

Contents

Preface

1 Sustainability Management

2 Value Creation

2-1 Trust

2-2 Cooperation

2-3 Environment

2-4 Human Resources

2-5 Society

3 Corporate Governance

ESG Data and Appendix

communication and interaction between supervisors and employees, interviews are also included in the performance evaluation.

For flight attendants, besides the evaluations mentioned above, two-way performance feedback has been also adopted. Flight attendants who have worked for more than one year are evaluated and assigned ratings based on their attendance, reward / disciplinary actions, and performance within a reasonable range and based on employee classification to avoid subjective impressions which could detract from the impartiality of the performance evaluation.

Sound Remuneration System

Every year, CAL offers employees reasonable remuneration packages, related benefits, and insurance coverage based on CAL's overall salary policy and earnings. Performance-based salary adjustments and promotions are also possible for employees with outstanding performance, ensuring that the promotion process is conducted in accordance with the principles of transparency and fairness. In addition, we provide various types of allowances and benefits (such as dividends, education and training, employee stock options, concessional airfares, and work allowances) and flexible benefit programs (such as retirement packages) to meet employees' various needs. Apart from enhancing the bond between employees and the management, this arrangement can also raise employee satisfaction and retention rates.



2-4-3 Employee Development (GRI 404-1)

Sound Training System and Framework Training Framework

CAL has established a sound training system and framework to train aviation professionals. We adopt diversified training methods, including on-site and online training courses, invest in training hardware and software. CAL values the functional development of employees and integrates fundamental aviation training with hands-on practice. In addition, CAL organizes management training and general aviation training in line with the Company's development strategy for all managerial levels and employees with potential on a regular basis to improve their horizons and expertise, enhance their knowledge and skills, help employees with different expertise understand each other, and foster cooperation between units.

The Training Advisory Committee has been established to plan annual education and training activities for all employees based on training requirements in the CAL training framework. The primary strategic goal of CAL's training and development program is to enhance employees' job skills. We use the existing training framework to ensure that all employees are equipped with skills to perform their duties and job functions.

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

In 2022, CAL invested about TWD 230 million in employee training and development (the average amount was approximately TWD 21,200). The total number of training