

## Contents

### Preface

## 1 Sustainability Management

1-1 Sustainability Vision and Strategies

1-2 Sustainability Management Structure

1-3 CAL's Sustainability Value

1-4 Stakeholder Communication and Materiality Analysis

1-5 Achieving Sustainable Development Goals

## 2 Value Creation

## 3 Corporate Governance

## ESG Data and Appendix

### 1-4-2 Initiatives and Organizations (GRI 2-26, 2-28)

CAL maintains political neutrality and has never provided lobbying fees or political donations to prevent lobbying expenditures or donations to other tax-exempt organizations that may damage the Company's reputation and incur corruption risks. CAL's policies for participation in initiatives and organizations and investment of resources and membership fees are mainly focused on international environmental protection initiatives and organizations as well as NPOs such as trade associations with the power to influence public policies in the international aviation industry. We aim to leverage our participation in initiatives and organizations to facilitate the exchange of ideas in the industry and create contributions and benefits. CAL therefore actively participates in business development, corporate sustainability, environmental and other specialized initiatives and organizations in the airline industry. As the COVID-19 pandemic slows down, CAL invested TWD 36.94 million to participate in initiatives (96.12% or TWD 35.51 million in business development for the airline industry and the other 3.88% or TWD 1.43 million in corporate sustainability, and environmental and other specialized initiatives) in 2022. Refer to [the ESG Data and Appendix - Organizations, Initiatives, Policies, Contributions and Other Expenses](#) for the actual expenses.

#### External Initiatives

2017-2022

##### Buckingham Palace Declaration

At the 73<sup>rd</sup> IATA Annual General Meeting in June 2017, CAL signed the Buckingham Palace Declaration against illegal wildlife trafficking. CAL has worked with 60 other airlines to stamp out the transport of illegal wildlife in conformity with the UN's SDGs.

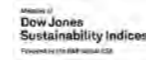
[Signing of the Buckingham Palace Declaration](#)



2016-2022

##### Dow Jones Sustainability Indices (DJSI)

Since 2015, CAL has taken the initiative to respond to the Dow Jones Sustainability Indices (DJSI) questionnaire, disclosing our management objectives, strategies and practices in terms of the environment, society, and economy/governance. In 2022, CAL was selected for the DJSI Emerging Markets for the seventh consecutive year. CAL ranked first in the global aviation industry and was only airline company in Taiwan to be selected. CAL was also ranked among the top 1% of the aviation industry in the 2023 Sustainability Yearbook.



2012-2022

##### Pacific Greenhouse Gases Measurement (PGGM)

Since 2012, the Company has participated in the PGGM by installing the In-service Aircraft for a Global Observing System (IAGOS) Package-1 in its aircraft cabins to collect trans-Pacific high-altitude gas data for global warming and climate studies conducted by science agencies around the world. As of December 31, 2022, CAL has collected high-altitude gas data from 16,456 flights. To strengthen greenhouse gas monitoring operations and collect more data on the types of high-altitude air and changes for global atmospheric and greenhouse gas research, CAL commenced collaboration with National Central University, In-service Aircraft for a Global Observing System (IAGOS) of the EU, and Japan Aerospace Exploration Agency (JAXA) to install Package-2, the add-on components for Package-1 in 2023. It will monitor changes in the concentration of NO<sub>x</sub>, CO<sub>2</sub>, and CH<sub>4</sub>. CAL became the second airline company in the world and the first airline company in Asia to be fitted with laser sensors for precision detection of CO<sub>2</sub> and CH<sub>4</sub>. The project also promoted collaboration in scientific research between Taiwan, Japan, and the EU.



2012-2022

##### Carbon Disclosure Project (CDP)

CAL is Taiwan's first service provider to independently review greenhouse gas emissions generated from its operations and respond to the CDP questionnaire. Since 2012, CAL has conducted greenhouse gas inventory training and surveys of greenhouse gas emissions for its affiliates on a regular basis and disclosed its climate governance, strategies, management of risks and opportunities, indicators and targets, greenhouse gas emissions, and reduction management and performance. CAL has been recognized as a benchmark enterprise. In the future, CAL will continue to review and improve carbon management strategies through participation in the CDP. Ranked Leadership in CDP Supplier Engagement Rating (SER) for the fourth consecutive year.



2008-2022

##### Earth Hour

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



2018-2022

##### TCFD Climate-Related Financial Disclosures

CAL became Taiwan's first airline to publicly sign and adopt the Task Force on Climate-Related Financial Disclosures (TCFD) in 2018. CAL works actively to make TCFD part of the company's management system. In 2019, CAL assisted in completing the translation of TCFD to Traditional Chinese, and participated in several industry / government / academic campaigns to promote it. In January 2021, 2022 and 2023, CAL went on to publish annual independent TCFD reports. Results of management internalization are presented through press releases and social media.



TCFD Report