

Contents

Preface

1 Sustainability Management

2 Value Creation

2-1 Trust

2-2 Human Resources

2-3 Cooperation

2-4 Environment

2-5 Society

3 Corporate Governance

ESG Data and Appendix

## Task 3 — Building Capacity for Value Chain Environmental Management

In addition to strengthening its sustainable environmental management momentum, CAL also actively enhanced the sustainable value of the overall industrial value chain. CAL launched environmental management of the value chain in 2018, inviting the Group's partners to initiate the Eco Seed Development Plan, and using environmental / energy / carbon management workshops and environmental risk surveys to promote an understanding of the concepts and benefits that will accrue from environmental / energy / carbon management. In 2020, CAL started to ask interviewed value chain partners to organize quantified energy and resource information and records (tap water / wastewater and sewage / recycled water / waste / green procurement) and convene communication meetings each year. We invited contact persons from the value chain partners and their first-level supervisors to attend the meetings at which the results of risk survey and analysis were summarized and industry's excellent case studies were also shared to improve the environmental management quality of the supply chain, and implement the "lifecycle concept" management in the ISO 14001:2015 Environmental Management System. Starting from 2021, CAL also requested value chain partners to set up the Company's environmental policy and energy management targets, and continue to intensify environmental management and internal and external communication. CAL also encouraged them to set up environmental sustainability pages to disclose their environmental policies, annual operational targets, and performance.



### Key Achievement

#### Leading Partners in the Value Chain to Continue to Improve Environmental and Energy Management Performance

- **Object:** 11 key value chain companies
- **Operational Highlights:** By surveying
  1. Assessment of the Group's operational and environmental risks
  2. Help partners of the Group manage key environmental opportunities / risks
  3. Continue to increase the environmental and energy management performance of partners of the Group
  4. Conduct communication meetings to consolidate the awareness of energy conservation and environmental protection in the value chain
- **Implementation Results:**

All 11 value chain companies have used employee email, intranet, and bulletin boards to increase employees' awareness of the "Environment and Energy Policy". Certain partners have also used meetings with contractors, suppliers, and third-party service providers to communicate the "Environment and Energy Policy" or set up environmental sustainability webpages on their official websites and disclosed their environmental, energy, and resource management targets and performance. They considered environmental protection and energy conservation for new investment or equipment procurement. They assigned dedicated units to take charge of evaluating compliance obligations for the key environmental issues with direct impact on the company. The total Category 1 and Category 2 emissions of the 11 companies totaled 106,362 tons CO<sub>2</sub>e.
- **Follow-ups:**

We shall continue to expand CAL's environment and energy management experience and formulate and promote environment and energy management mechanisms that meet requirements for the Group's operation resources and sustainability targets while ensuring cost-effectiveness. We shall also strengthen environment and energy information disclosures of each company.

## Task 4 — Strengthening Awareness and Brand Image of Corporate Environmental Protection

CAL organizes the environmental training campaign every year to develop employees' awareness of environmental protection. Training programs are organized online or offline to cultivate the attitude and actions of protecting the planet. To implement external communication, CAL communicates the corporate concept and performance of environmental protection with stakeholders through the official website, social media, and in-flight magazines in hopes of creating and spreading the awareness of green consumption.