolute commitment to customers. We always take a consistent and uncompromising stand on flight safety. With a zero tolerance on flight safety accidents, CAL has comprehensive control over flight safety through management systems. CAL continuously improves overall flight safety and endeavors to reinforce the corporate culture of safety to make sure that securities are fully in place to provide passengers with safe and reliable flights.

Safety Management System (SMS)

CAL follows the requirements in the civil aviation regulations of Taiwan and references the guidelines in the International Civil Aviation Organization (ICAO) DOC. 9859 Safety Management Manual (SMM). CAL has implemented the Safety Management System (SMS) since 2007, and undergoes re-certification audits every two years in accordance with IATA regulations to maintain its commitment to flight safety. The Company has successfully maintained the IOSA (IATA Operational Safety Audit) certification in 2025 (the next certification will be in 2026), continuously meeting the highest international safety standards. The core of CAL's SMS is safety risk management. CAL analyzes and manages operational risks systematically through continuous risk identification and management. We also set Safety Performance Targets (SPTs) for comprehensive tracking, control, and risk mitigation.



CAL Flight Safety Policy

Safety Policy & Objectives

- Management Commitment
- Safety Accountability and Responsibilities
- Appointment of Key Safety Personnel
- Coordination of Emergency Response Planning
- SMS Documentation

Safety Risk Management

- Hazard Identification
- Safety Risk Assessment and Mitigation

Safety Assurance

- Safety Performance Monitoring and Measurement
- Management of Change
- Continuous Improvement of the SMS

SMS

Safety Management System

Safety Promotion

- Training and Education
- Safety Communication

Safety Risk Management

1 Setting and Monitoring Safety Performance Indicators / Targets (SPI / SPT)

Based on past performance and Safety Reporting System, requirements of authorities in charge of civil aviation, plus official safety reports provided by International Civil Aviation Organization

(ICAO), CAL sets its annual SPIs/SPTs. The annual safety performance indicators are monitored in executive meetings and reviewed and discussed in review meetings of the safety task force of each unit on a regular basis, meeting flight safety management requirements to meet domestic and international safety standards and attain the highest safety standards.

Safety Management Meeting



2 Safety Reporting System

To enhance their awareness of flight safety, CAL encourages employees to use the Safety Reporting System to proactively identify potential risks and report possible safety issues in their daily work. Through information data collection and risk management, CAL prevents unsafe incidents from occurring and increases its overall safety and security level. In addition, CAL conducts risk analysis and assessments based on seasonality and features of flight operations, trends of flight safety, and changes in internal and external environments. Making a further effort to control risks, we also communicate safety-related discipline and conduct to our employees in announcements or meetings. CAL has a reward mechanism in place to encourage employees to report potential safety issues. In order to encourage all employees willing to report any abnormality and safety reports, since CAL introduced Mobile version of the reporting application software (AQD) in 2022, it allows all employees to conveniently complete the submission report. A total of 1,012 hazard reports were submitted in 2025, and rewards were presented to 150 individuals (including gifts and incentives), demonstrating the significant effectiveness of our proactive hazard reporting initiatives.



Safety Risk Management

Safety Risk Management (SRM) is a key component of the Safety Management System (SMS). Safety risk management is intended to anticipate potential issues that might arise during normal system operations or to incorporate its risk assessment criteria into the development of products and services. Through management processes such as hazard identification, risk assessment, risk control, mitigation, and safety assurance, risks are reduced to a level that is reasonable, acceptable, and practicable (ALARP, As Low As Reasonably Practicable). To instill the concept of risk management throughout operational units and to strengthen personnel's application of risk management, CAL started to provide regular safety risk management (SRM) training beginning in 2015. Front-line units autonomously evaluate and carry out risk management activities and independently implemented safety risk management based on internal and external information, changes in the operational environment, regulatory adjustments, and changes in procedures and equipment. To assess the effectiveness of the implementation of safety management, CAL oversees and evaluate it through annual safety risk management inspections and the establishment and management of safety performance indicators and performance targets (SPI/SPT). CAL identifies, compiles statistics on, and analyzes the main hazards and risks in its operations. The main risks identified in 2025 are engineering-related and flight operations-related events. Regarding engineering-mechanical issues, the maintenance unit has completed the relevant review and proposed risk-control measures. Regarding flight operations issues, flight operations unit has implemented system-level improvements and conducted briefings for flight crew, including providing enhanced training for the crew members involved and placing them under a monitoring program. CAL also issues fleet-wide notification and uses monthly bulletin case studies to promote improvements in crew performance. CAL will continue to implement monitoring measures in accordance with the requirements issued by the Civil Aviation Administration.



In 2025, the Civil Aviation Administration announced a total of five administrative penalties resulting in fines against CAL

Administrative Penalties by Violation Type	Time of Incident	Number of Incidents	Penalty Details
Aircraft Maintenance	11/2023, 10/2024	2	Fines of NT\$120,000 and NT\$180,000, respectively
Air Traffic Control	01/2024, 02/2024	2	A fine of NT\$900,000 for each instance.
Dispatch Management	04/2025	1	A fine of NT\$600,000.

In 2025, CAL had no material aviation safety regulatory violations (defined as incidents subject to fines exceeding NT\$1,000,000) and no cases resulting in non-monetary sanctions.

1 Flight Operations Quality Assurance

CAL utilizes flight data monitoring programs and the Flight Operations Quality Information System (FOQIS) developed by CAL to quickly identify the potential risks of the flight crew operations and promptly provide guidance for them to take corrective measures in compliance with the Civil Aviation Act of the R.O.C and Flight Operations Quality Assurance (FOQA) of the Convention on International Civil Aviation. Apart from producing trend analysis monthly report of FOQA for CAL's fleet as a reference, in case of a FOQA event (e.g., an anomaly in flight operation parameters), CAL shall conduct a necessary investigation and analysis, take corrective measures, and continuously monitor the effectiveness of subsequent improvements and remedial measures in accordance with the regulations for operations, thereby lowering flight operation risks and ensuring flight safety.

2 Fatigue Management

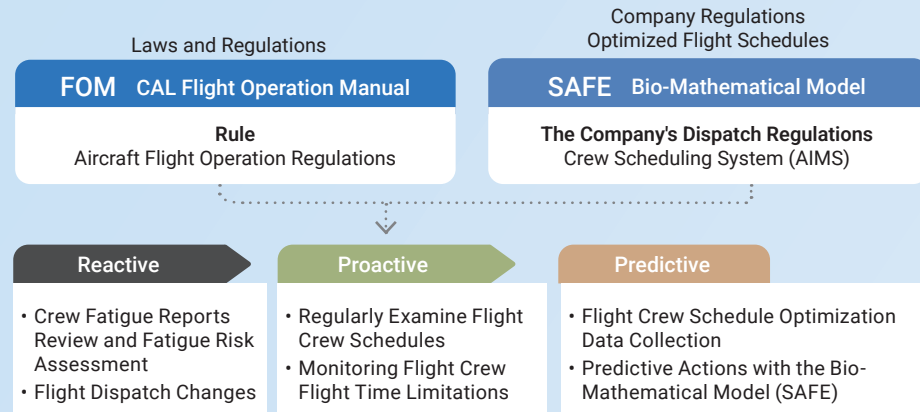
In addition to fatigue management regulations set forth in domestic civil aviation laws, CAL follows the Fatigue Management Guide for Airline Operators (2nd Edition) established by the International Air Transport Association (IATA), International Civil Aviation Organization (ICAO) and the International Federation of Air Line Pilots' Associations (IFALPA) in 2015 to implement crew fatigue management mechanism using a prescriptive approach. CAL incorporated the fatigue management system into the safety policy and introduced a new crew scheduling system (AIMS) and a flight crew fatigue management system (FRMSc-SAFE). Through predictive risk identification and proactive actions, CAL plans to optimize crew scheduling and fatigue management.

In 2025, a total of 10 crew fatigue reports were received. Upon review, all related flight assignments were found to be in compliance with regulatory requirements and fatigue assessments based on the Samn-Perelli Seven-Point Fatigue Scale (SPS). The reported cases were primarily attributed to unforeseen flight delays. The Company has communicated with crew members regarding their concerns, made timely adjustments to duty rosters as necessary, and encouraged crew members to seek fatigue management consultations and medical advice based on their individual conditions.

Flight Task Evaluation

- Sector
- Flight Character
- Rest Period
- Scheduled Time of Arrival
- Flight Time
- Flight Duty Period
- Time Zone
- Scheduled Time of Departure

CAL Fatigue Risk Management Framework and Implementation



3 Alcohol Test Mechanism

According to Article 199 of the CAA Aircraft Flight Operation Regulations, CAL has established the alcohol test mechanism to conduct alcohol tests for operations personnel, such as flight crew, cabin crew, flight dispatchers, and maintenance personnel, and ensure they are not under the influence of alcohol while on duty. The number of tests on the aforementioned personnel must reach an average of 30% of the total average number of personnel each year (quarterly inspection rate of 7.5%). Any personnel who fail or refuse an alcohol test will be immediately removed from duty. This alcohol testing protocol is designed to enhance vigilance among personnel and uphold the quality and safety of flight operations.

Safety Promotion and Training

To ensure flight safety, CAL organizes educational and entertaining safety events every year to instill the significance of safety among all employees and constantly enhance their awareness of flight safety. The safety training activities in 2025 continued the essence of safety management for "safety identification, active implementation, participation, and continuous improvement." We aimed to enable all employees to act safely through experiential learning and positive motivation together reinforcing the safety culture in CAL and achieve the highest flight safety standards. CAL actively promotes safety externally, and organized an aviation security conference and co-hosted the International Aviation Safety Management Summit in 2025.

① "Advanced SMS Training for Supervisors" and "SMS e-Learning Course Training for All Employees"

To strengthen overall employee safety awareness, enhance alignment with the Company's safety culture, and promote the 2025 safety policy, targets, and safety performance indicators, CAL completed the 2025 Safety Risk Management (SRM), Safety Incident Investigation, and Safety Seed training courses. A total of 264 participants successfully completed the training. The Company conducts Safety Management System (SMS) retraining for all personnel on a

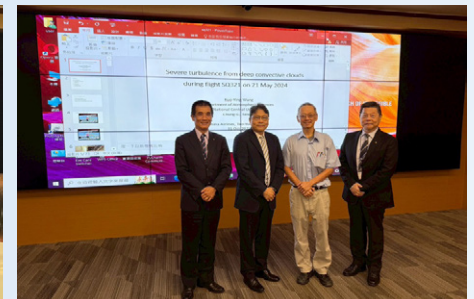
three-year cycle. In 2023, a total of 11,191 personnel from domestic and international units completed the training. In 2025, to deepen supervisors' understanding of the Safety Management System (SMS), enhance familiarity with the company-wide safety reporting system, and improve knowledge of anonymous report handling and the application of a just culture, CAL conducted advanced online SMS training for junior management in domestic operational units. Through continuous training, CAL aims to further advance safety management.

② Seminars on Aviation Practice

In 2025, CAL held two seminars on aviation practices. In view of the fact that over 80% of existing flight safety-related incidents are associated with human factors, and that human factors are not limited to "personnel not following SOPs" but can also arise from the work environment, equipment design, or operational procedures, CAL sought to increase employees' sensitivity to potential risks and to prevent human errors resulting from improper design or use. To that end, on July 24, 2025, CAL invited the Industrial Management Department of National Taiwan University of Science and Technology for a seminar on the topic of "Human Factors Engineering and Flight Safety." Moreover, under the impact of global climate and environment change, flight safety across the aviation industry and among civil air carriers is significantly affected. On October 31, 2025, CAL invited an academic team from National Central University for a seminar on the topic "Flight Safety: Analysis of Flight SQ321's Encounter with Severe Turbulence on May 21, 2024," which was expected to benefit CAL's flight safety.



Held the "Human Factors Engineering and Flight Safety" seminar on July 24, 2025.



Held the "Flight Safety: An Analysis of the Severe Turbulence Encountered by Flight SQ321 on May 21, 2024" seminar on October 31, 2025.

③ 2025 International Aviation Safety Management Summit

At the 2025 International Aviation Safety Management Summit hosted by the CAA, CAL sent representatives who presented the technical paper "The Impact of GNSS Interference on Flight Operations," sharing frontline operational observations, risk assessment, and safety management experience. The report stated that, in recent years, GNSS interference has become increasingly frequent across multiple regions, affecting aircraft navigation, terrain warning, ADS-B, time synchronization, and data-link systems, and increasing flight crew workload and posing challenges to situational awareness. CAL also outlined the Company's response measures, which include the continued updating of operational procedures, the issuance of flight advisories, the strengthening of crew education and training, and the systematic collection and analysis of relevant cases to provide feedback to the appropriate units.

Through exchanges with competent authorities and industry experts from various countries, CAL demonstrated a high level of commitment to flight safety. By deepening international cooperation, we strengthen operational resilience and continue to strive for passenger safety and the Company's sustainable operation.

In 2025, China Airlines hosted the "Ground Safety Management Seminar," which was attended by nearly 90 participants from the Civil Aviation Administration, Taoyuan International Airport Corporation, affiliated companies, agents, and relevant units within the Company. The seminar featured special lectures by IATA on "Ground Operation Standards and Safety Information" and by agents on "Prevention of Ground Safety Incidents." The event provided a platform for ongoing discussions and information exchange on ground operations safety with various stakeholders, including affiliated companies, group companies, and agents. Furthermore, to continue promoting and strengthening the aviation security culture, we held the "Affiliates and Agents Security Conference." Through the sharing of experiences, the conference helped establish a robust aviation security protection network and enhance individual security awareness. The meeting invited the former Director of the Criminal Investigation Bureau to deliver a presentation on the issue titled "The Aviation Industry's Strategy and Case Studies for Addressing Threatening Telephone Calls." Mandarin Airlines, Tigerair Taiwan, and other affiliates also exchanged experiences with the participating units concerning their aviation security drills and tests.

Furthermore, to bolster the perspectives and technical proficiency of aviation security professionals and to heighten security awareness in response to an increasingly volatile environment characterized by diverse threats, CAL—in collaboration with the Civil Aviation Administration (CAA), the China Aviation Development Foundation (CADF), and the Flight Safety Foundation (FSF)—convened the "2025 Aviation Security Conference" at the CAA International Conference Hall. This initiative, designed to institutionalize the spirit of "Total Security," brought together approximately 140 participants from the CAA, the Aviation Police Bureau, Taoyuan International Airport Corporation, domestic carriers, and affiliated companies. CAL specially invited a former professor from the Central Police University to deliver a keynote lecture titled "Aviation Terrorism: Case Studies and Response Strategies." Additionally, the Corporate Safety Office led a presentation and panel discussion themed "Acts of Unlawful Interference Arising from Insider Threats in the Aviation Industry," facilitating a professional exchange of insights with all attendees.



Held the "Ground Safety Management Seminar" on April 10, 2025
Co-hosted the "2025 International Aviation Safety Management Summit" on October 22, 2025



Hosted the "Affiliated Companies and Agents Security Meeting" on May 16, 2025
Organized the "2025 Aviation Security Conference" on November 28, 2025

④ "One day in the CAL—Online Challenges (SMS Edition)" and "Safety Knowledge Quiz"

CAL presented the "One day in the CAL — Online Challenges (SMS Edition)" in 2025, showing everyday operational scenarios related to SMS topics through frontline employees' routine work and uses edutainment-style interactive, scenario-based learning to encourage cross-unit learning and to instill correct safety concepts and work attitudes in every colleague. Additionally, to promote active participation in the Safety Management System (SMS), CAL held four safety-knowledge quiz "color-ball" events in 2025.



"Safety Knowledge Quiz and Prize Draw" from May 13 to 16, 2025

These events involved visiting frontline operational units and inviting colleagues to complete online surveys to enhance their understanding of the Company's safety and security-management-related knowledge.



2025 "One day in the CAL—Online Challenges (SMS Edition)"

⑤ SAG (Safety Action Group) Incentive Activity

In order to internalize safety into day-to-day work, and be part of every conversation and considered in every decision, SAG (Safety Action Group) Incentive Activity have been developed since 2016. This activity is designed based on the SMS framework and is evaluate every six months. The SAG (Safety Action Group) financial incentive shall be utilized in safety promotion.

Flight Crew Management

Professional Training and Evaluation

CAL recognizes risk factors and implements risk management mechanisms based on the three perspectives of "prediction," "proactive," and "reactive" through appropriate training to respond to internal and external environmental change, such as the introduction of new airports, routes, aircraft, systems and procedures, systematic flight training / qualification, flight

GRI 404-2

operation quality assurance (FOQA), and recurrent evaluation of instructors and examiners etc. By means of pertinent training measurements, we prepare flight crew members with the high level of professionalism and competency necessary to ensure passenger's flight safety.

Note: FOQA aims to decrease the probability of accidents and hull damage by using post flight data and flight logs to identify abnormal incidents and to analyze each fleet's operational characteristics. The outcomes are then assessed in order to identify and resolve any relevant safety risks.

① Stringent Training and Objective Testing

In view of the increased demand for flight crew on the international market, CAL strictly enforces the stringent requirements of flight training and objective evaluation for flight crew in order to carry out its commitment to flight safety. To ensure solid flight training, flight crew shall complete the relevant training programs for new aircraft type, upgrade, transferring between aircraft types and requalification. In addition, cadet pilots are required to successfully complete a 11-month of ab-initial training programs at reputable flight training facilities in the United States or Australia.

CAL has implemented Evidence-Based Training (EBT) to replace the conventional proficiency training and check. The EBT is guided by risk and crisis management, and make use of big data analysis, individual behavior, fleet performance, stations, previous incident records etc., to strengthen and improve training to enhance proficiency and competency of the flight crew to handle unusual/abnormal situations. CAL has implemented annual retraining and proficiency check by using "Flight Crew - Evidence-Based Training (EBT)," and achieved 100% EBT on annual retraining for a total of 2,531 flight crew in 2025.

② Professional Training Facilities

As the first airline to introduce Full Flight Simulator Training Devices in Taiwan, CAL is equipped with various types of simulators for flight training. In addition to simulating various adverse weather conditions, simulators can incorporate a variety of contingencies for training at any time; they also demonstrate aircraft performance limitations and faithfully reflect operational feedback, allowing for training in any possible extreme and dangerous situations without incurring any risk during the exercise. The training process can also be recorded as a basis for reviewing and improving flight skills and expertise.

CAL has certified Full Flight Simulators approved by CAA and Cabin Emergency Evacuation Trainers which are provided for training for other domestic and international airlines. In response to the robust expansion of the air cargo market, the Company ordered from the manufacturer a B777 freighter simulator and completed a system upgrade of the A350 flight simulator. The Company continues to invest in and enhance training equipment and thereby demonstrated its determination to safeguard aviation safety to the highest industry standards.

③ A Comprehensive Management System

In order to consolidate training course data and digitize training records, CAL unveiled the "Integrated Pilot Training System" (IPTS) in 2014. In addition to Evidence-Based Training (EBT), flight crew members participated in relevant training programs for new aircraft type, transferring, upgrade, and requalification. Followed by completing the system connection, integration, and regular upgrading for IPTS along with the new scheduling system (AIMS) released in 2019, the IPTS is scheduled to be fully upgraded to the "Flight Operations Resource Management System" (FORMS) in Q3 2026 to further enhance the effective integration and

utilization of training resources. CAL also evaluated the training programs and course materials for each aircraft types the flight crew members operated, and modified them with the objectives of strengthening training quality to improve the safety of flight operations. In response to the introduction of new aircraft models such as the A321neo, A350, B777F, and the future B787, CAL continued to provide relevant training for flight crew members. In 2025, a total of 278 training sessions were completed, including new hire, aircraft type conversion, and promotion-related long-term and short-term training programs. Additionally, 57 sessions of new instructor training were completed to expand training capacity. CAL also provided training programs that adhere to national aircraft operation regulations, pertinent international regulations, and CAL quality standards in order to ensure that the flight operations of flight crew comply with international flight safety standards.

Management by Walking Around

① Managers Implement Management by Walking Around

Chief Pilot or Assistant Chief Pilot participates in the license inspections of flight crews and pre-flight briefings as needed to verify the completion of related operating procedures. Chief Pilot or Assistant Chief Pilot also conducts risk assessments for special airports and weather conditions, and provide operation recommendations for reference or compliance by the crew to ensure safety in flight operations.

② Supervisory Flight (S-Flight)

Chief Pilot or Assistant Chief Pilot and the Check Pilot (CP) conduct supervisory flight (S-Flight) as needed to review pilots' compliance with operating procedures, effectiveness in threat and error management (TEM), and their use of crew resource management (CRM) techniques. Through this process, crew's competencies which need to be enhanced could be identified and enhancement actions will be implemented accordingly to improve flight safety. A total of 456 S-Flights were completed in 2025.

Flight Crew Health and Management

To ensure that flight crew can successfully complete every flight duty, CAL sets strict standards not only for pilot training, but also for pilots' health and emotional management. CAL has adopted proactive planning, crew feedback and prediction in crew life management to prevent and reduce the physical and mental stress of pilots in long-haul flight duties.

① Life Management

To prevent and reduce the physical and mental stress of pilots in long-haul flight duties, CAL sets requirements higher than statutory ones and manages flight crew's physical and mental health so that all flight crew members are fully ready for each duty.

② Risk Operations and Health Management

To protect the health and operational safety of flight crews, CAL arranges crew resource management (CRM) training as part of initial and recurrent flight crew training. The program incorporates team cooperation and Threat and Error Management (TEM)-related instruction, and through professional communication, risk identification, and mutual support, it helps crews

effectively manage operational workload and unexpected situations. The training covers the prevention of turbulence-related injuries, case studies on duty limitations, and the response to abnormal cabin conditions together with group drills. Through institutionalized training and scenario-based exercises, it reduces the risk of personnel injury and fatigue and enhanced crew members' ability to conduct coordinated operations in a high-pressure environment, thereby ensuring the safety of flight operations and implementing the commitment to employee health management and sustainable operations.

③Alcohol and Drug Management

CAL has established strict regulations and test procedures to prohibit the use of alcohol and drugs. This includes alcoholic beverages and food containing alcohol, as well as narcotic drugs or other drugs that may affect the normal performance of employees. CAL flight crews are not allowed to drink alcoholic beverages 12 hours prior to a flight. Since April 10, 2017, CAL has conducted alcohol test for all flight crew of forward cabin on flights departing from Taiwan to maintain the highest standards.

④Improved Communication and Crew Services

To improve communication with crew members and cohesion between them, CAL organizes all types of meetings when appropriate and provides care for crew members of unpaid leave and inquire about their physical and mental recovery conditions on a regular basis. Through various channels including the Company's group email and instant messaging software, we provide quick response and resolve their problems and needs during flight duty period. Through improved communication, we hope to provide a comfortable and secure work environment for all crew members.

Proactive Planning

- Monthly review and discuss next month schedules with fleet office
- Better rosters for flight crew's dispatch and rest time before/after flight duties
- If crew members performed a night flight, the maximum duty period is reduced by 2 hours
- Monitor crew pairing by their performance in each fleet
- Schedule a day off after a specific flight duty

Crew Feedback

- Investigate crew report regarding fatigue issue and mitigate by adjusting flight duty, crew number or layover as appropriate
- The dispatcher immediately adjusts the schedule of flight crew if they report fatigue or ask for sick leave. The care team also inquires about flight crew's physical and mental conditions

Prediction

Following fleet evaluations for new routes, crew dispatch requirements and staffing configurations are determined accordingly. CAL continues to monitor health-related regulations in each country and incorporates these considerations into the evaluation criteria.

Inflight Monitoring and Control

To ensure that passengers can arrive safely and on time at their destinations according to the flight plans, CAL System Operation Control Division monitors all flight-related operations, monitors all flights and site operations in real time, and monitors the positions of aircraft

in the air. In the event of abnormal flight operations, it gathers all necessary information and formulates response plans in coordination with flight crew to ensure the safety of the flight and passengers.

To ensure smooth flight operations and flight safety, CAL System Operation Control Division monitors real-time flight operations around the clock. It sets up designated seats for different operations and it uses communication tools to ensure real-time monitoring and control of all factors that may cause abnormal flight operations (e.g., military exercise, geopolitical shifts, epidemics and epidemic prevention policies of different countries, weather forecast at different airports, emergencies such as volcano and tsunami, and status of ground operations at airports such as de-icing/anti-icing capacity and strike). The main seats in the Control Center include:

Air traffic control seat	Monitors flights and operations of flight schedules
Weather monitoring seat	Provides the latest hazardous weather updates for aircraft in the air
Flight dispatcher seat	Plans routes and fuel quantities, and monitors airspace conditions
Repair management seat	Repair management seat: Monitors flight maintenance status of aircraft
Flight status monitoring seat	Flight status monitoring seat: Monitors the operational status of airports in various locations and maintains real-time awareness of aircraft positions to ensure compliance with civil aviation regulations.
Taoyuan International Airport management seat	Supervises the inbound/outbound operations of the Company's main hub

Each seat continues to effectively operate and meet on-time rate and safe operation needs.

System Operation Control Division also continues to use various software and hardware for monitoring and control to enhance the decision-making abilities of the Control Center. For instance, we obtain information on flight movements by connecting to the domestic and international airports' Airport Collaborative Decision Making (A-CDM) system, and we connect to aircraft tracking systems to verify the positions of aircraft in the air. We also use TPE Airport CCTV system to assist smooth inbound/outbound operations, and we use the weather monitoring software WNI to monitor hazardous weather at each airport to help aircraft avoid hazardous weather periods at airports and help pilots avoid hazardous flight airspaces to reduce risks in flight operations.

Disruptions are primarily attributable to weather conditions, airport operational constraints, airspace restrictions, and geopolitics. The Company continues to mitigate the impact of abnormal incidents on flights and passenger services through real-time dispatch and risk control mechanisms.

- ① Climate risk management: In 2025, multiple typhoons caused varying degrees of disruption to flight operations. The Company, through pre-event contingency planning, cross-unit coordination, and dynamic adjustment of flight operations, has effectively mitigated operational impacts and has continued to refine its typhoon emergency response mechanism.
- ② Strengthening interdepartmental response coordination: Through regular response exercises and operational reviews, the Company integrates the workflows of flight operations, ground

services, and customer service units to enhance response efficiency during contingencies, thereby minimizing passenger impact and mitigating the risk of complaints.

- ③ Response to geopolitical risks: In response to evolving international geopolitics and airspace restrictions, the Company continuously monitors route safety and airport conditions, adjusting flight schedules, routing, and operational strategies as necessary to ensure flight safety and minimize operational risks.

Maintenance Quality

Ensuring maintenance quality is an important foundation of flight safety. With the Company's Reliability Control Program, we proactively manage the maintenance status of all aircraft. By compiling and analyzing data related to common abnormalities and technical parameters from daily operations, appropriate maintenance strategies and plans are developed. This allows us to maintain the reliability of all systems on the aircraft to enhance maintenance quality and flight safety.

① Maintenance Quality

CAL's Maintenance Division holds maintenance organization certificates issued by 11 civil aviation competent authorities, including Taiwan's Civil Aviation Administration (CAA), the U.S. Federal Aviation Administration (FAA), and the European Aviation Safety Agency (EASA), and was planning to obtain a maintenance organization certificate from the Macau Civil Aviation Authority (AACM) in 2026. It is a large-scale, modern airframe maintenance center in Taiwan, featuring maintenance hangars capable of accommodating five wide-body aircraft and one narrow-body aircraft simultaneously for heavy maintenance, a 120,000-pound large engine test cell, and a range of advanced component-repair facilities, enabling it to provide advanced maintenance services for aircraft, engines, and components.

② Establishing a New Maintenance Training Center

In response to rapidly growing demand for maintenance service abroad, CAL was certified to establish the CAL Technical Training Center (CTC) in 2015. In 2017, CTC also obtained certification from the Civil Aviation Administration of China. CTC was the first certified institution in Taiwan to provide aircraft maintenance training for CAL-EMO and other airlines. Since CTC's foundation, a total of 355 training courses have been offered, and 3,658 trainees have completed training.

③ Elevating the Quality Management System

CAL's maintenance organization acquired ISO 9001 certification for its Quality Management System in 1996 and continuously maintained the effectiveness of the system. In April 2017, the EMO became the first repair station in Taiwan to receive certification for the AS9110 Quality Maintenance Systems - Aerospace from the International Aerospace Quality Group (IAQG) (Note). CAL continuously renewed its re-evaluation contracts with the accreditation institution each year. Consistent with its pursuit of improvement of quality, CAL-EMO will periodically conduct Plan-Do-Check-Act (PDCA) through the quality management system for continuous improvement and customer satisfaction.

Note: IAQG main members include Boeing, Airbus, GE, and Rolls Royce. To manage and regulate the quality of suppliers, suppliers are required to comply with a series of established standards for quality management system, including AS 9110.

2.1.2 Passenger Service

Upgrading the digital platform experience and optimizing reservations and ticket-purchasing experience.

CAL is committed to providing an optimized experience for users of its website and App. The new App went live in November 2025, introducing a redesigned interface and more intuitive workflows, including a personalized homepage, widget functionality, dynamic notifications for check-in, seat selection, and meal selection, quick access to boarding passes and member accounts, quick reservations and ticket purchases, and an illustrated meal-selection experience.



Promoting cabin digitalization and intelligent services, and implemented low-carbon, sustainable operations policies

To support the Company's commitment to promoting green energy initiatives and enhancing carbon reduction efforts, iPad minis have been fully distributed to cabin crew members as personal operational tools since 2023. In 2025, the Company continued to advance the digitalization of cabin operations. Beyond optimizing the application of electronic devices, we also integrated e-books, cabin announcement audio files, and related service information resources to establish a comprehensive and efficient information support environment. At the same time, cabin managers are issued iPads with mobile network functionality, enabling more real-time management, smoother operational workflows, and an overall improvement in cabin operational efficiency.

Furthermore, we actively plan to extend the use of iPads to business-class meal-ordering services. By digitizing the process, we optimize the passenger service experience, strengthen operational accuracy and service efficiency, and deliver a more refined onboard service that was better aligned with contemporary trends.

Aligning with international evaluation benchmarks and enhancing service quality to shape a five-star professional image for the cabin crew

To actualize the corporate vision of "Leading Asia-Pacific, Flying Worldwide," the Cabin Crew Division has established "FLY WITH US" as the 2025 annual theme. Under this strategic framework, the Company is spearheading comprehensive service quality enhancements and readiness for international evaluations, while bolstering the operational capability of crew members to solidify a five-star brand image defined by professionalism, confidence, and hospitality.

By optimizing service details and refining operational standards, we set a consistent service rhythm, enhance the service experience, and make flights more comfortable. We implement a service improvement plan to align with international evaluation indicators and detailed service requirements, using these as verification criteria for service enhancements to strengthen

the effectiveness of evaluation preparedness. We combine internal training with awareness campaigns, implement a phased approach to advance the service enhancement key point, ensure consistency of service standards, and improve competitiveness.

In 2025, focus remained on four major service targets, with concrete actions demonstrating progress toward international service standards:

- Implementing Duty Zone Accountability — Cabin crew are expected to respond promptly to passenger needs, proactively assist in resolving issues, and ensure consistent service quality.
- Enhancing of PBC/BC Service — Emphasis is placed on service attitude and professional knowledge to deliver a refined and attentive premium cabin experience.
- Greeting VIP/High-Ranking Passengers — Crew members proactively greet elite passengers within their assigned responsibility areas, with the Cabin Manager extending formal greetings on behalf of the Company to strengthen customer relationships.
- Proactively Assisting Elderly, Children, and Pregnant Passengers — Special attention is given to passengers with specific needs, offering timely assistance to further enhance the Company's brand competitiveness and image.

Through the deepening and implementation of the aforementioned service target, the Company continues to enhance its international service standards and sought to advance toward a five-star airline brand image.

Strengthening workforce resilience and professional development, and building a sustainable service talent pipeline

As global routes gradually recover and the company fleet continue to expand, CAL actively recruits and trains cabin crew personnel in recent years to ensure that both operational requirements and service quality are met. In the competitive environment following the easing of the pandemic, outstanding cabin crew has become the key talent sought by the industry. The Company, adhering to the principle that "talent is the core force enabling a brand to soar," actively promotes various recruitment and training strategy initiatives.

In addition to externally recruiting new talent, the Cabin Crew Division also emphasizes internal promotion and leadership development. In November 2025, it conducted a cabin manager selection and ultimately selected 48 candidates. Newly appointed cabin managers are required to undergo intensive training focused on strengthening management competencies and service leadership. Candidates must successfully pass rigorous assessments to obtain formal management qualifications, ensuring that every flight is supported by robust cabin management capacity. This initiative establishes clear career development pathways for employees, thereby enhancing overall talent retention.

With respect to maintaining team members' professional competencies, in 2025 position suitability management was continuously strengthened, and annual regulatory training was fully implemented. During the year, 198 in-service crew competency-maintenance training classes (annual recurrent training) were conducted, with a total of 3,154 participants. The service recurrent training was delivered under the theme "FLY WITH US"; through discussion and practical exercises, service skills were deepened. A cumulative total of 119 classes were completed.

To enhance workforce flexibility and operational efficiency, we also conduct initial training for newly recruited crew members, business class training, and In-Charge cabin crew training for cabin managers. In 2025, a total of five domestic and three foreign new-crew training cohorts were completed, totaling 173 new employees (including 112 domestic and 61 foreign crew members). In addition, 448 crew members passed certification in comprehensive cabin training.

Through a solid and comprehensive training system and talent development framework, we not only strengthen organizational operational resilience and management effectiveness but also seek to translate professional training outcomes into an outstanding passenger service experience, which further enhance passenger satisfaction and brand loyalty and lay a solid foundation for sustainable service quality.

Establishing a dedicated Customer Service Section to enhance service governance and passenger satisfaction.

To strengthen cabin service quality management and enhance customer satisfaction, the Cabin Crew Management Department officially established a dedicated Customer Service System (CSS) Task Force in 2025. This specialized unit employs a centralized and institutionalized approach to manage cabin service-related grievances, establishing a consistent and professional mechanism for continuous service improvement.

The core task of the Customer Service Section is to receive and assess passenger-reported cases, maintaining a clear distinction between "Cabin Crew Service Complaint" and "Non-Crew Responsibility" to ensure consistency in the determination of accountability. Upon conclusion of an investigation, the unit promptly notifies relevant departments to initiate behavioral counseling and implement necessary corrective measures. This initiative not only enhanced the professionalism of customer-complaint handling, but also facilitated the organization's more systematic management of service quality.

The Customer Service Section focuses on improving the entire cabin service process. Through in-depth analysis of pain points in the passenger experience, it proposes specific and actionable improvement recommendations and advances the implementation of the passenger-oriented approach as a core value in the Company's sustainability efforts. By standardizing operating procedures and implementing a consistent response workflow, the Customer Service Section team effectively improves the efficiency and accuracy of handling customer complaints, while also strengthening the brand's credibility in service.

Integrating passenger transport aircraft resources of CAL Group

In 2025, Mandarin Airlines successively introduced two new ATR aircraft. During the ferry flight of aircraft B-16865 from the ATR Delivery Center in France, the aircraft operated using Sustainable Aviation Fuel (SAF) blended with biofuel content, marking the first use of SAF by a domestic airline on regional routes. Both newly delivered ATR aircraft are equipped with upgraded PW127XT-M engines, offering enhanced efficiency, fuel savings, and lower carbon emissions. These advanced engines are expected to reduce fuel consumption by at least 3% and significantly lower carbon dioxide emissions, demonstrating Mandarin Airlines' strong commitment to environmental protection and carbon reduction while providing higher quality and more convenient services on domestic routes. Leveraging the CAL Group's integrated fleet resources, the Company provides extensive seat capacity across domestic and outlying

island routes, effectively meeting passenger demand for homecoming and tourism travel.

To enhance the comprehensiveness of air network services to outlying islands, Mandarin Airlines successfully launched the inaugural scheduled flight on the Kaohsiung–Nangan route on June 6, 2025. This new service significantly reduces travel time between the outlying islands and the main island for local residents, while also narrowing the distance for tourists traveling between Kaohsiung and Matsu, thereby promoting tourism development in both regions. After more than two decades of suspension, the Kaohsiung–Matsu route was successfully reinstated through the concerted efforts of various parties. A celebration ceremony was held at Nangan Airport on the day of the inaugural flight. Upon arrival, the aircraft was welcomed with a water salute ceremony. Distinguished guests, including the President of Mandarin Airlines, the Magistrate of Lienchiang County, personally greeted the flight at the aircraft side. They joined VIP passengers from the Kaohsiung City Government, who traveled on the inaugural flight, in a red banner-holding group photo, creating a historic and memorable moment.



Expanding participation in public welfare and strengthened industry-academia collaboration, deepening the educational influence on society



To fulfill Corporate Social Responsibility and demonstrate the Cabin Crew Division's proactive efforts in sustainable development, the Division continues this year to leverage its departmental expertise and, through a variety of formats, expands the influence of public welfare education. During the year, a total of 33 sessions were assigned to instructors with both teaching and practical experience, who were invited to provide instruction at various industry organizations. The content covered service philosophy, reception etiquette, and

customer care topic, promoting cross-industry exchange and further enhancing the overall service culture of society.

In addition, CAL actively hosted visits from corporate groups and higher education institutions, totaling 59 occasions. Through guided tours of the CAL Museum and hands-on experiences at training facilities, CAL demonstrates professional expertise in airline services, assists students in broadening their understanding of the aviation industry and in exploring career paths, and strengthens the effectiveness of industry–academia exchanges.

Also, the Cabin Crew Division collaborated with the Grand Hyatt Hotel to host the “Little Cabin Crew Experience Camp.” Utilizing an edutainment-based approach to promote aviation knowledge and the spirit of service, the initiative enabled children to cultivate positive values

through immersive and interactive experiences. This initiative not only enhanced the Company's visibility in the field of public-welfare education, but also deepened CAL's sustainable influence in society through its engagement in social care and talent cultivation.

Flight Punctuality

In 2025, the Company operated a total of 63,950 passenger flights, of which 63,403 were passenger-carrying flights, representing a 1.76% increase compared with the same period in 2024, indicating steady growth in overall passenger demand. The overall route on-time rate averaged 84.80%, a slight fluctuation compared with the same period last year (84.96%), primarily attributable to congestion on certain route segments and to the ground operations environment. Regarding cargo flights, a total of 15,573 flights were operated during the year, representing a 13.8% increase compared with the same period in 2024, reflecting a recovery in global air cargo demand. The overall on-time rate was 80.97%, a slight improvement from the same period last year (80.83%), and operational efficiency continued to be optimized.

In addition, according to statistics from the Civil Aviation Administration, the 15-minute on-time rate for flights departing from Taiwan operated by the Company was 80.06%. Overall market performance still has room for improvement. Going forward, we will continue to enhance flight on-time performance and overall service quality through measures such as advance flight planning, strengthening coordination mechanisms for transfers and ground operations, and increasing flexibility in network scheduling.

The Company continuously improves its flight on-time rate management mechanism and, through cross-unit coordination and operational optimization, strengthens overall operational stability. The main measures are as follows:

- ① **Establishing a regular review and improvement mechanism:** Through daily and periodic review meetings, we analyze the causes of flight delays, jointly develop improvement plans with relevant units, and continuously monitor implementation to enhance overall on-time performance.
- ② **Optimizing transfer operation processes:** By streamlining processes for transfer passengers and baggage operations and strengthening coordination mechanisms at “key hubs,” we enhance transfer efficiency and mitigates negative impacts on flight punctuality.
- ③ **Implementing key flight management initiatives:** we apply project management to high-impact flights, strengthening departure and arrival monitoring along with real-time dispatch capabilities to ensure the operational stability of critical flights.

In this regard, the Company continuously pays close attention to the change of international situation, duration of long-haul flights, and ground operations for connecting passengers. It closely monitors flight operations and makes adjustments for abnormal flights.

Touching Every Moment

In alignment with the “Brand Awareness” pillar of our sustainability strategy, the core of the CAL brand is rooted in “Empathy from the Passenger's Perspective.” This ensures that resources are precisely allocated to key areas that create passenger resonance and brand premium, elevating products and services from “compliance standards” to “touching every moment.” Our goal is to fulfill our service commitments through concrete actions and enhance

customer experience. From in-flight Wi-Fi and audiovisual entertainment to gourmet dining, we continuously refine every detail of the service experience. Specifically, the Fantasy Sky Wireless In-flight Entertainment system has been introduced on the 737-800 and A330-300 fleets, allowing passengers to enjoy streaming movies, TV, and music on their personal electronic devices. Furthermore, in-flight Wi-Fi is now available across all routes and cabin classes for our three major aircraft types—777, A350, and A321neo—providing unlimited web browsing or text messaging to achieve a seamless in-flight connectivity experience. In addition to providing an audio-visual feast, CAL also works to create memorable gustatory experiences. Passengers are able to enjoy on different routes, co-branded signature menus developed with Michelin-starred restaurants and well-known brands, as well as exclusively developed, in-flight-only specialty desserts and beverages. CAL also partners with a internationally renowned anime IP (Intellectual Property) to introduce novel creative touches, using special aircraft liveries and specially designed onboard amenities to create a unique in-flight journey for every passenger, continuously fulfilling CAL's mission of "Creating more wonderful moments through flying."

All advertising and marketing content produced by China Airlines adheres strictly to the following ethical commitments:

- ① Providing accurate and balanced information regarding all products and services;
- ② Truthfully disclosing the Company's actions related to ESG initiatives;
- ③ Protecting customers with limited access to information by ensuring the provision of correct and sufficient information;
- ④ Refraining from disparaging competitors' products and services.

We uphold the principles of integrity and accountability to convey CAL's commitment to providing customers with a great travel experience and promoting sustainability. CAL is decorated with international recognitions, having been named "Best Airline in North Asia" by Global Traveler for six consecutive years and awarded the "Five Star Global Airline" honor by the Airline Passenger Experience Association (APEX) for ten consecutive years.

Consistency Across Fleet Products and Enhancement of Cabin Product Competitiveness

- 1

Passengers are able to connect their personal electronic devices to the onboard In-Flight Wireless Entertainment system on A330-300, 737-800 and A321neo (32C) aircraft, enabling them to enjoy multimedia streaming services while airborne.
- 2

To enhance cross-fleet product consistency and the competitiveness of its cabin products, China Airlines has initiated an upgrade of the A350-900 cabin facilities. The suite of upgrades covering seating in all classes, along with personal In-Flight Entertainment system, will enhance the competitiveness of China Airlines through a more comfortable traveler experience and high-quality service.

Advancing Sustainable Flight with a New Fleet, Delivering Top-Quality In-Flight Service

China Airlines continues to implement its fleet renewal program, strategically positioning itself in the global passenger and cargo market. In 2024, the airline introduced one A350-900 leased aircraft, four A321neo passenger aircraft, and two 777F cargo Aircraft. In 2025, in addition to continuing the introduction of A321neo passenger aircraft, China Airlines will welcome a new fleet of Boeing 787 aircraft. This move, leveraging a fleet that is both innovative and youthful, will enhance its ability to provide superior passenger and cargo transportation services. Additionally, the Company currently operates ten 737-800 passenger aircraft, with an average fleet age of 9.5 years. In alignment with the introduction of the A321neo, these aircraft are expected to be gradually phased out by 2028.

To meet the demands of fleet capacity adjustments and network expansion, China Airlines announced on December 19, 2024, the procurement of ten Airbus A350-1000 passenger aircraft, ten Boeing 777-9 passenger aircraft, and four Boeing 777-8F cargo aircraft. The new fleet is expected to be delivered starting in 2029 and will be utilized for long-haul passenger and cargo services to North America and Europe.

The new wide-body passenger aircraft will feature a three-class configuration, including luxurious business class, premium economy, and economy class, providing passengers with a more spacious, comfortable, and tranquil flying experience. This will offer an unprecedented journey experience, making long-haul flights more enjoyable. Furthermore, the Company remains committed to its corporate sustainability principles, focusing on the introduction of its new fleet to enhance service quality and strengthen overall operational efficiency.

The new aircraft demonstrate outstanding fuel efficiency, with an estimated 25% reduction in fuel consumption and carbon emissions compared to previous models, showcasing the airline's commitment to environmentally friendly flight operations. CAL will continue its journey toward achieving the goal of net-zero carbon emissions by 2050, setting a benchmark for sustainable development in the global aviation industry.

Customer Health and Safety and Sustainability

In-flight Catering Food Safety

CAL places the utmost importance on the food safety of in-flight catering. To ensure the "safety and health" of its passengers, CAL rigorously requires that catering providers comply with international aviation food safety and hygiene standards and maintain comprehensive safety management systems. All processes—from raw material procurement, food preparation, meal storage to transportation—must be conducted under strictly controlled temperature conditions as per standard regulations. Each operational stage is mandated to meet established hygiene and safety standards, with incoming food products and materials subject to laboratory testing and microbiological sampling. In addition, the Company conducts unscheduled audits of catering facilities to verify compliance with food safety standards. Any non-conformities identified are subject to mandatory corrective actions within a specified timeframe, or penalties are imposed in accordance with contractual agreements. To reinforce a comprehensive understanding of food safety, all internal personnel are required to undergo training programs in HACCP and other relevant food safety education courses. These efforts ensure the consistent application and deepening of the principle that food safety is paramount, thereby safeguarding the quality of meals provided to passengers.

Examples of International Certifications for In-flight Catering



HACCP



ISO 22000



Halal-certified Kitchen

Onboard Drinking Water Safety

The quality of potable water is an important part of a premium customer's experience. The quality of potable water is strictly controlled by our industry-leading In-flight Potable Water Management Procedures, which are stricter than environmental regulations and bottling facility sanitation regulations.

- The safety of potable water is included in the preliminaries of new destinations
- We have rigorous safety standards for our drinking water suppliers. Every year, audits are performed to ensure compliance
- CAL conducts safety audits on potable water at worldwide branch offices
- CAL implements a maintenance plan for potable water facilities according to the manufacturer manual

Local Sustainability at 30,000 Feet: Savoring the Flavors of Formosa

CAL serves as a benchmark for ESG-driven sustainable development within the global aviation industry. The planning and design of its in-flight catering services are aligned with the principles of "Responsible Consumption and Production," focusing on green energy, carbon reduction, and local procurement to contribute to "Decent Work and Economic Growth," in alignment with the United Nations Sustainable Development Goals (SDGs). Upholding the spirit of "sustainability, environmental responsibility, and locality," CAL actively promotes low-carbon dining and a zero food waste culture onboard. Guided by eco-friendly and health-conscious principles, the airline prioritizes the selection of Taiwanese local ingredients with traceability systems and international certifications for beverages, snacks, breads, and main courses. Furthermore, CAL actively engages in cross-industry collaborations with local food service providers who share the same sustainability values, thereby supporting local industries and fostering a shared path toward sustainable development.

China Airlines In-flight Dining Experience

CAL x Little Tree Food: Exclusive Creative Vegetarian Cuisine at Altitude

CAL continues to integrate the concept of sustainability into in-flight catering, actively promoting vegetarian cuisine, and also sought to enhance and meet the in-flight vegetarian dining needs and diversified services of travelers from different cultures around the world. Starting October 1, 2025, in collaboration with Michelin Green Star and Bib Gourmand-recommended restaurant "Little Tree Food," we launched a new co-branded ovo-lacto vegetarian meal.



Passengers traveling on transpacific routes and all routes departing from Taoyuan may choose either the Western-style breakfast or the vegetarian special meal jointly launched by CAL and "Little Tree Food." Through in-flight catering services, vegetarian options are extended to more passengers' everyday experiences.

"Little Tree Food" has long been dedicated to enhancing the acceptance and accessibility of plant-based diets, emphasizing healthy and delicious cuisine while caring for both body and mind with high-quality ingredients. Its brand philosophy is aligned with CAL's commitment to sustainability and its original intention of placing importance on passengers' dining experience. It hopes to convey this lifestyle attitude and sincerity to more passengers and to jointly put sustainable dining into practice.

China Airlines X Yang Ming Spring - In-Flight Pure Plant-Based Cuisine



Since 2022, CAL has continued its collaboration with the Michelin Green Star-certified Yang Ming Spring, a premier plant-based dining brand, to design a selection of pure plant-based in-flight meals across all cabin classes. The Yang Ming Spring team adheres to a strict selection of natural, locally sourced ingredients and presented a vegan menu through a variety of cooking methods. It also incorporates sustainability principles and local culture promotion into the snacks served in Premium Economy Class and Economy Class. In the fourth

quarter of 2025, it launched a fully vegan cookie, "Fleur de Sel Pastry," for the first time. This handmade, traditional Taiwanese snack uses Rejoyce organic whole wheat flour for the crust, retaining the germ and bran and providing dietary fiber and a nutty aroma. It followed the principles of no pesticides, no herbicides, no chemical fertilizers, and no bird trapping or poisoning, thereby ensuring the purity of the ingredients. Slow-baked to release a rich wheat aroma, the biscuit is topped with France's delicate fleur de sel, creating layers of subtle savory notes and the sweetness of low-glycemic coconut sugar; every bite reflects the delicacy and purity of traditional craftsmanship. It not only takes health into account, but also provides passengers with an impressive and satisfying pure in-flight dining experience.

Business Class Welcome Cold-Pressed Juice

CAL maintains its strategic partnership with "Natural Benefits Cold Pressed Juice" for its Business Class welcome beverages. By incorporating strictly selected seasonal produce and implementing a rotation of flavor profiles, we provide passengers with a natural and refreshing culinary experience

"Natural Benefits Cold Pressed Juice" operates with environmental friendliness at its core. By utilizing streamlined, low-impact processing techniques, the brand preserves the natural integrity and authentic flavor profiles of its ingredients while effectively shortening the distance from farm to table.

This collaboration not only put the spirit of sustainability into practice through concrete actions, but also manifested CAL's sustainable vision of supporting the "import-to-local" transition of agricultural products and deepening local ties.



Premium Business Class/Business Class Assorted Fiber-Rich Fruits



CAL continuously offers Clean Label certified mixed fiber fruits in Business Class, featuring the TIC Clean international label. The mix includes crunchy cashew and almond nuts that are gently baked at low temperatures, non-fried, and naturally unsweetened, paired with pumpkin seeds, cranberries, and raisins. It is a flavorful, aromatic snack that is both nutritious and health-conscious, allowing passengers to enjoy a naturally delicious and wholesome treat with no added burden.

In-flight catering is a vital component of cabin services, and China Airlines continuously strives to enhance its offerings through more environmentally friendly and sustainability-driven practices, delivering a superior catering services for passengers. In order to avoid leftover food and reduce in-flight meal waste, in addition to compiling statistics on meal orders at each station and monitoring meal wastage, we also actively promote and optimized the online preselection service for in-flight meals. Through emails, SMS, and app notifications, Premium Business Class/Business Class and Premium Economy Class passengers are reminded to complete their meal pre-selection before flight departure. Furthermore, CAL actively optimizes the meal selection interfaces on the China Airlines website and app and provides meal photo previews, guiding passengers to choose in-flight delicacies based on their preferences. Additionally, to satisfy diverse dietary requirements due to religious beliefs or health factors, 20 types of special meals are currently provided for passengers of all cabin classes to pre-order, offering passengers thoughtful, meticulous, and convenient pre-flight services. During in-flight catering services, printed Premium Business Class/Business Class menus are produced using eco-friendly soy-based ink and FSC-certified recyclable paper, while digital menus are available onboard B777, A359, and A321neo aircraft, allowing passengers in all classes to browse detailed meal information. These initiatives not only enhance the in-flight dining experience but also reinforce CAL's commitment to environmental protection and sustainable development.

Innovative Services

In 2025, CAL introduced a number of innovations and employee training programs to passenger services to improve service quality; in addition, CAL continuously studied sustainable practices in order to maintain customer service to the highest standards and stay in a leading position in the aviation industry; relevant achievements are listed below:

① Outcomes of the "Priority Boarding for Military Personnel" Program

CAL has long been committed to corporate social responsibility. Beginning on Armed Forces Day 2025, it launched the "Priority Boarding for Military Personnel" program, which covers Taiwan's major airports like Songshan, Taoyuan, and Kaohsiung. Ground Services Division would assign dedicated personnel to plan the project timeline for priority boarding of active-duty military personnel, and redrafted broadcast scripts and distributed them to each airport to ensure the Company's service quality remain consistent. On Armed Forces Day, military personnel enjoy priority boarding privileges. We also provide complimentary upgrades for

service members and priority boarding for their dependents. These courtesies have been widely acclaimed by passengers and the broader community. This program demonstrates CAL's respect for military members, and further strengthens the Company's positive connections with society, thereby fulfilling the mission "Create more wonderful moments through flying."

② Promotion and Service Optimization of the AirTag Luggage-Tracking Application

To enhance passengers' confidence in baggage security and the transparency of related information, CAL officially joined the Apple AirTag data-sharing program in 2025. We are one of the first airlines in the Asia-Pacific region to introduce this feature. Passengers may use the built-in "Find My" feature on Apple devices to monitor the real-time location of their baggage and, when necessary, take proactive steps to generate a "Share Item Location" link to share that information with the Company via the website or the service desk, thereby facilitating the expedited recovery of delayed or lost baggage. The service complements CAL's existing baggage-tracking system, offers more intelligent baggage-management options, and optimizes passengers' overall flight experience.

③ Deployment and Effectiveness of the "Tibi" AI Assistant System

Ground Services Division introduced an AI-assisted system Tibi in 2025. The system integrates the detailed contents of the Passenger Services Manual (PSM) and provides frontline employees with rapid and accurate operational query guidance, which helps improve on-site responsiveness, reduces the risk of human interpretation errors, and effectively shortens the time required to consult paper-based procedures. During the testing phase, various operational sites were invited to participate in trials. The feedback received was consistently positive, demonstrating the practicality and scalability of the initiative. In addition, Tibi further reduces redundant processes and enhances overall service efficiency and consistency by decreasing paper-based inquiries, lowering the need for back-and-forth communications, and shortening wait times. The introduction of this AI tool not only optimizes internal operational processes, but also embodies the continued commitment of the Company to pursuing excellence and improving service quality.

④ Strengthening communication and employee care to cultivate a cohesive, mission-focused service team.

In 2025, the Cabin Crew Division continued to promote company-wide communication and the deepening of service culture. Following the model established in previous years, it hosted a total of 46 "Work Seminars" via video conferencing, engaging 672 participants, and convened 113 "Cabin Management Meetings" with a total attendance of 1,374 participants. Through regular, institutionalized communication mechanisms, all team members fully understand the importance of the annual service target and become familiar with the relevant standard operating procedures. By incorporating thematic guidance and small group interactions within meetings, the Company strengthens the sense of identity with the service mission among crew members, while fostering team morale through the exchange of care and empathy. Crew members are also encouraged to independently consider ways to deliver thoughtful, prestigious, and customized services, further enhancing the passenger experience and shaping a professional service brand identity unique to China Airlines.

In addition, three Cabin Crew Division ground staff Town Hall Meetings were held in the year, demonstrating management's proactive care of and support for employee welfare. During the meeting, in addition to providing timely assistance to colleagues' needs, diversified channels

for emotional expression and feedback have been established, and human-centered needs are brought into management considerations to enhance employee well-being and satisfaction. This measure not only strengthens team cohesion and helps stabilize service quality, but also enhances the Company's overall competitiveness and propels the organization toward more exemplary sustainable development.

⑤ Optimizing uniform policies through human-centered design to create a healthy and employee-friendly work experience.

As society places greater emphasis on workplace friendliness and gender equality, the airline industry's uniform policies for crew have been progressively adjusted toward greater flexibility and a more human-centered approach. CAL, in adherence to the principles of safeguarding employee health and creating a supportive workplace, continuously reviews and adjusts cabin crew uniform standards to better align with operational duty requirements while maintaining a professional appearance.

Beginning in 2025, CAL began permitting female flight attendants to wear pants while on duty, providing crew members with a more comfortable and mobile uniform option and demonstrating support for a gender-friendly and diverse workplace. On December 4 of the same year, the Company authorized all cabin crew to wear framed eyeglasses while on duty, given the frames are simple and single-color (black or brown) with clear lenses, in order to both protect vision and uphold a professional image. This adjustment has substantially improved crew members' comfort and operational efficiency during long-haul flights.

In addition, at the end of 2025 the Company resolved to permit crew members to wear black athletic shoes while on duty onboard aircraft effective January 1, 2026. Athletic shoes provide superior support, effectively reducing the burdens associated with prolonged standing and walking, and lowered the risk of work-related injury.

Through optimization of the uniform policy, crew members are better able to concentrate on service during duty and experienced improved health and well-being. We also receive passenger understanding and support by demonstrating CAL's ongoing commitment to a people-centered, safe, and modern service image.

⑥ Improving workplace facilities to foster a safe and comfortable work environment.

To provide air service crew members with a higher-quality, more welcoming work environment and to implement CAL's sustainable development principles, the Cabin Crew Division has, beginning in 2024, progressively implemented multiple renovation projects at CAL Park and Songshan Office. These programs aim to comprehensively enhance the functionality, comfort, and safety of operational spaces, while addressing the practical needs of crew members and creating a workplace environment consistent with modern air service operations.

The refurbishment project for the CAL Park Cabin Crew Division's on-call lounge and mission briefing room commenced on December 27, 2024, and was successfully completed on May 18, 2025. The new space is designed using CAL's color palette for a cohesive aesthetic. It features a bright, open lobby, comfortable reading and rest areas, and computer workstations that provide charging and information-access capabilities. Crew operational flows have been reconfigured, and the standards for briefing room space and equipment have been unified. Furthermore, by relocating the crew service counter directly opposite the briefing room, the company has streamlined daily administrative processes, ensuring greater convenience and operational efficiency.

CAL Park Environment Improvement Project



On-call lobby



Briefing room



Remote dispatch counter



Women's changing room

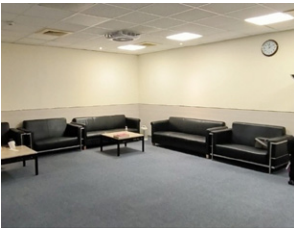


Pantry



Crew service counter

Renovation of the Cabin Crew On-Call Area at the Songshan Office



On-call room



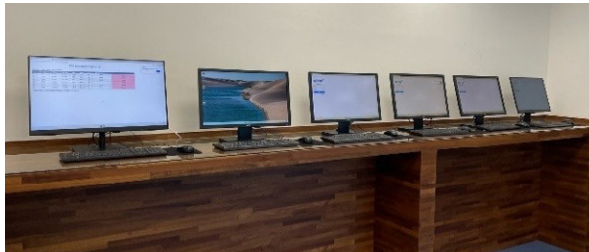
Briefing room



Changing room



Personal computer area



Self-service check-in area

2.1.3 Cargo Services

Cargo Service Momentum

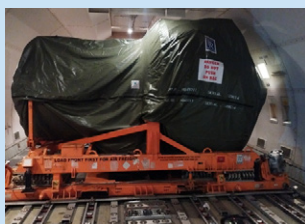
In 2025, the air transport market continued to demonstrate strong resilience and growth momentum. In H1, driven by anticipation of US tariff policies, businesses shifted shipments from ocean to air and frontloaded inventory, boosting overall market volumes. In H2, rapid AI industry growth significantly lifted shipments of AI servers and server racks, further driving air freight demand. Demand remained stable for high-value and time-sensitive commodities, which are the mainstay of air cargo, including semiconductor equipment, biopharmaceuticals, fresh produce, and automotive parts. The Company continued to leverage the operational synergies of its two cargo aircraft types, optimizing their respective advantages based on market characteristics. Through the ongoing introduction of 777F aircraft alongside the efficient utilization of existing 744F, aircraft utilization rates and fuel efficiency have been effectively improved. The 777F delivers superior fuel efficiency, with significant fuel-saving performance on long-haul routes. Conversely, the 744F features a high payload capacity and possesses an irreplaceable advantage in regional cargo consolidation and the transport of special cargo, such as oversized or over-length shipments that necessitate nose-loading. This dual-fleet strategy of 777F and 744F aircraft facilitates cargo diversification. The Company will flexibly deploy different freighter types based on the operational status of various stations and elastically allocate capacity to maximize overall fleet efficiency. These efforts reinforce the Company's role as an Asia-Pacific cargo transshipment hub and maintain its leading position among national carriers.

In recent years, the Company has actively expanded its carriage of high-value cargo, including cold chain shipments and aviation parts and engines. In 2025, temperature-controlled container volume reached 2,677 units, representing a 3-year CAGR of 11.21%. In addition to contributing to revenue growth, this achievement demonstrates CAL's strict quality management and air cargo service excellence, reaching international standards in the transportation of time- and temperature-sensitive pharmaceuticals and vaccines.



Ramp Loading and Unloading Operations

Moreover, as the aviation industry recovers post-pandemic, the expansion of passenger aircraft fleets has driven increasing demand for maintenance aviation parts. In 2025, the Company transported 800 aircraft engines, reflecting strong customer trust and recognition of China Airlines' expertise and professionalism in handling special cargo.



Special Cargo (Engine) Transportation



Specialized Cargo Transportation
(Overlength Cargo)



Cold-chain Transportation

Quality Cargo Service

According to the 2024 global ranking for international revenue freight tonne-kilometres (FRTK), we are ranked 15th worldwide and the highest-ranked domestic carrier. The Company has continued to renew the Cargo Aircraft fleet by phasing out older aircraft and introducing newer ones, and has flexibly optimized the cargo fleet route network in response to market trends and operational requirements. CAL is scheduled to take delivery of four 777F aircraft in 2027, bringing its 777F fleet size to 14. Concurrently, four long-serving 747-400F freighters will be phased out, further enhancing overall fleet efficiency and operational stability. Meanwhile, as new passenger aircraft are delivered and the network recovers, belly capacity continues to grow, the Company will continue to optimize its cargo fleet capacity and strategically plan its cargo operations based on market conditions. By fully leveraging the complementary advantages of its dual-aircraft types to enhance overall operational efficiency and profitability, the Company is committed to fully developing global cargo business opportunities.

Diversified Delivery Services

① Continuous Development of Special Cargo Service

CAL Cargo ranks first among domestic carriers. We have a wealth of experience in carrying general goods, precision instruments, large equipment, and other special goods. In order to keep up with the rapid development and customized service needs of the industry, the cargo team relies on experience and professionalism to continuously develop, optimize, supervise, and review special cargo space, based on the premise of safe operation. For example, the development of new aircraft engine loading methods has enhanced the capacity for diverse cargo types and long-haul transportation. The dedicated unit continues to monitor development and strengthens the contracting of special high-priced goods. For example, all series of Rolls-Royce Trent engines are now all transported Boeing 777 cargo aircraft. **Through continuous optimization and improvement of soft power and the introduction of the next-generation Boeing 777 high-efficiency cargo aircraft, CAL has grown steadily while balancing service quality, energy conservation and flight safety. CAL's cargo transport has played an indispensable role in international transportation.**



Ramp Operations



Transportation of Live Animals (Dogs)



Temperature-controlled Containers

② Upgraded Cold Chain Service

In response to increased demand for air transport of goods (such as pharmaceuticals and vaccines), CAL has significantly improved its cold chain service. This included transportation of temperature-controlled containers, SOP for active / passive temperature-controlled cargo, and upgraded refrigeration / freezing equipment. CAL became the first airline company in Taiwan to obtain the CEIV Pharma certification and was again granted an IATA certification extension in October 2025. We provide diversified and quality temperature-controlled cargo service for customers around the world. Additionally, CAL demonstrates the innovation and flexibility of the CAL cargo transport team and support global customers in the post-pandemic era.

③ Embargo on Illegal Animals and Plants

CAL supports IATA and UN's Sustainable Development Goals by signing the Buckingham Palace Declaration. CAL has also taken the following four concrete actions to fight against illegal wildlife trade and achieve environmental and ecological sustainability including "expression and demonstration of agreement to tackle the illegal wildlife trade," "information sharing and detection," "practical measures to stop the transportation," and "new mechanisms tackling illegal wildlife trade."

Professional Team's Commitment to Safety

① Cargo Safety Management

CAL has strengthened risk management measures, such as Safety Reporting System and abnormal weather reporting mechanisms. CAL has also established a risk prevention mechanism with the risk assessment of the Safety Reporting System to prevent irregularities. In addition, CAL implemented walk-around check to enhance the management of warehouse and ramp operations. CAL also implements improvements based on the feedback provided in the quarterly service quality survey for the ground service agency to ensure the quality of services.

② Professional Training

CAL organizes professional training courses, including dangerous goods regulations initial training / recurrent retraining, live animal and temperature-controlled cargo and pharma handling training, and load control training on a regular basis to improve service quality and ensure that goods are carefully managed and professionally handled throughout the transportation process. In 2025, cargo dangerous goods training courses achieved the transition from traditional printed materials to electronic courseware, achieving both improved learning efficiency and the goal of paperless operations. To transport special goods, CAL has

also trained professional handlers and formulated operational regulations to provide safe and professional transportation services. As border restrictions are relaxed, the Company will organize more in-person courses to provide training for employees and agents across the world and improve the quality of services.

③ Authorized Economic Operator (AEO)

Being an authorized economic operator (AEO) helps CAL stay competitive in expanding business in the international trade supply chain and to cooperate with trading partners. After obtaining AEO certification in 2012, CAL has conducted annual self-assessments based on security review items and verification standards, and has applied to Customs for on-site validation audits every three years. At the end of 2023, customs officers from Taipei Customs, Customs Administration, conducted the triennial on-site validation at the Company. In early January 2024, the Company was officially notified of having successfully passed the audit and the continuation of its AEO certification. In August 2025, the Cargo Services & Logistics Division convened the Management Committee—comprising representatives from the Cargo Services & Logistics Division, Corporate Safety Office, Human Resources Division, Information Management Division, Administration Division, Cargo Sales & Service, Taiwan, Engineering Division, and Service Quality Division—to execute the 2025 Corporate Self-Assessment. The findings were subsequently submitted to the Customs Administration for formal verification and audit.



A Ramp Supervisor Uses a PDA for Ramp Monitoring Operations



2025 AEO Management Review Meeting

Highly Efficient Transport Process

① Expanding sales channels through digital integration.

In 2025, CAL cargo completed the integration of its core system with internationally recognized sales platforms, including WebCargo and Cargo.one. This enables real-time integration of flight information, freight rates, and booking information, expands market reach, simplifies the customer reservations process, and improves employee work efficiency. We will further strengthen big data and dynamic fare analysis by integrating standardized data structures with cloud analytics capabilities. We will record customer habits to deliver personalized services, more accurately track market fare fluctuations, and reinforce revenue management and market penetration, while enhancing the warmth of the service experience.

② Ramp Mobility

Through wireless transmission, all cargo information and loading statuses are instantly transmitted to mobile devices for users to monitor cargo status after palletized from the warehouse and whole loading and unloading operations. It prevents errors and omissions in the loading of pallets and containers in aircraft. By using Personal Digital Assistant (PDA) as a channel of communication with GHAs, CAL has reduced the idle time of ramp supervisors and improved cargo agents' productivity.

③ Service quality is comprehensively enhanced through digitalization, transparency, and alignment with international standards.

To promote the digitization and transparency of CAL cargo operational processes and to achieve a low-carbon transition and sustainable operation, CAL not only continues to promote eAWB operations to reduce



paper documentation, but also enhances the accuracy and efficiency of customs clearance and electronic security screening through real-time connectivity. Beginning in 2026, we start planning to deploy IoT devices for container tracking to enhance the transparency of cargo transportation. Moreover, we actively participate in the Taoyuan Airport Information Integration Platform Project. In addition to supporting implementation of the IATA ONE Record standard, we further enhance supply chain information-sharing capabilities through international standardization, helping upstream and downstream customers reduce carbon emissions, demonstrating our shared responsibility for the green supply chain, and comprehensively upgrading service quality.

2.1.4 Customer Relations Management

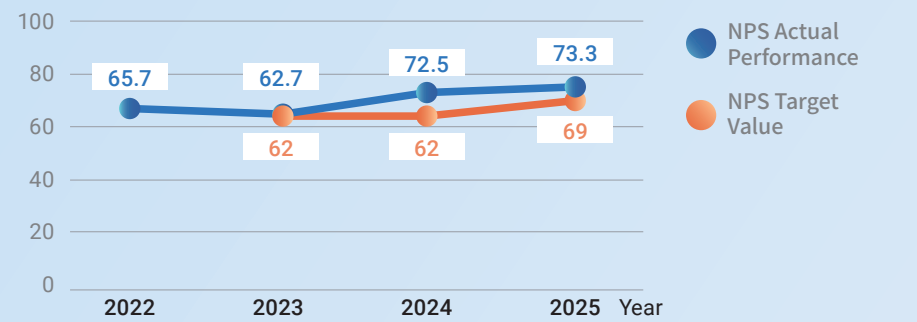
Passenger Service Customer Satisfaction

To continuously enhance passengers' overall travel experience, CAL conducted a passenger satisfaction survey and systematically collected passengers' satisfaction with service quality and their willingness to recommend, using the findings as an important basis for service improvement. By periodically analyzing survey results, we are able to identify passengers' key points of concern and continuously improve various service processes to enhance passenger satisfaction and brand loyalty.

We send monthly proactive invitations to participate in online surveys to members and to non-member passengers who have provided an email address. We also place a survey access point on the CAL website's homepage for all passengers to submit feedback, in order to comprehensively collect passengers' feedback on their perceptions of the Company's services. The total passenger volume in 2025 was 11,419,585, and calculated on the statistical principle basis, the estimated minimum required sample size is approximately 16,000 to 17,000. More than 400,000 valid questionnaires were collected, which is significantly higher than the sample size threshold, demonstrating that the sample is statistically representative and can effectively serve as a basis for enhancing the overall passenger service experience and satisfaction. Additionally, to ensure service quality, we periodically review the suitability of survey design and methodology and incorporate them into service improvement and management tracking mechanisms.

According to the passenger satisfaction survey results from January to December 2025, the Net Promoter Score (NPS) reached 73.3, exceeding the target of 69 and improving from 72.5 in 2024. This demonstrates passengers’ strong recognition of CAL’s overall service quality.

Looking ahead to 2026, CAL will continue to use the passenger satisfaction survey as an important management tool for service improvement, and has completed the optimization of the survey’s overall framework to more accurately collect passengers’ service experiences as a basis for strengthening subsequent service improvement. Additionally, the NPS target will be increased from 69 in 2025 to 70.5, as part of ongoing efforts to meet passenger expectations and to deliver a flight experience with greater competitiveness.



Freight Service Customer Satisfaction

The Cargo Sales, Marketing & Services Division distributes annual customer satisfaction surveys to cargo sales stations worldwide and actively encourages customers to provide feedback. In 2025, the customer satisfaction score reached 89.1. Due to the introduction of the new cargo system in the second half of 2024, some customers reported unfamiliarity with the new system interface, resulting in a slight decline in the satisfaction score from 89.8 compared to 2024. The Cargo Sales, Marketing & Services Division will continue to instruct all stations to enhance customer training and support to improve users' familiarity and experience with the new system.

Maintenance and Repairs Customer Satisfaction

The Maintenance Division distributes customer satisfaction surveys semi-annually to customers of airframe, engine, and component services, encouraging them to provide feedback on areas such as maintenance quality, maintenance time, parts and materials supply, service, and responsiveness. In 2025, a total of 20 surveys were collected over the course of the year, and the annual customer satisfaction score was 9.05.

Customer Satisfaction Category	2022	2023	2024	2025	2025 Objectives	2025 Attainment	2026 Target
Passenger Net Promoter Score (NPS)	65.7	62.7	72.5	73.3	69	100%	70.5
Freight Service Customer Satisfaction (points)	89.5	91.6	89.8	89.1	89	100%	89
Maintenance and Repairs Customer Satisfaction (points)	8.24	8.8	9.0	9.05	8.4	100%	8.4

Note 1: The maintenance and repairs customer satisfaction is calculated based on a ten-point system.

Ahead of other domestic airlines, CAL has set up a variety of communication platforms for different groups of customers, including Customer Service on Facebook and bulletin board on the Instagram and WeChat, to collect problems which passengers encounter during their journeys and provide the updated information. By responding to customers’ needs with empathy and sincerity, we endeavor to improve their travel experience. In terms of the operation and maintenance of the official accounts on social media, CAL uses suitable online language in line with contemporary issues to engage fans. We also held online activities with fans from time to time to expand CAL’s online sales channels. We support green energy initiatives for sustainability with the aim of taking real actions instead of adopting slogans to encourage other companies to fulfill their responsibilities for sustainable development.

Communication Channels

1. **AI Customer Service:** A generative AI-powered chatbot that supports multiple languages and provides intelligent responses to diverse and complex customer inquiries.

2. **Service Hotline**

3. **Regular Mail**

4. **Ticketing Offices:** Provide in-person assistance, allowing customers to obtain support and service directly from company representatives.

5. **Facebook Page:** CAL has created a fan page on Facebook to understand customers’ needs and problems instantly and improve service quality accordingly. It is expected to increase adhesion among members and fans and develop new customers.
6. **Customer Service E-mail:** Instead of calling, customers can simply send e-mails to change reservations or confirm their itineraries.

7. **Customer Feedback – Online Feedback System**

8. **Online Customer Satisfaction Survey**

CAL continues to implement improvements to website functionality from the passengers' perspective, including the integration of a one-stop itinerary management page, which aims to provide a smoother user experience. This is done while the website homepage features dynamic pricing display, enabling passengers to access real-time fare information at any time. In January 2026, the app underwent a complete redesign, and the members' area was further integrated to improve the convenience of querying mileage information and to create a more intuitive mobile operation flow. The proportion of ticketing through the CAL website steadily increased in 2025. The ratio of sales on the CAL website increased to 36.6% for the year, with a sales amount of USD 1,052 million, which accounted for 37.2%. [Refer to the appendix: Online Sales Channels and Sales Amount Table](#)

Customer Feedback

CAL is committed to establishing a comprehensive and diversified mechanism for communicating passenger opinions, providing multiple channels for feedback, including the Service Hotline, official website, customer service mailbox, and written correspondence, and accepting grievances and suggestions referred by external agencies, so as to ensure that passenger opinions were received in a timely manner, handled appropriately, and responded to.

With regard to the complaint handling mechanism, the Company follows the operating procedures of “case acceptance and filing, verification and analysis, response and handling, and continuous improvement.” The responsible units conduct cross-departmental verification and passenger opinion analysis, review the relevant operating procedures in light of each case,

and, depending on the nature of the case, provide necessary explanations, care, or service adjustment measures, so as to balance handling efficiency, a factual basis, and the protection of passenger equity. In addition, CAL also incorporates passenger feedback into the reference basis for service optimization and operational enhancement, and continue to conduct rolling reviews of related processes and systems in order to improve overall service quality.



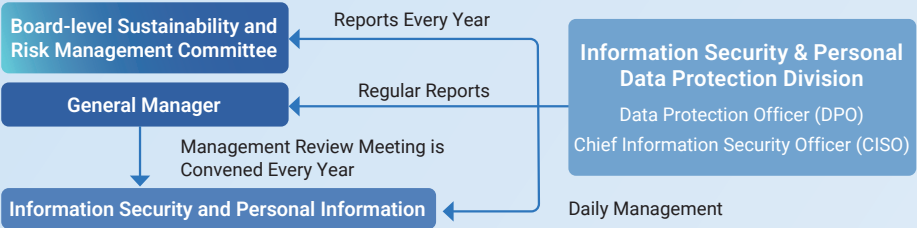
2.1.5 Information Security Management

CAL considers information security a core issue of corporate sustainable operation and operational resilience and has incorporated it into its overall risk management framework. Senior management regularly oversees the related strategy and execution results. The Company has established a comprehensive Information Security Policy and management regulations, clearly defined the authorities and responsibilities of each unit, and established a dedicated organization to coordinate information security governance, conduct inventories of information assets, and manage incident response operations, in order to ensure that the system operated effectively and was continually improved.

CAL has established the Information Security & Personal Data Protection Division as the dedicated management unit for information security and personal data protection. The Data Protection Officer and the Chief Information Security Officer coordinate the promotion of the Information Security Policy, cross-departmental coordination, and the implementation of related systems, and lead an information security professional team to establish management mechanisms in accordance with international standards. They continuously strengthen overall information protection capabilities to ensure operational stability and to protect stakeholder equity.



Information Security and artificial intelligence Policy



Information Security Governance

1. Information Security Management System

CAL’s “Information Security & Personal Data Protection Division” coordinates and plans the Company’s information security policies, regulatory compliance, and information security governance measures. Daily information security operations and maintenance and infrastructure protection are executed by the Information Management Division based on the division of responsibilities. The CISO’s duties are independent from the information management unit to ensure the objectivity and independence of information security management.

The Company has also established the Information Security & Personal Data Protection Division with the President serving as convener. At least one management review meeting is held every year to assess the adequacy and continued effective operation of information security and related management systems. The Data Protection Officer and the Chief Information Security Officer of the Information Security & Personal Data Protection Division present the implementation status annually to the Sustainability and Risk Management Committee of the Board of Directors to strengthen the oversight mechanism at the highest governance level.

Board member with information security background. Director. Wei, Chien-Hung previously served as a Member of the Financial Cybersecurity Laboratory at the FinTech Innovation and Entrepreneurship Research Center, National Cheng Kung University. He has a background in financial information security and, with experience in telecommunications management and smart transportation, possesses cross-disciplinary capabilities in information security management and digital risk governance.

2. Cyber Security Education and Training

In 2025, all employees completed one session of “Information Security and Personal Data Awareness Training,” representing a total of 0.5 training hours. Furthermore, to enhance the information security competencies of departmental liaisons, leverage their roles as “knowledge seeds,” and establish them as communication bridges for business operations, a specialized three-hour seminar was conducted. In addition, training on information security management guidelines was also provided to outstation supervisors. To strengthen colleagues’ information security awareness of phishing emails, a total of three email social engineering exercises were carried out this year, and retraining were provided to those who clicked on the links. Four information security and personal data promotion e-newsletters were also sent to communicate the Company’s requirements on information security and personal data protection to all colleagues. CAL constantly reiterates to colleagues the importance of information security and personal data protection. For violations of regulations of information security or personal data, the Company handles violations in accordance with reward and penalty regulations. If such violation incurs legal liabilities, employees shall be held accountable in accordance with related regulations.

Number of Trainees in Cyber Security Education and Training

The Company organized for information security and personal data awareness training all personnel in July 2025 to increase the information security awareness of all employees. A total of 10,260 attendances completed the training.

2023	34,104 attendances
2024	21,648 attendances
2025	10,260 attendances

Implementation of international information security standards and enhancement of institutional systems.

CAL continues to adhere to international information security management standards and has set a comprehensive governance system and technical protection framework. After establishing a dedicated information security unit in 2022, we have progressively implemented the ISO 27001 Information Security Management System (ISMS), and extended the scope of certification to include the core passenger transport information systems and the information and communications infrastructure environment. We also strengthen the execution of information security operations and improvement mechanisms across departments and conduct regular internal audit activities to ensure that the various control measures were continuously implemented.

In response to the International Organization for Standardization’s announcement of the ISO 27001:2022 revision, the Company completed comprehensive adjustments to its information security management system and strengthened its controls in 2025. Internal operating procedures and information security internal audit operations are also fully conducted in accordance with the ISO 27001:2022 standard. The external information security audit conducted in the same year was completed on site by a third-party certification body, which confirmed that the Company’s information security management system complied with the requirements of ISO 27001:2022. The Company obtained the updated compliance certificate in October 2025, laying a solid foundation for subsequent information security governance and legal compliance.

Furthermore, CAL complies with the Payment Card Industry Data Security Standard (PCI DSS) and undergoes biennial compliance audits conducted by an external Qualified Security Assessor (QSA). This ensures a secure transaction environment and safeguards passenger data privacy and interests. The latest PCI DSS compliance certification was successfully completed in November 2024.

Faced with the trend of increasingly complex information security threats, the Company’s cyber security operation and maintenance units continue to establish proactive monitoring and real-time protection mechanisms to strengthen information security defense and threat detection capabilities. For example, in 2025 the Company did not incur penalties from competent authorities as a result of information security incidents. Critical information systems remained in normal operation, indicating that the current protective measures contributed to maintaining operational stability.

Resilience of Information Security Protection

1. Regular Assessments and Drills

CAL conducts annual information system risk assessments to classify security requirements based on confidentiality, integrity, availability, and regulatory compliance. Furthermore, we establish business continuity plans for core information systems. In 2025, a Disaster Recovery (DR) and business restoration drill was conducted. This exercise focused on the critical infrastructure and applications essential for operations, ensuring technical proficiency in recovery procedures. These efforts aim to facilitate rapid service restoration and mitigate the impact of business interruptions.

To bolster overall information security defense, CAL conducted two information security inspections in October and December 2025. These inspections involved a comprehensive

review of network architecture design and network segmentation strategies, supplemented by expert analysis to provide actionable improvement recommendations and effectively mitigate risks. Furthermore, CAL commissions external third parties annually to perform penetration testing on public-facing information systems. Two rounds of testing were completed in October and December 2025. The scope included information reconnaissance and error handling assessments in accordance with the SANS Top 20 Critical Security Controls and the OWASP Top 10 web application security risks. Each engagement comprised both initial testing and retesting to ensure that all identified vulnerabilities were successfully remediated.

2. Responsible AI and Digital Governance

The Company has implemented a Responsible AI Program, integrating AI-related applications into its existing information security governance framework, internal policies, and information system development and maintenance procedures. In accordance with applicable governance, information security, and internal control requirements, the Company implements relevant technical controls, operational procedures, and supporting measures to ensure appropriate oversight, risk management, and the maintenance of auditable records for AI applications.

As part of the Responsible AI Program, the Company has established access control mechanisms for sensitive AI functionalities. High-sensitivity applications involving facial recognition and surveillance technologies are subject to rigorous evaluation and control in accordance with applicable regulations, information security requirements, and internal management standards. To enhance transparency and traceability, the Company continuously strengthens distinct labeling and explanation mechanisms for AI-generated content and AI-assisted decision outcomes, enabling users to clearly identify instances where content or recommendations are generated or supported by AI.

The Company provides multiple channels for feedback and complaints, including customer service hotlines, online customer feedback forms, and email communication channels. Relevant departments are responsible for responding to, tracking, and improving issues in accordance with established customer service procedures. If users have queries regarding content generated by the AI Customer Service, they may submit their inquiries through the [AI Customer Service platform](#). The system will guide users to existing customer service channels for further assistance, ensuring effective feedback handling, human intervention, and appropriate follow-up actions when necessary.

In addition, for deployed AI models and related applications, the Company has established model performance monitoring, anomaly detection, and periodic review mechanisms to identify and mitigate model drift or degradation that may occur over time. Fairness and bias assessments are also integrated throughout the entire AI application lifecycle. Through continuous evaluation of data, models, and application outcomes, the Company mitigates the risks of potential unfairness or bias, ensuring that AI technologies are developed and utilized in accordance with the principles of safety, transparency, fairness, and responsible AI governance.

3. Reporting Information Security Threats and Vulnerabilities

CAL's instant messaging system was used to send emails to all employees with reports on information security threats and vulnerabilities. A total of eleven reports were sent in 2025, continuously reminding all employees to stay alert to information security threats.

2023	8 reports
2024	4 reports
2025	11 reports

4. Information Security Incident Response and Reporting

CAL has established an information security incident response management procedure that is applicable to every employee. It clearly specifies the reporting process to be followed when an employee discovered an incident, a vulnerability, or suspicious activity, and stipulates that reporting is to be performed via the Company's internal instant messaging system. When an incident occurred, the established procedures are activated, damage is promptly controlled, and post-disaster recovery is rapidly initiated; if notification to the competent authorities is required by law, such notification is completed within the prescribed time limit. The Company conducts information security incident simulation exercises at least once a year to perform simulated responses based on different scenarios, enabling each unit to become more familiar with information security incident response management procedures and to effectively manage and respond to incidents when they occur.

2.1.6 Privacy Management

GRI 418-1

Personal Data and Privacy Protection

In order to create a trustworthy personal data protection and privacy environment, CAL fully complies with the Personal Data Protection Act of Taiwan, the Regulations Governing Personal Data File Security Maintenance Plan and Processing Method for the Civil Aviation Enterprise, the General Data Protection Regulation (GDPR) of the EU, and other applicable personal data privacy laws and regulations when collecting, processing or utilizing personal data. When consumers use products or services provided by CAL, the Company expressly inform consumers of protection measures for all personal data, privacy, and rights and interests, and will only collect and process personal data after obtaining consumers' consent. Related provisions are stated in CAL's official website's "Privacy Protection Policy and Statement." The aforementioned policy applies to all employees of the Company. CAL also requires outsourced suppliers and their personnel to comply with the policy when the Company has outsourcing requirements that involve the processing of personal data. In addition to including personal data protection clauses in outsourced contracts or signing personal data protection addendum, the Company has formulated management operation procedures for outsourced suppliers and performs evaluations and personal data audits on a regular basis or from time to time.



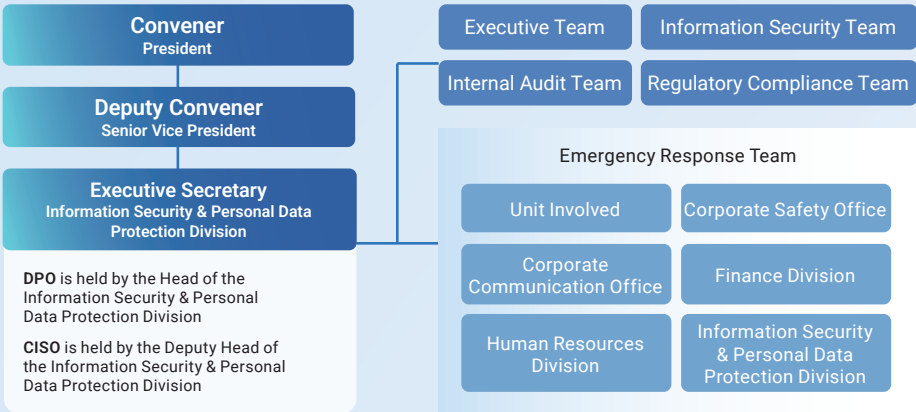
Privacy Protection Policy and Statement

Personal Data Management Framework

"Information Security & Personal Data Protection Division" is the Company's dedicated management unit for information security and personal data protection and management. The Data Protection Officer (DPO) and the Chief Information Security Officer (CISO) oversee the promotion of information security policies and resource scheduling, leading independent information security and personal data teams to adopt management measures in line with international standards to promote information security and personal data protection. The Company has established the Information Security and Personal Data Management Committee, with the President serving as the Convener, and the Information Security & Personal Data Protection Division serving as executive secretary. The Committee holds management review meeting at least once a year to ensure the continuous and effective implementation of the information security and personal data management system. It also submits reports to the

Board of Directors every year. The organization of the Information Security and Personal Data Management Committee is shown in the figure below. The responsibilities of the units are stipulated in the organizational procedure document.

Information Security and Personal Data Management Committee Organizational Chart



Inquiry Channels for Personal Data Rights

The "Privacy Protection Policy and Statement" on CAL's official website states that CAL will collect, process, or use personal data in a reasonably secure manner only within the specific purpose authorized by the data subject, and may not use such data in secondary use other than the purposes authorized by the data subject. If the data subject wish to exercise their rights to inquiries, corrections, deletions, restriction of processing, and withdrawal of consent in accordance with laws, the data subject may exercise their rights through the "Enquiry and Request for Personal Data" of the "privacy protection" link on the "Privacy Protection" page on CAL's official website or write to DPO@china-airlines.com. The Company will respond to the data subject within the statutory period. In 2025, the Company has not had any personal data or privacy cases in which the data subject made a complaint to the competent authorities resulting in punishment.

Personal Data Risk Assessment

To identify the related risks in processing of personal data, the Company has established standard operation procedures for the classification of personal data files and implements regular review as the basis for planning the risk management mechanisms. In the aforementioned personal data inventory, the members of the Information Security and Personal Data Management Committee execution team shall review the business procedures under their management. They shall conduct personal data inventories, impact evaluation, implement self-audit, and perform risk assessments each year. If the risk assessed is higher than the acceptable value, they shall propose risk improvement solutions and implement them thoroughly to ensure the effective implementation of the "Plan-Do-Check-Act (PDCA)" system. The Executive Secretary of the Information Security & Personal Data Protection Division presents, at the information security and personal data protection management review meeting, the implementation status

of the annual risk assessment and the proposed acceptable risk values for the next year, which is approved by the Convener, President.

Personal Data Breach Response Mechanisms

CAL has established the standard operation procedure "Personal Data Breach Response Management Procedure" to address breaches involving inappropriate access, disclosure, unauthorized use of personal data, or other damages that harm the data subject rights, and has prescribed a contingency plan. The Company organizes simulation exercises for personal data breaches each year to ensure the effectiveness of operating procedures and enables all personnel to be familiar with the contingency procedures. In addition, the timely breach notification of personal data breachers and evidence preservation are required in the contract signed with outsource suppliers.



Personal Data Accident
Contingency Flow

Personal Data Internal Audit and Training

To review the personal data management goals and comply with the requirements of privacy information management systems, CAL establishes internal audit standard operation procedures, plans the audit program for the next year in Q4 of each year, and conducts the personal data audits as scheduled. The annual audit results will be reviewed by the Convener, President, in the information security and personal data protection management review meeting to ensure the effectiveness of the personal data management system.

The Company organizes multiple training each year to promote the concept of personal data protection and codes of conduct to all employees. Specialized lectures are held from time to time for senior management, expatriates, and internal personnel responsible for personal data based on their roles. The Company issues quarterly E-newsletters, which publish recent personal data related cases, information on new regulations and key points of annual personal data management requirements to enhance the personal data protection awareness of all employees.

The results of personal data protection seminars and training programs in 2025 are shown in the table below:

Training Title	Frequency	Target	Number of people
Information Security and Personal Data Protection Training	23	New Employees	509
First Information Security and Personal Data Protection Awareness Training of 2025	1	All Staff	10,260
Information Security and Personal Data Protection Management Guidelines	12	All supervisors of Level 2 and below in the Company	87
Seminar on Information Security and Personal Data Protection Liaison Competencies	1	Personal data contact persons for each unit	75
Information Security and Personal Data E-newsletter	4	All Staff	All Staff

CAL Personal Data Protection Key Points in 2025

1. CAL has continuously maintained external certification to ISO 27701 Personal Information Management System (PIMS). The current certificate is valid from October 31, 2025, to October 31, 2028, and disclosed under CAL's corporate sustainability verification.
2. Completed personal data inventories, internal audit, and risk assessment across units in Taiwan and oversea branch offices.
3. Conducted awareness training and issued quarterly E-newsletters as personal data protection awareness promotion for all employees.
4. Organized annual simulation exercise on personal data breaches.
5. Held the annual information security and personal data management review meeting.

2.1.7 Development of AI Application Services

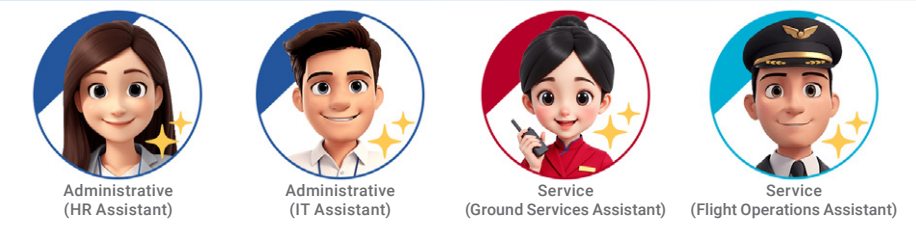
CAL began promoting an AI application development program in 2023, advancing through the 3E phases (Explore, Empower, Enrich). With "technological innovation" as its core pillar, the program systematically advances digitization, intelligentization, and cloudification, comprehensively enhancing operational efficiency and customer experience, and driving the company steadily toward digital transformation.

By 2025, AI-driven initiatives had encompassed multiple core application areas, including operations, administration, customer service, flight operations, and cargo. These initiatives have not only effectively improved overall operational efficiency but also continued to expand the depth and breadth of innovative applications, thereby laying a firmer foundation for subsequent intelligent transformation.

Internal operations: Optimized internal process efficiency and cultivated employees' AI literacy

1. Internal AI Assistants

The Company progressively launched several internal AI assistants in 2025, including the "AI HR Assistant," "AI IT Assistant," "AI Ground Services Assistant," and "AI Flight Operations Assistant." These tools empower employees to quickly retrieve the information and resources required for their operations, reducing the burden of repetitive administrative tasks. Consequently, this enables the workforce to focus more effectively on high-value activities and professional judgment-based missions.



2. Using generative AI to create CAL's virtual human persona

We used generative AI to render chibi-style virtual characters into realistic human avatars for internal corporate communication scenarios, and we further experimented with generative video-imaging technologies to produce interactive dialogues with virtual human avatars. We will continue developing the CI Family virtual-world storyline to enrich the Company's internal culture and communication experience.



3. Active promotion of M365 Copilot as an office collaboration tool in daily operations

We introduced Microsoft's new-generation AI assistant, Microsoft 365 Copilot, and, through systematic training, expert in-person lectures, short video tutorials, creative competitions, and a digital ambassador program, empowered employees' practical application capability for AI tools. By seamlessly integrating AI into employee-facing Office software used daily, individual productivity and the quality of team collaboration have been enhanced, and the foundational office environment for human-machine collaboration and intelligent operations has been progressively established.



Integrating Microsoft 365 Apps with Copilot

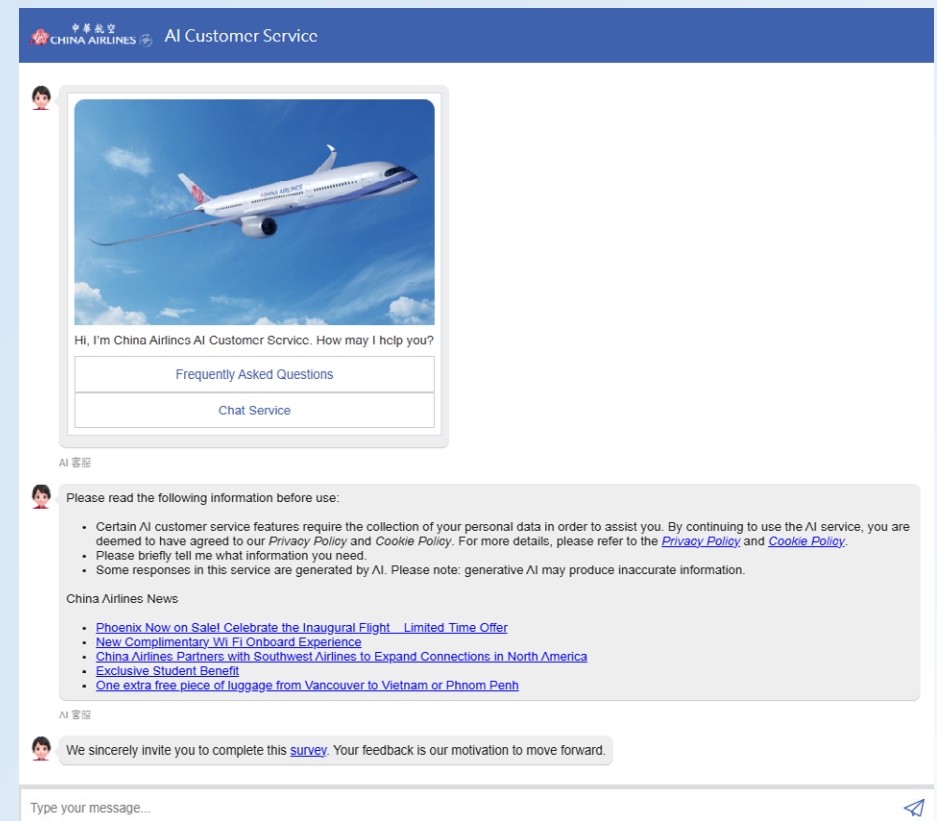
- Word : Use natural-language prompts to intelligently generate and refine content
- PPT : Rapidly create presentations based on existing documents
- Excel : Streamline data analysis and generate actionable insights
- Teams : Provide multilingual captions, recap meetings, and summarize key points
- Outlook : Draft emails and summarize email threads

Integrate AI across Microsoft 365 to enhance collaboration and productivity

External Services: Promoting innovative applications to optimize passengers' digital experience and service quality

1. All-new upgrade "AI Customer Service"

CAL became one of the global aviation industry's pioneers in adopting generative AI, and was also the first domestic carrier to fully optimize its online customer-service experience with generative AI as its core approach. The upgraded AI customer service features more advanced semantic understanding and dynamic query capabilities, supports dozens of languages, and integrated intelligent functions such as computational reasoning and itinerary recommendations. It is able to more deeply understand passengers' diverse and complex inquiry contexts and to provide timely responses and recommendations tailored to their needs. CAL also clearly indicates in the dialogue interface of its AI customer service that the response content is generated by generative AI, enabling passengers to immediately identify the nature of the information source when using the service, thereby safeguarding users' right to be informed and enhancing the transparency of AI applications.



2. "AI Bidirectional Translation" passenger Service

Deployment of an intelligent service system capable of real-time speech recognition and translation, enabling seamless and natural communication between service personnel and passengers from diverse linguistic backgrounds. CAL continues to advance its smart service upgrades. In October 2025, it officially introduced AI bidirectional translation interactive displays at the ticketing counters in Terminals 1 and 2 of Taoyuan International Airport. The displays feature high-transmittance interactive panels, provide a clear, real-time, and highly efficient cross-language communication experience, support real-time bidirectional translation for 32 languages, and significantly enhance the quality of service for international passengers.



3. CAL Brand Ambassadors

CAL launched a new AI virtual-human interactive panel that combines intelligent conversational capabilities with photo-taking functions to create an immersive virtual interaction experience. CAL expanded the foundation of its virtual human image and AI customer-service applications by introducing the AI virtual characters Aria and Miles as brand image ambassadors. They made their first appearance at the ITF Taipei International Travel Fair in November 2025, offering the public an immersive interactive experience and serving as an innovative exhibition service for major domestic travel fairs and new-route inaugurations. The initiative successfully demonstrates CAL's diverse applications in smart interaction, brand marketing, and experiential innovation.



Future Plans

Flight Safety

1. Renewing Flight Safety Certifications

After obtaining the IATA Operational Safety Audit (IOSA) certification in 2005, CAL has participated in reevaluation every two years in accordance with IATA regulations to ensure flight safety. In response to the latest international trends in flight safety management, IATA is implementing a more rigorous IOSA certification approach (Risk-based IOSA) to strengthen airlines' substantive implementation of flight safety management. In addition to having continuously monitored the latest international regulations and standards and incorporated them into daily operating procedures, CAL also actively participates in international seminar and training courses for new industry safety knowledge to enhance the organization's overall safety management capabilities. CAL upholds its unwavering commitment to safety with a steadfast and uncompromising attitude, continuously implements the highest international safety standards, endeavoring to bolster a culture of safety, providing passengers with high-quality and reliable services.

2. Regular Emergency Response Drills and Continuous Improvement of Procedures

Establishing a comprehensive emergency response mechanism is a critical component to ensuring business continuity. Therefore, China Airlines continually enhances the capabilities of its control personnel in handling aircraft and weather-related anomalies, while strengthening its monitoring and forecasting capabilities for extreme weather events arising from climate change. In 2025, the Company regularly conducts emergency response drills and reviews the response procedures to ensure that personnel can swiftly and accurately address unforeseen events in accordance with Standard Operating Procedures (SOP). Issues identified during the drills are analyzed and addressed to improve overall operational efficiency and response capabilities. Through continuous improvement, the organization maintains its competitive edge in a rapidly changing environment, ensuring operational stability and safety.

3. Digitalization of Flight Planning

China Airlines has implemented the digitization of cockpit flight documents to enhance the operational efficiency of flight crews during flight missions. By replacing paper-based documents with electronic versions, flight crews can access essential information such as flight documents, route weather, airport information, and flight notices in real-time via an iPad app, thereby strengthening flight safety. The establishment of a digital flight planning system also eliminates the need to print large volumes of paper-based flight plans for each flight and reduces the costs associated with ground handling agents delivering paper flight plans to the cockpit at various airports, aligning with environmental sustainability trends.

Passenger Service

1. Completely New Official Website and Mobile Service Experience

To continuously strengthen passengers' user experience on mobile devices and the official website, we will comprehensively implement an optimization plan for the official website and App. With regard to the website, we revised the user interface and simplified the information architecture. The homepage offers a "Dynamic Fares" feature that offers passengers with real-time

fares for selected routes; selecting an option will lead directly into the ticket-purchasing process. Furthermore, the Company will implement a more flexible promotional code framework, enabling passengers to utilize offers dynamically across various scenarios. Plans are also underway to roll out a more comprehensive one-stop itinerary management service, featuring a new 'Dynamic Trip Management Display' function. With respect to the mobile platform, the app will continue to be upgraded and optimized to ensure intuitive operation and a more user-friendly design, thereby delivering a consistent and comprehensive cross-platform digital service experience.

2. Unified Inflight Wi-Fi Experience Across the Fleet

Starting in August 2025, CAL will fully provide free Wi-Fi services to passengers on 777, A350, and A321 aircraft, including complimentary text messaging for all passengers on board. Premium cabin passengers and Elite members will also enjoy exclusive unlimited free internet access. To further optimize the passenger online experience, CAL continues to collaborate with international inflight connectivity (IFC) providers to enhance connection speeds and stability. By overcoming the technical limitations inherent in different aircraft systems, the Company has integrated a harmonized cross-fleet user experience. This initiative simplifies usage steps and strengthens interface usability with clear operating instructions, ensuring the delivery of a more intuitive, seamless, and high-quality inflight internet service.

Cargo Service

1. Responsive Evaluation and Optimization of the Flight Network to Market Demand Changes

In addition to handling import and export cargo within Taiwan, the Company has also developed a long-term focus on transshipment cargo via Taiwan, fully leveraging the geographic advantage of the region. Through the development of an extensive air cargo network and the flexible adjustment of flight schedules and network routes, the Company continues to strengthen its position as a key air cargo hub in Taiwan. It operates with a location-specific strategy for different market characteristics, as described below:

- To expand its market share in North America, the Company plans to convert its Toronto (YYZ) route into a scheduled commercial service and increase flight frequencies starting in March 2026.
- Primarily focus on the cargo sources of car materials from Japan, with the goal of maximizing fifth-freedom benefits and beyond-traffic revenue from Japan. Additionally, we continue to operate transpacific freighter services to Chicago (ORD) via intermediate stops in Osaka (KIX) and Nagoya (NGO), while leveraging the Los Angeles (LAX)-Tokyo (NRT) route to adjust the number of nonstop services from Japan and enhance capacity utilization.
- To expand our goods sourcing from Asia to Europe and enhance flight profitability, we continue to plan to incorporate Delhi (DEL), Mumbai (BOM) of India, and Dubai (DWC) of the Middle East as stopovers in our flights of European routes. By increasing transit stops for loading and unloading cargo while optimizing the composition of cargo sources, we create beyond-traffic revenue and ensure a stable operation in the Middle East and Indian markets.
- In line with the shift of the manufacturing supply chain from China to Southeast Asia, the Company connects Taiwan, Southeast Asia to North America and Europe through ongoing intensive passenger and cargo transport networks, strengthens cargo sources between Northeast Asia and Southeast Asia, and develops potential markets such as Oceania, the Middle East, and India. Most of the destinations in Asia are major supply stations, primarily utilizing

passenger bellyhold capacity, complemented by cargo aircraft deployments. The Company strengthens the space supply according to local market needs and revenue conditions. We also review market supply and demand changes and freight rates at each station on a rolling basis, and flexibly adjust capacity to improve load factors and overall profitability.

2. Fleet Renewal for Enhanced Fuel Efficiency

In 2025, the Company introduced one new 777F, bringing the 777F fleet to a total of 10 aircraft, while the 744F remains in operation with eight aircraft. The Company plans to take delivery of four additional 777F in 2027 while retiring four 744F aircraft. At that time, the CAL Cargo Aircraft fleet will operate with 14 777F aircraft and 4 744F aircraft, maintaining a total fleet size of 18.

The 777F offers a competitive cargo capacity and excellent fuel efficiency (saving 20-25% fuel compared to the 744F), with enhanced stability, which improves on-time performance, reduces fuel and maintenance costs. Moreover, its shared crew and engine system with the 777 passenger aircraft facilitates aircraft scheduling, engine management, and crew assignments. The 777F is primarily deployed on long-haul routes, the transpacific route to Los Angeles (LAX), San Francisco (SFO), and Seattle (SEA), and on longer flight-time route to New York (JFK), Atlanta (ATL), Miami (MIA), and Chicago (ORD), as well as the European route to Frankfurt (FRA) and Amsterdam (AMS), strengthening the cost-saving advantages and boosting air cargo revenue. In addition, China Airlines has purchased eight new 777-8F aircrafts, expected to be delivered starting in 2031. This new model is anticipated to further reduce fuel consumption and carbon emissions compared to the previous generation, contributing to more environmentally friendly operations.

3. Synergistic Multi-Dimensional Operational Strategy: Leveraging Passenger and Cargo Aircraft Capacity

China Airlines is currently the only airline in Taiwan with the advantage of operating two types of cargo aircraft. This allows the Company to deploy different aircraft types based on varying market demands and cargo types, ensuring flexibility in both aircraft scheduling and crew assignments to fully capitalize on operational advantages. With the continuous growth in demand for air cargo products such as semiconductor equipment, AI servers, engines, and machinery, the 744F offers a significant payload advantage and is especially suitable for effectively carrying specialized cargo, such as oversized aircraft parts and high-value engines, due to its unique upper deck loading design. It is primarily deployed on regional routes to Japan and Southeast Asia, enhancing cargo consolidation and transshipment efficiency, while seizing multiple business opportunities.

In addition, by leveraging the extensive network of passenger flights, the Company maximizes synergy by utilizing both passenger bellyhold capacity and cargo aircraft capacity. This ensures that the overall fleet operations align with market trends and cargo business demands. Apart from scheduled flights, the Company also caters to specific customer needs by expanding charter services, block space services, and extra flights services. This further strengthens partnerships with integrators and interline partners, capturing opportunities for cargo growth. China Airlines has gained strong trust from customers due to its expertise in air cargo, particularly in transporting high-value or delicate items. This includes semiconductor wafers and equipment, pharmaceutical and biotech cold-chain products, as well as aviation parts. With rich and skilled operational experience in handling such cargo, the cargo team works diligently at every stage to ensure the quality of shipments, providing a strong foundation for securing cargo sources.

Customer Relations Management

Passenger Service Customer Satisfaction

In 2025, the Net Promoter Score (NPS) for passengers reached 73.3, exceeding the target of 69 and showing an improvement from the 72.5 performance in 2024. Looking ahead to 2026, the NPS target will be increased from 69 in 2025 to 70.5, as part of ongoing efforts to continuously improve the passenger service experience, meet passenger expectations, and enhance overall competitiveness.

Information Security

① Information Security Management Certification

The Company's passenger reservations, ticketing and marketing service business processes have been officially issued with the ISO27701:2019 Privacy Information Management System (PIMS) certificate in 2023, with all personal data protection regulations within the scope of verification complying with regulatory requirements and international standards. We will continue to maintain the validity of the certificate in the future, and expand the scope of verification year by year.

② PCI DSS Compliance

The Company obtained the PCI DSS compliance certification in November 2024, which ensures the effectiveness of the Company's credit card transactions security and safeguards the rights and interests of passengers. This certification is conducted every two years, with the next certification scheduled for the end of 2026.

Privacy Information Management

① Personal Data Management System

The Company's core information systems and data networks associated with passenger airline reservations, ticketing and marketing operations have been officially audited and obtained the ISO27701:2019 Privacy Information Management System (PIMS) certificate since 2023, with all personal data protection regulations within the scope of verification complying with regulatory requirements and international standards. We will continue to maintain the validity of the certificate in the future, and expand the scope of verification year by year.

② Personal Data Protection Audit

The Company will continue to execute the personal data audit plan for overseas branch offices in 2025. By implementing onsite audits, we confirm that the personal data protection operations of overseas branch offices meet requirements in the Company's management system and local laws.

Planning for AI Application Services

CAL continues to deploy innovative technologies in the field of systems development to reinforce its overall technological innovation capabilities and to effectively reduce operating costs. The Company also leverages data analytics to extract key insights, driving precision decision-making and optimal resource allocation. This further deepens the implementation of corporate innovative thinking, establishing it as the core driver of the Company's long-term competitive advantage and sustainable development.

Three major directions of the AI strategy formulated in the second half of 2025:

- 1 Integrating into advanced industry ecosystems to connect with various sectors in the future.
- 2 Collaborating with leading institutions to form partnerships that accelerate AI business development.
- 3 Implementing a proprietary Large Language Model (LLM) to accumulate and train the model on the Company's operational knowledge across various departments.

In 2026, CAL's AI application services will be externally focused on cargo, passenger transport, and service-oriented agent-based AI applications. CAL actively advances local AI deployment and emphasizes the practical application of edge computing on mobile devices to enhance real-time responsiveness and operational agility. Internally, we will continue to expand virtual employee applications to help address staffing needs, while strengthening physical employees' digital capabilities and deepening the practical application of AI in internal and external process optimization, predictive decision support, and personalized service experiences.

Faced with the aviation industry's highly complex operating environment and globalization challenges, CAL will combine frontline units' business insights and proactive proposal capabilities with the information units' technical integration and translational strengths to establish a cross-departmental, cross-disciplinary collaborative innovation model. Together, they will drive the comprehensive realization of smart aviation and lead industry upgrading and service innovation.

