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STOCK CODE

# ANNUAL 2024 REPORT

STARLUX Airlines Co., Ltd.  
Printed on April 15, 2025

Company Website  
[www.starlux-airlines.com](http://www.starlux-airlines.com)

Market Observation Post System  
[mops.twse.com.tw](http://mops.twse.com.tw)

## Notice to Readers

This English version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.



**Spokesman & Deputy Spokesman of the Company :**

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 Title: Vice President,  
 Corporate Communications Div.  
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**Address and telephone numbers of the Company's Headquarters, Subsidiary and Plant :**

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Maintenance Hangar	No. 8-6, Hangqin North Road, Dayuan District, Taoyuan City (Airport Restricted Area)	886-3-260-1877#5013
Equipment Maintenance Workshop	No. 28, Hangqin South Road, Dayuan District, Taoyuan City (Airport Restricted Area)	886-3-260-1866#2010
Macau Branch	Tower A, 10th Floor, Golden Dragon Centre, No. 105 Avenida Xian Xinghai, New Port, Macau	853-2881-8889
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Hong Kong Branch	Suite 801, One Citygate, 20 Tat Tung Road, Tung Chung, NT, Hong Kong	852- 36112371

**Name, Address, Website and Telephone Number of Stock Agent Institution :**

Name: Yuanta Securities Co., Ltd. (Registrar & Transfer  
 Agency Department)  
 Address: B1F, No. 67, Sec. 2, Dunhua S. Rd., Da'an  
 Dist., Taipei City, Taiwan (R.O.C.)

Website: <https://www.yuanta.com.tw>  
 Tel: 886-2-2586-5859

**Name, Address, Website and Telephone Number of CPAs in the Most Recent Year :**

Name: Yu, Chien-Ju & Fuh, Wen-Fun  
 Accounting firm: Ernst & Young Taiwan  
 Address: 9F, No. 333, Sec. 1, Keelung Road. Taipei City,  
 Taiwan (R.O.C.)

Website: [https://www.ey.com/zh\\_tw](https://www.ey.com/zh_tw)  
 Tel: 886-2-2757-8888

**Overseas Securities Exchange :** N/A

**Company Website :** <https://www.starlux-airlines.com>

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## I. Letter to Shareholders

2024 was a key milestone year for the growth of STARLUX Airlines (hereinafter referred to as the “Company”). Under the steady recovery of the global aviation market, the Company continues to expand the operational network, to increase the number of flights, and to expand the fleet size. During the year, four A350-900 and one A330-900neo aircraft were introduced to the fleet, and the total fleet size reached 26 aircraft. In addition, 11 new flight routes and 7 destinations have been newly launched and opened for service, such that the total number of flight routes is increased to 31 routes, and destinations cover 9 countries and 27 cities around the world. Annual passenger capacity has reached approximately 4.07 million passengers, and the cargo capacity has exceeded 55 thousand tons, such that the operating capacity and network coverage have been further increased to satisfy the long-term market demand and development. Through successful listing on the stock market, the Company has strengthened its financial structure, enhanced its brand influence and optimized its service to passengers. In addition, the Company continues to promote environmental sustainability and corporate responsibility. All of such efforts have led to a record high in terms of operating performance in 2024, establishing a solid foundation for the Company’s future growth.

In addition, the Company actively expands the flight transfer market. The Company’s self-managed VIP GALACTIC Lounge at Taoyuan Airport Terminal 2 has been officially opened for service in February of the same year, in order to provide a quality and comfortable recreational space and to further improve the overall service experience for passengers. In August, the third North America flight route, Seattle route, has been launched and opened for service to further strengthening the connection between Asia and America. In addition, the Company also cooperates with Alaska Airlines to operate joint flights, such that passengers can fly to eight major cities in North America conveniently, which also expands the Company’s network coverage and improves the market competitiveness of the Company. In addition, the Company is optimistic about the market potential in Central and Southern Taiwan, and has established the second operation base at Taichung Airport. In March, three flight routes of Taichung to Macau, to Da Nang and to Takamatsu were officially launched, in order to provide comfortable and convenient travel options for passengers in Central and Southern Taiwan.

In terms of sustainable development and digital transformation, the Company has obtained the “ISO 14064 Greenhouse Gas Inventory” and “AA1000 Sustainability Reporting Standards” in May 2024, and also received the certifications for the new version of “Information Security Management System ISO 27001” and “Private Information Management System ISO 27701”, demonstrating the Company’s fulfillment of corporate sustainability responsibility. In November, the Company has also been certified by the International Air Transportation Association (IATA) as a member of the Certified Energy-Related Air Transport (CEIV) and has become the first company in Taiwan to receive such certification, which strengthens the Company’s competitive advantage in the cargo transportation market. In addition, the Company continues to promote smart services, actively plan and establish smart customer service systems and cloud customer service calls, in order to provide timely and efficient services to passengers.

Looking into the year of 2025, the global aviation market will continue to grow, and Taiwan’s transportation volume is expected to exceed the volume before the pandemic, and the cargo market outlook is also promising. The Company will continue to strengthen the operational network deployment, expand the fleet scale, accelerate the digitalization process and corporate sustainability development, in order to exceed the expectations of passengers, to provide innovative, advanced and highly efficient software and hardware equipment, and to provide exquisite flight service experience, thereby achieving greater value for passengers, employees and shareholders.

## **1. Operating Performance in 2024**

### **(1) Business Plan Implementation Outcome in 2024**

The operating revenue was NT\$35.55 billion, an increase of NT\$13.07 billion from 2023 and an annual growth of 58.2%.

#### **A. Operating revenue from passenger transportation**

The operating revenue from passenger transportation was NT\$30.73 billion, accounting for 86.4% of the total operating revenue, with an increase of 55.6% from 2023. Benefiting from the continuous increasing demand for global passenger transportation, the number of passengers increased by 53.9% compared to 2023.

#### **B. Revenue from cargo transportation**

The operating revenue from cargo transportation was NT\$3.15 billion, accounting for 8.9% of the total operating revenue, with an increase of 97.7% from 2023. This was mainly due to the introduction of 5 wide-body aircraft with increased belly-hold capacity in 2024.

#### **C. Other operating revenues**

Other operating revenue was NT\$1.67 billion, accounting for 4.7% of total operating revenue, an increase of 47.4% from 2023.

#### **D. Aircraft fleet scale**

According to the Company's fleet plan, one A330-900neo aircraft and four A350-900 widebody passenger aircraft were introduced in 2024. As of the end of 2024, the Company has a total of thirteen A321neo narrowbody passenger aircraft, five A330-900neo widebody passenger aircraft and eight A350-900 widebody passenger aircraft.

### **(2) Budget Implementation Status**

The budgeted operating revenue for 2024 was NT\$36.81 billion, and the actual operating revenue was NT\$35.55 billion, with an achievement rate of 96.6%. The budgeted net profit after tax was NT\$744.65 million, and the actual net profit after tax was NT\$1.32 billion.

### **(3) Financial Revenue/Expenditure and Profitability Analysis**

#### **A. Financial revenue and expenditure:**

The operating revenue in 2024 was NT\$35.55 billion, with an increase of 58.2% from 2023. The operating expenditure amounted to NT\$33.18 billion, an increase of 50.9% from 2023.

#### **B. Profitability:**

- Return on assets: 2.13%
- Return on equity: 6.48%
- After-tax profit margin: 3.73%
- Earnings per share: NT\$0.53

### **(4) Research and Development Status**

A. The Company continues to strengthen cooperation with companies in our and other industries in order to expand the Company's reputation and service range, thereby increasing flight sales and seat utilization and at the same time, improving business efficiency. Furthermore, the Company has also started the joint flight membership cooperation project. The existing members of COSMILE members of STARLUX or members of Mileage Plan of Alaska Airlines can accumulate their mileages from both airlines. In addition, the members of Alaska Airlines may use the mileages to redeem the Company's award tickets. In the future, members of STARLUX will also be able to redeem their mileages for award tickets of Alaska Airlines, such that members from both airlines can enjoy benefits mutually.

- B. The Company has optimized its website and APP to enhance the experience of passengers;
  - a. Opening the sale of joint flights, in order to provide flexible and diverse travel options.
  - b. Providing a secure ticket purchase environment, implementing 3D verification completely, in order to ensure transaction security.
  - c. Upgrading journey management function, and the journey management function is available for use when passenger journey includes at least one flight of STARLUX, in order to allow passengers to enjoy the seamless digital service.
- C. The Company has introduced a new generation of Origin and Destination (OnD) Revenue Management System, in order to optimize the control and sales of flight tickets, and to increase revenue.
- D. Upgrading the cargo transportation service website to version 2.0 with optimized user interface, in order to allow users to browse and inquire information intuitively, and providing several new enhanced functions to meet the diverse needs of the cargo transportation service industry.
- E. Introducing the pre-boarding reminder service for passengers, including early selection of seats, early selection of in-flight meals, pre-order of extra luggage, and pre-order of tax-free products, passenger check-in reminder, boarding gate change reminder, and allowing passengers to receive relevant information through email, mobile phone text messages, and app push functions.
- F. With the constant innovation of modern AI technology, smart customer service functions supported by AI have been introduced to provide customers with faster and more satisfying services. In addition, the Company has established and integrated the new distribution capability (NDC) function in the passenger transportation booking system in accordance with the NDC standards promoted by the International Air Transportation Association (IATA). Through such innovative connection technology, data transmission efficiency between the airline companies and distribution business operators can be improved, and diverse products and additional services can also be provided to passengers for selection timely.

## 2. Summary of the 2025 Business Plan and Future Development Strategies

### (1) Business Strategy

- A. Deepen the deployment of network and improve market competitiveness
 

Continue to optimize the network layout, stably increase the passenger capacity and number of flights of the existing routes, and plan to open new destinations in North America and Asia, in order to improve the operational efficiency of the aircraft fleet and also stabilize and increase the operating revenue. With the delivery of new aircraft, the Company will further improve the operational capacity of the region and long-term flights, to provide passengers with more convenient flight options.
- B. Increase the involvement in the North America transfer market and expand the advantage of transshipment.
 

Starting in March this year, the Seattle route has been increased to one flight per day, so as to further improve the convenience of transfer from North America to Asia. Meanwhile, the Company will open the new route to Ontario, the U.S.A., in June, i.e. the fourth destination in North America, in order to provide passengers in Southern California with more options. In the future, the Company will continue to evaluate any new destinations in North America to enhance the passengers' transfer experience.
- C. Strengthen the cooperation with the peers in the aviation industry to expand the coverage of the network.
 

In 2024, the Company worked with Alaska Airlines for the first time to engage in codeshare flights. Therefore, COSMILE members can earn miles on all codeshare flights and thereby improve the passenger experience and members' benefits. The Company will continue to explore opportunities for cooperation and proactively sign passenger/cargo interline/codeshare agreements to enhance the network and to offer more convenient and diversified options to passengers.

## **(2) Operational Planning and Development**

### **A. Fleet planning**

The Company has introduced two new A350-900 aircraft in March and April this year. It is expected that two A330-900neo and one A350-1000 wide-body aircraft will be delivered by the end of this year. By then, the Company's fleet will grow to thirty-one aircraft, including thirteen A321neo, seven A330-900neo, ten A350-900 and one A350-1000 aircraft. Further, the Company is optimistic about the future development of the international cargo transportation market. It executed five A350F freighters carrier options in January this year and formally signed a contract with Airbus SE and Rolls-Royce to expand its cargo aircraft fleet size to ten A350F freighters, which are expected to be delivered successively as of 2028. The Company is also the first airline in Taiwan to introduce the A350F. With the expansion of the fleet and destinations, the Company's future passenger and cargo route networks will be denser.

### **B. Route network planning**

As of the end of April 2025, the Company had a total of 32 scheduled routes, including 26 departing from Taoyuan and 6 departing from Taichung. This year, the Company will continue to cultivate the markets in northern and central Taiwan. So far, the Company has already launched new routes, including Taipei to Kobe and Taichung to Kobe. The Company continues its plans to add new destinations in Asia and North America to provide passengers with more diverse options.

### **C. Planned development of intelligent customer services and establishment of a global customer service center**

To enhance service coverage and improve the passenger experience, the Company is continuously advancing smart services by actively developing an intelligent customer service system and establishing a global customer service center. This initiative not only provides multiple customer service channels but also optimizes response efficiency, thereby improving service quality to meet the diverse needs of our passengers.

## **3. Corporate Sustainability**

The Company insists on its promise of sustainable governance, and proactively responds to FSC's policies under the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" and "Corporate Governance 3.0 - Sustainable Development Roadmap." The first version of the 2023 Sustainable Development Report was published in 2024, and the "Corporate Sustainability Committee" was established in November 2024 to regularly supervise and review the sustainability strategy and implementation results, and strengthen the governance depth of sustainable development. This action aims to continue the sustainable development roadmap of the "Sustainability Steering Committee" to demonstrate the Company's determination to promote sustainable governance.

In order to ensure that the sustainable development direction meets the expectations of stakeholders, the Company has identified seven material sustainability issues through a sound governance structure and comprehensive internal and external questionnaires, including the environmental focus on "energy and greenhouse gas management," social focus on "brand strategy and development," "customer satisfaction and innovative services" and "occupational safety and health," governance focus on "ethical management," "information security and personal data protection" and "flight safety." Based on the core issues, the Company has set complete short-, medium- and long-term sustainable performance goals, and is committed to environmental protection, social prosperity and corporate governance, to build a world-class aviation brand balancing sustainable development potential and innovative momentum concurrently, and set a culture model of sustainable operation for STARLUX Airlines.



#### **4. Impacts of External Competitive Environment, Regulatory environment and Overall Business Environment**

According to the International Air Transportation Association (IATA) forecast, the global aviation industry will continue to recover in 2025, and the financial performance in each region will grow compared to the previous year. The global passenger capacity is expected to reach 5.2 billion people, up 6.7% from the same period of the previous year. The total income of the global aviation industry will set a new record high, exceeding the level before the pandemic. Despite the optimistic prospect, the aviation industry is still facing many challenges, among other contributor, including the existing delay in the delivery of the aircraft supply chain, which restricts the expansion of the aviation network and the speed of introduction of aircraft fleet.

The IMF forecasts that global economic growth will be 3.3%, and it will grow steadily this year. Although the global inflation rate is expected to drop to 4.2% in 2025, significant uncertainties remain, including geopolitical risks and uncertainties from the new U.S. government policy. Despite the overall environmental risks, the Company will continue to monitor the impact posed by oil price fluctuations, economic environments, geopolitical and trade barriers, and formulate response strategies based on market dynamics. It will also flexibly adjust the business model to respond to various challenges and seize market opportunities.

Chairman: Chang, Kuo-Wei

April 15, 2025

## II. Company Profile

### 1. Information of Directors, General Manager, Executive Vice Presidents, Vice Presidents, and the heads of various Departments and Branches

#### (1) Directors

April 15, 2025; Unit: shares; %

Title	Nationality or place of registration	Name	Gender	Age	Date elected (assumed position)	Term of office	Date of first election and job assumption	Shareholding when elected		Number of shares currently held		Current shareholding of spouse and minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at the Company and other companies	Other managers, directors or supervisors with relationship of spouse or within second degree of kinship			Remarks
								Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares			Title	Name	Relationship	
Chairman	R.O.C. (Taiwan)	STARLUX Investments Limited	—	—	2022.08.29	3 years	2018.04.16	45.94	827,055,000	27.49	—	—	—	—	—	—	—	—	—	—	—
	R.O.C. (Taiwan)	Representative: Chang, Kuo-Wei	Male	51~60	2022.08.29	3 years	2018.04.16	—	—	—	1,654,110,000 (Note)	—	—	54.98 (Note)	—	Master of Economics, California State University, United States; Vice President of Evergreen Group; Chairman of EVA Airways Corp.; Chairman of UNI Airways Corp.; Director of Evergreen Aviation Technologies Corp.; Director of Kaohsiung Airport Catering Services Ltd.	Director: STARLUX Investments Limited and STARWAY Developing Investments Limited	Director	Yeh, Shu-Wen	Husband and wife	—
Director	R.O.C. (Taiwan)	STARLUX Investments Limited	—	—	2022.08.29	3 years	2018.04.16	45.94	827,055,000	27.49	—	—	—	—	—	—	—	—	—	—	—
	R.O.C. (Taiwan)	Representative: Chai, Chien-Hua	Male	51~60	2022.08.29	3 years	2018.04.16	0.00	81,907	0.00	—	—	—	—	—	Department of International Business, Chung Yuan Christian University; Vice President of Planning Office, EVA Airways Corp.; Director of Evergreen Aviation Technologies Corp.	CEO (General Manager) of the Company	—	—	—	—
Director	R.O.C. (Taiwan)	STARWAY Developing Investments Limited	—	—	2022.08.29	3 years	2018.04.16	45.88	827,055,000	27.49	—	—	—	—	—	—	—	—	—	—	—
	R.O.C. (Taiwan)	Representative: Yeh, Shu-Wen	Female	41~50	2022.08.29	3 years	2022.08.29	—	—	—	—	—	—	—	—	National Taipei University of Business; Cabin crew of EVA Airways Corp.; Cabin crew of UNI Airways Corp.; Financial of Evergreen Marine Corp.	—	Chairman	Chang, Kuo-Wei	Husband and wife	—

Remarks			
Other managers, directors or supervisors with relationship of spouse or within second degree of kinship	Relationship		
	Name		
	Title		
Current adjunct positions at the Company and other companies		-	Chairman: Neng Ding Investment Co., Ltd., Power Century Investment Company, Abico International Co. Ltd., Ability Venture Management Co., Ltd., Abico Capital Co., Ltd., Ability Investment Co., Ltd., Excelsior Capital Management Co., Ltd. Vice Chairman: Abico Avy Co. Ltd. Director: Chia Mei Investment Co., Ltd., Chia Wang Capital Co., Ltd., Avy Co., Ltd., Yichan Investment Co., Ltd., Seimoh Optical Co., Ltd., Jabon International Co., Ltd., Jasper Co., Ltd., Ekeken Precision Co., Ltd., Honlynn Co., Ltd., Abico Plus Entertainment Limited., I Production Film Co., Ltd., Speeding Rocket Co., Ltd., Ability Enterprise Co., Ltd., ABICO Asia Capital Corporation, IKKA HOLDINGS (CAYMAN) LIMITED, HIRASEIMITSU(THAILAND) CO.,LTD. Supervisor: Sky Century Corp., Ability Investment Co., Ltd. Independent Director: Sirtec International Co., Ltd.
Main experience (educational background)		-	LSI Master of Engineering Department, Waseda University Bachelor of Arts, University of Southern California Chairman of Ability Venture Management Co., Ltd. Director, G-Yen Hutong Co., Ltd. Director, ABICO (HK) International Co., Ltd.
Shareholding by nominee arrangement	Shareholding percentage	-	-
	Number of shares	-	-
Current shareholding of spouse and minor children	Shareholding percentage	-	-
	Number of shares	-	-
Number of shares currently held	Shareholding percentage	0.29	-
	Number of shares	8,654,227	-
Shareholding when elected	Shareholding percentage	0.52	-
	Number of shares	9,500,000	-
Date of first election and job assumption		2023.06.30	2023.06.30
Term of office		2.2 years	2.2 years
Date elected (assumed position)		2023.06.30	2023.06.30
Gender Age		-	Male 51-60
Name		ABICO AVY Co., Ltd.	Tong, Chun-Yi
Nationality or place of registration		R.O.C. (Taiwan)	R.O.C. (Taiwan)
Title			Director

Title	Nationality or place of registration	Name	Gender	Age	Date elected (assumed position)	Term of office	Date of first election and job assumption	Shareholding when elected		Number of shares currently held		Current shareholding of spouse and minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at the Company and other companies	Remarks		
								Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Number of shares	Shareholding percentage	
Public Welfare Independent Director	R.O.C. (Taiwan)	Tsai, Dwei	Male	71~80	2022.08.29	3 years	2021.09.24										Director of Da Ai Satellite Television Co., Ltd. Independent Director of Taiwan High Speed Rail Corporation			
Independent Director	R.O.C. (Taiwan)	Wang, Te-Ho	Male	71~80	2022.08.29	3 years	2022.08.29													
Independent Director	R.O.C. (Taiwan)	Huang, Chih-Chen	Male	51~60	2022.08.29	3 years	2022.08.29										President of Guang Yun CPAs Limited Chairman of Baishiye International Co., Ltd. Director: Jyh Eng Technology Co., Ltd., Auden Education Foundation, Independent Director: Auden Techno Corp., Ability Enterprise Co., Ltd., First Hi-tee Enterprise Co., Ltd.			

Note : Chang, Kuo-Wei holds 1,654,110,000 shares of the Company, shareholding percentage of 54.98%, through the STARLUX Investments Limited and STARWAY Developing Investments Limited.



## A. Major shareholders among institutional shareholders

April 15, 2025

Name of Institutional Shareholders	Major Shareholders of Institutional Shareholders (Top 10 in terms of shareholding ratio)	Percentage of shares held(%)
STARLUX Investments Limited	Chang, Kuo-Wei	59.474
	Chang, Sheng-Hung	20.263
	Chang, Sheng-Wei	20.263
STARWAY Developing Investments Limited	Chang, Kuo-Wei	50.96
	Chang, Sheng-Hung	24.52
	Chang, Sheng-Wei	24.52
ABICO AVY Co., Ltd.	Abico International Co., Ltd.	13.08
	Ability Enterprise Co., Ltd.	10.22
	Heng Neng Investment Co., Ltd.	4.67
	Taishiba International Co., Ltd.	1.00
	Chen, Sheng-Tzu	0.65
	AVY CO., LTD.	0.58
	Citigroup Managed DFA Emerging Markets Core Securities Investment Account	0.49
	Citibank Berkeley Capital SBL/PB Investment Account	0.48
	Chen, Yu-Chuan	0.39
	Yeh, Yung-Hsiung	0.38

## B. Major shareholders of the Company's major institutional shareholders

April 15, 2025

Name of Institutional Shareholders	Major Shareholders of Institutional Shareholders (Top 10 in terms of shareholding ratio)	Percentage of shares held(%)
Abico International Co., Ltd.	Chia-Mei Investment Co., Ltd.	100
Ability Enterprise Co., Ltd.	ABICO AVY Co., Ltd.	11.22
	PEGATRON CORPORATION	6.22
	Chia-Nine Investment Co., Ltd.	1.52
	Chase Custody Advanced Starlight Advanced Total International Stock Index	0.88
	Chia-Mei Investment Co., Ltd.	0.78
	Vanguard-managed Emerging Market Stock Index Fund Investment Account held in trust by JPMorgan Chase Bank N.A., Taipei Branch	0.77
	Viewquest Investment Co., Ltd.	0.73
	SinoPac Bank is entrusted to keep a trust account for restricted stock with voting rights and dividend distribution rights for employees of Canon Enterprise Co., Ltd. - 113 Issuance Regulations	0.63
	HSBC Manages Mitsubishi UFJ and Morgan Stanley Securities Trading Accounts	0.56
	HSBC Bank (Taiwan) Co., Ltd. is entrusted to manage Macquarie Bank Limited's investment account	0.54

### C. Disclosure of professional qualification of directors and independence of independent directors

April 15, 2025

<div>Criteria</div> <div>Name</div>	Professional qualification and experience (Note 1)	Independence status (Note 2)	Number of companies for adjunct independent directors of other public offering companies
<p>Chang, Kuo-Wei Director (Convener of the Corporate Sustainability Committee)</p>	<p>1. Professional qualification and experience: Equipped with more than five years of working experience in the civil aviation transportation industry. Vice President of Evergreen Group and Chairman of EVA Airways Corp. Chairman of UNI Airways Corp. Director of Evergreen Aviation Technologies Corp., Director of Kaohsiung Airport Catering Services Ltd., Pilot in Command of B777-300ER, Pilot in Command of A350.</p> <p>2. Not subject to any conditions defined in Article 30 of the Company Act.</p>	<p>Not applicable.</p>	<p>0</p>
<p>Chai, Chien-Hua Director (Member of the Corporate Sustainability Committee)</p>	<p>1. Professional qualification and experience: Equipped with more than five years of working experience in the civil aviation transportation industry. Previous positions of Vice President of Planning Department, Eva Airways Corporation, Director of Evergreen Aviation Technologies Corp.</p> <p>2. Not subject to any conditions defined in Article 30 of the Company Act.</p>	<p>Not applicable.</p>	<p>0</p>
<p>Yeh, Shu-Wen Director</p>	<p>1. Professional qualification and experience: Equipped with the working experience of more than five years in the area necessary for the business of the Company. Previous positions of Flight Attendant of EVA Airways Corporation, Flight Attendant of UNI Airways Corporation, Financial Staff of Evergreen Marine Corp. (Taiwan) Ltd.</p> <p>2. Not subject to any conditions defined in Article 30 of the Company Act.</p>	<p>Not applicable.</p>	<p>0</p>
<p>Tong, Chun-Yi Director</p>	<p>1. Professional qualification and experience: Equipped with the working experience of more than five years in the area necessary for the business of the Company. Chairman of Ability Venture Management Co., Ltd., Director of G-Yen Hutong Co., Ltd. Director, Director of ABICO(HK) International Co., Ltd.</p> <p>2. Not subject to any conditions defined in Article 30 of the Company Act.</p>	<p>Not applicable.</p>	<p>1</p>
<p>Tsai, Duei Public Welfare Independent Director (Convener of Remuneration Committee, Convener of Audit Committee, Member of Corporate Sustainability Committee)</p>	<p>1. Professional qualification and experience: Equipped with more than twelve years of professional qualification of instructors of relevant departments of public and private colleges and universities and working experience in the area necessary for the business of the Company, previously acted as Political Deputy Minister of Ministry of Transportation And Communications (MOTC), Administrative Deputy Minister of MOTC, Technical Superintendent of MOTC, Director General of Civil Aviation Administration (CAA) of MOTC, Deputy Director of Directorate General of Telecommunications of MOTC, Minister of MOTC.</p> <p>2. Not subject to any conditions defined in Article 30 of the Company Act.</p>	<p>Comply with the independence requirements specified in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”.</p>	<p>1</p>

<div>Criteria</div> <div>Name</div>	Professional qualification and experience (Note 1)	Independence status (Note 2)	Number of companies for adjunct independent directors of other public offering companies
Wang, Te-Ho Independent Director (Remuneration Committee Member, Audit Committee Member, Member of Corporate Sustainability Committee)	1. Professional qualification and experience: Equipped with more than five years of professional qualification of instructors of relevant departments of public and private colleges and universities and working experience in the area necessary for the business of the Company, previously acted as Supervisor of Taipei International Airport of CAA, MOTC, Supervisor of Taoyuan International Airport of CAA, MOTC, Deputy Director of CAA. 2. Not subject to any conditions defined in Article 30 of the Company Act.	Comply with the independence requirements specified in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”.	0
Huang, Chih-Chen Independent Director (Remuneration Committee Member, Audit Committee Member, Member of Corporate Sustainability Committee)	1. Professional qualification and experience: Equipped with more than five years of working experience of CPA and equipped with national examination qualification certificate, acted as President of Guang Yun CPAs Limited. 2. Not subject to any conditions defined in Article 30 of the Company Act.	Comply with the independence requirements specified in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”.	3

Note 1: Professional qualification and experience: It describes the professional qualification and experience of individual director and supervisor. For a director of the audit committee member and equipped with accounting or financial expertise, it is necessary to describe his/her accounting or financial background and working experience. In addition, explanation on whether there is any condition specified in Article 30 of the Company Act shall be provided.

Note 2: Independent directors complying with independence status, including but not limited to whether director of the company, his/her spouse, relative within second degree of kinship acts as director, supervisor or employee of the Company or its affiliates; number of company shares held and holding percentage of the director, spouse, relative within second degree of kinship (or under the name of others); whether he or she acts as director, supervisor or employee of company having special relationship with the Company (please refer to the provisions of Subparagraphs 5~8 of Paragraph 1 of Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies); remuneration amount collected for providing corporate commerce, legal, finance or accounting service to the Company or its affiliates in the most recent two years.

#### D. Diversity and Independence of Board of Directors

##### a. Diversity of Board of Directors

- The Company respects and promotes the director diversity policy, and to enhance the corporate governance and to promote the sound development of the board composition and structure, the Company is of the opinion that diversity policy is beneficial to the improvement of the overall performance of the Company. The selection of board members adopts the principle of right talent for the right position. In addition, appropriate diversity policy is established according to the operation, business model and development needs, including basic criteria and value, professional knowledge and skills, and knowledge, skills, and quality necessary for executing duties of directors.
- The Board of Directors of the Company consists of 7 directors, including 3 independent directors (ratio of 42.9%), 1 director with the identity of employee of the Company (ratio of 14.29%), and 1 female director (ratio of 14.29%), and all directors have the nationality of R.O.C. (Taiwan). The current proportion of women on the board is less than one-third, as director nominations and elections prioritize professional expertise, industry characteristics, and the overall operation and governance needs of the board. To strengthen gender diversity on the board, the Company will actively seek female talent from the industry with expertise in professional fields, financial management, and corporate governance. By leveraging

recommendations and internal development, we will establish a pool of high-level female management talent as a key source of candidates for future board elections, to align with corporate governance and sustainable development goals.

- To achieve the ideal goal of corporate governance, the entirety of the Board of Directors shall possess the following abilities according to Article 20 of the “Corporate Governance Best Practice Principles” and Article 3 of the “Procedures for the Election of Directors ” of the Company as described in the following:

<div><div></div><div>Diversity</div><div></div></div> <div>Name</div>	Basic Composition								Diversity Core Items					
	Nationality	Gender	Equipped with Employee Identity	Age				Seniority of Independent Director	Air Transportation	Finance and accounting	Government and regulation	Sustainable development	Business management	Knowledge of international markets
				41-50	51-60	61-70	71-80	3 terms or fewer						
Chang, Kuo-Wei	R.O.C. (Taiwan)	Male			✓				✓			✓	✓	✓
Chai, Chien-Hua	R.O.C. (Taiwan)	Male	✓		✓				✓			✓	✓	✓
Yeh, Shu-Wen	R.O.C. (Taiwan)	Female		✓					✓	✓		✓	✓	✓
Tong, Chun-Yi	R.O.C. (Taiwan)	Male			✓							✓	✓	✓
Tsai, Duei	R.O.C. (Taiwan)	Male					✓	✓	✓		✓	✓	✓	✓
Wang, Te-Ho	R.O.C. (Taiwan)	Male					✓	✓	✓		✓	✓	✓	✓
Huang, Chih-Chen	R.O.C. (Taiwan)	Male			✓			✓		✓		✓	✓	✓

#### b. Independence of Board of Directors

- At present, the Board of Directors have seven directors, including one independent director undertaking public welfare and two independent directors (independent directors accounted for 42.9%), 4 non-independent directors (57.1%), among which one director is equipped with the identity of employee/managerial officer (14.9%, not exceeding one-third of the total number of directors). To enhance the independence and operation performance of the Board of Directors, the Company has established the “Rules Governing the Scope of Powers of Independent Directors”, and independent directors perform duties according to these rules. In addition, during the term of office, no relationship capable damaging the interest of the Company or subject to loss of fair judgment was established with the management or related parties of the Company. All three independent directors are able to act independent and to supervise the operation of the Board of Directors effectively.
- All directors of the Company are not subject to any matters prescribed in Paragraph 2 to Paragraph 4 of Article 26-3 of the Securities and Exchange Act. Please refer to “C. Disclosure of professional qualification of directors and independence of independent directors” for details.



## (2) General Manager, Executive Vice Presidents, Vice Presidents, and the heads of various Departments and Branches

April 15, 2025 : Unit: shares

Title	Nationality	Name (Note1)	Gender	Date elected (assumed position) (Note 1)	Shareholding		Shareholding of spouse or minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at other companies	Managerial officers with relationship of spouse or within second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Chief Executive Officer (General Manager)	R.O.C. (Taiwan)	Chai, Chien- Hua	Male	2017.09.01	81,907	0.00	—	—	—	—	Bachelor's degree, Department of International Business, Chung Yuan Christian University Vice President of Planning Office, EVA Airways Corp. Vice President of Ever Fun Travel Services Corp.	None	None	None	None	—
Mainland China Chief Representative and Branch General Manager (Executive Vice President)	R.O.C. (Taiwan)	Cho, Po- Yue	Male	2024.03.11	396,804	0.01	—	—	—	—	EMBA in Tsinghua University (Beijing, China) Executive Director of HACTL Development Holdings Limited Chief Representative of Evergreen Group in China, Vice President of EVA Airways Corp. in Europe Branch	None	None	None	None	—
Chief Communications Officer (Executive Vice President)	R.O.C. (Taiwan)	Nieh, Kuo-Wei	Male	2017.09.01	503,055	0.02	—	—	—	—	Master's degree in College of Journalism and Communications, Shih Hsin University Chief Communications Officer, Evergreen Group, Spokesman, EVA Airways Corp.	None	None	None	None	—
General Counsel (Executive Vice President)	R.O.C. (Taiwan)	Huang, Pei-Pei	Female	2022.09.01	91,880	0.00	—	—	—	—	Master of International Law, American University Senior Attorney of Dentons Taiwan Judge and Chief Judge of Taiwan Taipei District Court	None	None	None	None	—
Chief Strategy Officer (Executive Vice President)	R.O.C. (Taiwan)	Liu, Yun-Fu	Male	2022.09.01	450,000	0.02	—	—	—	—	Bachelor's degree in Department of Business Administration, NCCU Regional Vice President, Expeditors International Deputy Manager Cargo Management Dept., EVA Airways Corp.	None	None	None	None	—
Chief Human Resources Officer (Executive Vice President)	R.O.C. (Taiwan)	Wu, Chun- Hung (Note2)	Male	2022.09.01	200,000	0.01	—	—	—	—	Bachelor's degree in Department of Business Administration, NCCU Vice President, Human Resources Div., EVA Airways Corp.	None	None	None	None	—

Title	Nationality	Name (Note 1)	Gender	Date elected (assumed position) (Note 1)	Shareholding		Shareholding of spouse or minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at other companies	Managerial officers with relationship of spouse or within second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Operations Control Center Executive Vice President	R.O.C. (Taiwan)	Tsai, Bor- Kuen	Male	2023.07.01	70,997	0.00	47,175	0.00	—	—	Bachelor's degree in Department of Electrical Engineering, Ming Chi University of Technology Vice President of Engineering & Maintenance Div. Deputy Vice President of Base Maintenance Div., Evergreen Aviation Technologies Corp.	None	None	None	None	—
Chief Financial Officer (Executive Vice President) (Financial Officer and Chief Corporate Governance Officer)	R.O.C. (Taiwan)	Chang, Chih-Lin	Female	2025.01.01	200,000	0.01	—	—	—	—	Bachelor's degree, Department of Financial Management, National Sun Yat-sen University Vice President of Finance Div. Director of Japan Branch, EVA Airways Corp. Director of Department of Finance, UNI Airways Corp.	UNI Airways Corp. Director	None	None	None	—
Chief Passenger Commercial Officer (Executive Vice President)	R.O.C. (Taiwan)	Liang, Wen- Long	Male	2023.01.01	166,949	0.01	—	—	—	—	Master's degree in Department of Transportation and Logistics Management, NYCU Vice President, Passenger Business Div., EVA Airways Corp.	None	None	None	None	—
Chief Cargo Commercial Officer (Executive Vice President)	R.O.C. (Taiwan)	Chiou, Yu-Yi	Male	2022.09.01	—	—	—	—	—	—	Bachelor's degree, in Department of Optoelectronic Physics, Chinese Culture University Vice President, Cargo Div., EVA Airways Corp.	None	None	None	None	—
Cabin Crew Div. Executive Vice President	R.O.C. (Taiwan)	Tung, Huei- Ling	Female	2023.07.01	317,475	0.01	—	—	—	—	Bachelor's degree in Department of Japanese Language and Culture, Soochow University Vice President of Cabin Crew Div., Director of Human Resource Div. EVA Airways Corp. Director of Cabin Crew Scheduling Dept. EVA Airways Corp.	None	None	None	None	—
Cabin Services Div. Executive Vice President	R.O.C. (Taiwan)	Chang, Lih-Lih	Female	2024.01.01	296,818	0.01	—	—	—	—	Bachelor's degree in Department of Statistics, Tamkang University Vice President of Cabin Services Div., Vice President of Airport Div. EVA Airways Corp., Vice President of Cabin Service Div. EVA Airways Corp.	None	None	None	None	—
Airport Operations Div. Executive Vice President	R.O.C. (Taiwan)	Lee, Ming- Chieh	Male	2025.01.01	20,000	0.00	—	—	—	—	Bachelor's degree in Department of Russian Language and Literature, Chinese Culture University Vice President of Airport Operations Div. Chief Director of France Branch, EVA Airways	None	None	None	None	—

Title	Nationality	Name (Note 1)	Gender	Date elected (assumed position) (Note 1)	Shareholding		Shareholding of spouse or minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at other companies	Managerial officers with relationship of spouse or within second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Ground Handling Div. Executive Vice President	R.O.C. (Taiwan)	Wang, Chih-Li	Male	2025.01.01	322,543	0.01	—	—	—	—	Bachelor's degree, College of Transportation and Tourism, Kainan University Vice President of Ground Handling Div., Director of Operation Coordination Dept., Evergreen Airline Services Corp.	None	None	None	None	—
Engineering & Maintenance Div. Executive Vice President	R.O.C. (Taiwan)	Lien, Chieh- Cheng	Male	2018.01.01	205,000	0.01	—	—	—	—	Bachelor's degree in Department of Aerospace Engineering, Tamkang University Deputy Vice President, Line Maintenance Div., Evergreen Aviation Technologies Corporation	None	None	None	None	—
Chief Information Officer (Executive Vice President)	R.O.C. (Taiwan)	Huang, Chi-Yao	Male	2023.07.01	503,017	0.02	—	—	—	—	Master's degree in Management Information Systems, Texas Lutheran University Vice President of Information Technology Div. Nike Taiwan Limited Senior TECH Manager	None	None	None	None	—
Secretary Vice President	R.O.C. (Taiwan)	Lin, Yu-Chen	Female	2023.01.01	435,774	0.01	148	0.00	—	—	Bachelor's degree in Foreign Languages and Literature, Tunghai University Director of Cabin Services Div. Director of Cabin Services Div., EVA Airways Corp. Secretary of Senior Executives, EVA Airways Corp	None	None	None	None	—
Corporate Communications Div. Vice President	R.O.C. (Taiwan)	Liu, Li-Wen	Female	2022.10.01	96,000	0.00	—	—	—	—	Master's degree in Department of Public Relations and Advertising, Shih Hsin University Director of Corporate Communications Div. Deputy Director, Public Relations Div., EVA Airways Corp. Deputy Director, Loyalty Marketing Dept., EVA Airways Corp.	None	None	None	None	—
Legal & Insurance Div. Vice President	R.O.C. (Taiwan)	Chuang, Chung- Ting	Female	2023.07.01	14,163	0.00	—	—	—	—	Master's degree in Laws, University of Warwick Director of Legal & Insurance Div., Chief Manager, Legal Affairs Office, Taiwan Mobile Co.	None	None	None	None	—
Chief Audit Officer (Vice President)	R.O.C. (Taiwan)	Chang, Li-Jen	Male	2021.01.04	214,798	0.01	—	—	—	—	Master's degree in Department of Accounting and Information Technology, National Chung Cheng University Director of Overseas Business Management Dept., USDA Supply Chain Management International Co., Ltd., Chief Auditor of T3EX Global Holdings Corp.	None	None	None	None	—
Corporate Planning Div Vice President	R.O.C. (Taiwan)	Hsu, Pei- Hsuan	Female	2022.09.01	58,000	0.00	—	—	—	—	Masters degree in International Business Administration, Northumbria University at Newcastle Director of Corporate Planning Div., Vice President of Planning Dept., Ever Fun Travel Services Corp.	None	None	None	None	—

Title	Nationality	Name (Note 1)	Gender	Date elected (assumed position) (Note 1)	Shareholding		Shareholding of spouse or minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at other companies	Managerial officers with relationship of spouse or within second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Corporate Planning Div. Vice President	R.O.C. (Taiwan)	Chan, Ming-Lu	Male	2024.05.01	70,000	0.00	—	—	—	—	EMBA of Royal Roads University Vice President of Food Safety Dept., Evergreen Sky Catering Corp.	None	None	None	None	—
Chief Procurement Officer (Vice President)	R.O.C. (Taiwan)	Huang, Chieh- Chih	Male	2018.05.02	226,266	0.01	—	—	—	—	EMBA, School of Management, National Central University Vice President of Corporate Planning Div., Deputy Vice President of Business Dept., Evergreen International Storage and Transport Corp. Deputy Vice President of Planning Office, EVA Airways Corp. Assistant Technical Specialist of Structure Team, Aero Industry Development Center.	None	None	None	None	—
Procurement Div. Vice President	R.O.C. (Taiwan)	Chou, Hsien- Lun	Male	2020.01.01	20,000	0.00	—	—	—	—	Bachelor's degree in System and Naval Mechatronic Engineering Department, National Cheng Kung University Director of Procurement Div., Director of Corporate Planning Div., EVA Airways Corp.	None	None	None	None	—
Human Resources Div. Vice President	R.O.C. (Taiwan)	Yen, Chih- Fan	Male	2022.09.01	374,084	0.01	—	—	—	—	Bachelor's degree in College of Law, National Taiwan University Director of the Human Resources Div., Director of Cabin Crew Div., Deputy Manager, Human Resources Dept., Evergreen Marine Corp.	None	None	None	None	—
Chief Corporate Safety Officer (Vice President)	R.O.C. (Taiwan)	Yang, Chia- Ming	Male	2023.10.02	13,000	0.00	—	—	—	—	Master's degree in Aeronautics and Astronautics Department, National Cheng Kung University Vice President, Flight Safety Div., UNI Airways Corp.	None	None	None	None	—
Employee Health Div. Doctor (Vice President)	R.O.C. (Taiwan)	Lin, Shao- Hwa	Male	2025.03.01	—	—	—	—	—	—	Bachelor of College of Medicine, Taipei Medical University Aviation Medical Examiner, Civil Aviation Medical Center, Civil Aeronautics Administration, Chief Physician Taipei Medical University Hospital	Pan- Universal Wellness Solutions Ltd. Director	None	None	None	—
Service Quality Management Div. Vice President	R.O.C. (Taiwan)	Chen, Hung- Ying	Male	2023.04.17	110,000	0.00	—	—	—	—	Master's degree in American Studies, Tamkang University Senior Manager, Transportation, Universal Beijing Resort Vice President, Cabin and Ground Service Div., China Express Airlines	None	None	None	None	—
Finance Div. Vice President (Accounting Officer)	R.O.C. (Taiwan)	Lin, Hsin-Hui	Female	2025.01.01	101,000	0.00	—	—	—	—	Bachelor's degree in Department of Accounting, Feng Chia University Director of Finance Div. Manager of Finance Dept., EVA Airways Corp.	UNI Airways Corp. Supervisor	None	None	None	—



Title	Nationality	Name (Note 1)	Gender	Date elected (assumed position) (Note 1)	Shareholding		Shareholding of spouse or minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at other companies	Managerial officers with relationship of spouse or within second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Finance Div. Vice President	R.O.C. (Taiwan)	Chang, Wen- Min	Female	2025.01.01	52,000	0.00	—	—	—	—	Bachelor's degree, Department of Applied Foreign Languages, Yuan Ze University Director of Finance Div. Manager of Dept. of Finance, EVA Airways Corp., America Co.	None	None	None	None	—
General Affairs Div. Vice President	R.O.C. (Taiwan)	Teng, Chieh-Yi	Female	2020.08.01	79,000	0.00	—	—	—	—	Bachelor's degree in Department of Russian Language and Literature, Chinese Culture University Director, General Affairs Dept., EVA Airways Corp.	None	None	None	None	—
Security Services Div. Vice President	R.O.C. (Taiwan)	Wu, Chieh-Yuan	Male	2017.10.01	170,000	0.01	—	—	—	—	Department of Electronics, Xihu High School of Industry and Commerce Special Assistant to the President, Evergreen Group Vice Chairman, Evergreen Security Corp.	None	None	None	None	—
Passenger Sales & Marketing Div. Vice President	R.O.C. (Taiwan)	Tseng, Wen- Chiang	Male	2024.02.22	20,000	0.00	—	—	—	—	Bachelor's degree in Department of Journalism, Chinese Culture University Vice President, Revenue Management Dept., EVA Airways Corp.	None	None	None	None	—
Passenger Sales & Marketing Div. Vice President	R.O.C. (Taiwan)	Lai, Hsin-Ju	Female	2025.01.01	11,000	0.00	—	—	—	—	Bachelor's degree in Department of History, (Minor in Business Administration), National Chengchi University Director of Passenger Sales & Marketing Div., Manager, EVA Airways Corp.	None	None	None	None	—
Customer Service Div. Vice President	R.O.C. (Taiwan)	Hu, Chen-Te	Female	2018.07.01	30,000	0.00	—	—	—	—	Bachelor's degree in Department of International Trade, Chinese Culture University Director of Passenger Sales & Marketing Div., Director of Passenger Transportation Department, EVA Airways Corp.	None	None	None	None	—
Flight Operations Div. Executive Chief Pilot (Vice President)	R.O.C. (Taiwan)	Wu, Kuo-Pin	Male	2023.10.01	491,685	0.02	—	—	—	—	Master's degree in Department of Aeronautics and Astronautics, National Cheng Kung University Vice President of Flight Operations Div. A350 and A321 Captain. A321 Captain, EVA Airways Corp.	None	None	None	None	—
Flight Operations Div. Executive Deputy Chief Pilot (Vice President)	R.O.C. (Taiwan)	Lee, Chung-Ning	Male	2025.03.01	274,721	0.01	—	—	—	—	Bachelor's degree in Applied Mathematics, University of Washington Vice President of Flight Operations Div., A350 Captain, B777 and B767 Captain, EVA Airways Corp.	None	None	None	None	—

Title	Nationality	Name (Note 1)	Gender	Date elected (assumed position) (Note 1)	Shareholding		Shareholding of spouse or minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at other companies	Managerial officers with relationship of spouse or within second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Flight Operations Div. Executive Deputy Chief Pilot (Vice President)	R.O.C. (Taiwan)	Su, Yen- Ju	Male	2025.01.01	—	—	—	—	—	—	Bachelor's degree in Department of Applied Foreign Languages, National Yunlin University of Science and Technology A350 Captain, EVA Airways Corp.	None	None	None	None	—
Flight Operations Div. Vice President	R.O.C. (Taiwan)	Chen, Chin- Hung	Male	2024.07.01	96,132	0.00	—	—	—	—	St. John's and St. Mary's Institute of Technology Director of Flight Operations Div., Professional Engineer of Line Maintenance Div., Evergreen Aviation Technologies Corp.	None	None	None	None	—
Flight Operations Div. Vice President	R.O.C. (Taiwan)	Tsai, Fu- Chu	Male	2025.01.01	11,000	0.00	—	—	—	—	Bachelor's degree in Department of Aerospace Engineering, Tamkang University Director of Flight Operations Div., Director, Pilot Administration Dept., EVA Airways Corp. Director of Cabin Crew Scheduling Dept., EVA Airways Corp.	None	None	None	None	—
Cabin Crew Div. Vice President	R.O.C. (Taiwan)	Hu, Hsiao- Chun	Female	2025.01.01	—	—	—	—	—	—	Department of Radio and Television, Shih Hsin University Director of Cabin Crew Div., Manager Cabin Crew Standards Department, EVA Airways Corp.	None	None	None	None	—
Cabin Crew Div. Vice President	R.O.C. (Taiwan)	Tsai, Ming-Yu	Female	2025.01.01	72,354	0.00	—	—	—	—	Bachelor's degree in Industrial Economics, Tamkang University Director of Cabin Crew Div., Director of Cabin Crew Scheduling Dept., Eva Airways Corp.	None	None	None	None	—
Cabin Services Div. Vice President	R.O.C. (Taiwan)	Chiou, Yunn-Ru	Female	2024.01.01	362,113	0.01	—	—	—	—	National Ping-Tung Girl's Senior High School Director of Cabin Services Div., Manager of Cabin Service Dept., EVA Airways Corp.	None	None	None	None	—
Cabin Services Div. Vice President	R.O.C. (Taiwan)	Huang, Ta-Chih	Female	2024.01.01	89,017	0.00	—	—	—	—	Bachelor's degree in Department of Mass Communication, Tamkang University Director of Cabin Services Div., Director, Sales Manager of Passenger Transportation DivEVA Airways Corp.	None	None	None	None	—
Airport Operations Div. Vice President	R.O.C. (Taiwan)	Chen, Yu-Chu	Female	2023.07.01	87,357	0.00	—	—	—	—	Bachelor's degree in Educational Technology, Tamkang University Director of Airport Operations Div., Director of Operation Management Dept., EVA Airways Corp.	None	None	None	None	—
Ground Handling Div. Vice President	R.O.C. (Taiwan)	Lin, Chih- Yen	Male	2025.01.01	72,860	0.00	2,000	0.00	—	—	Bachelor of Tourism, Leisure, and Hospitality Management, Kainan University Director of Ground Handling Div., Manager of Aircraft Cleaning Department, EVA Airways Corp.	None	None	None	None	—

Title	Nationality	Name (Note 1)	Gender	Date elected (assumed position) (Note 1)	Shareholding		Shareholding of spouse or minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at other companies	Managerial officers with relationship of spouse or within second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Engineering & Maintenance Div. Vice President	R.O.C. (Taiwan)	Chen, Ching-Ti	Male	2019.01.01	33,010	0.00	—	—	—	—	Department of Aircraft Engineering, Army Academy R.O.C. Director of Engineering & Maintenance Div., Director of Engineering Dept., Evergreen Aviation Technologies Corp.	None	None	None	None	—
Engineering & Maintenance Div. Vice President	R.O.C. (Taiwan)	Wang, Chih-Kai	Male	2020.01.01	394,327	0.01	—	—	—	—	Bachelor's degree in Mechanical and Electro-Mechanical Engineering, Tamkang University Director of Engineering & Maintenance Div., Deputy Director of Maintenance Div., Evergreen Aviation Technologies Corp.	None	None	None	None	—
Engineering & Maintenance Div. Vice President	R.O.C. (Taiwan)	Liao, Ming-Min	Male	2020.01.01	107,444	0.00	—	—	—	—	Bachelor's degree in Electronic Engineering, Taiwan Provincial Taipei Institute of Technology Director of Engineering & Maintenance Div., Director of Taiwan High Speed Rail	None	None	None	None	—
Engineering & Maintenance Div. Vice President	R.O.C. (Taiwan)	Lin, Chee-Jong	Male	2020.01.01	92,126	0.00	2,000	0.00	—	—	Bachelor's degree in Department of Aerospace Engineering, Tamkang University Chief Corporate Safety Officer, Director of Engineering & Maintenance Div. Director of Taiwan Aircraft Maintenance and Engineering Co., Ltd., Lead Engineer, Engineering & Maintenance Division, EVA Airways Corp.	None	None	None	None	—
Engineering & Maintenance Div. Vice President	R.O.C. (Taiwan)	Lu, Kuo-Tien	Male	2022.09.01	526,655	0.02	—	—	—	—	Bachelor's degree in Department of Industrial Engineering and Management, National Taipei University of Technology Director of Maintenance Div., Deputy Director of Cabin and Cargo Maintenance Department, Evergreen Aviation Technologies Corp.	None	None	None	None	—
Engineering & Maintenance Div. Vice President	R.O.C. (Taiwan)	Wang, Chih-Ming	Male	2024.01.01	294,370	0.01	22,684	0.00	—	—	Université de Bourgogne Bachelor Director of Engineering & Maintenance Div., Professional Engineer of Maintenance Div., Evergreen Aviation Technologies Corp.	None	None	None	None	—
Engineering & Maintenance Div. (Vice President)	R.O.C. (Taiwan)	Sun, Te-Chang	Male	2025.01.01	113,921	0.00	—	—	—	—	Associate degree in Department of Electrical Engineering, Chien Hsin University of Science and Technology Director of Engineering & Maintenance Div., Deputy Manager, Evergreen Aviation Technologies Corp.	None	None	None	None	—
Information Technology Div. (Vice President)	R.O.C. (Taiwan)	Lee, Ming-Der	Male	2017.11.01	45,128	0.00	—	—	—	—	Associate degree in Department of Marine Engineering, Taipei University of Marine Technology Business Analyst, Orange Business Services Singapore Pte Ltd.	None	None	None	None	—

Title	Nationality	Name (Note 1)	Gender	Date elected (assumed position) (Note 1)	Shareholding		Shareholding of spouse or minor children		Shareholding by nominee arrangement		Main experience (educational background)	Current adjunct positions at other companies	Managerial officers with relationship of spouse or within second degree of kinship			Remarks
					Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage			Title	Name	Relationship	
Information Technology Div. (Vice President)	R.O.C. (Taiwan)	Yang, Chien- Chin	Male	2023.01.01	169,409	0.01	—	—	—	—	Bachelor's degree in Information Management, Tamkang University Director of Information Technology Div., Director of Infrastructure Department, BenQ Corp.	None	None	None	None	—
Information Technology Div. (Vice President)	R.O.C. (Taiwan)	Shen, Cheng- Lu	Female	2023.01.01	244,365	0.01	—	—	—	—	Bachelor's degree in Commerce and Administration, Griffith University, Queensland Australia Director of Information Technology Div., Manager of Digital and Information Planning Dept., EVA Airways Corp.	None	None	None	None	—
Branch General Manager, Japan Branch (Vice President)	R.O.C. (Taiwan)	Wang, Yun- Hsiang	Male	2024.03.18	80,039	0.00	—	—	—	—	Associate degree in Department of Industrial Engineering and Management, National Taipei Institute of Technology Vice President of Passenger Sales & Marketing Div. Director, Passenger Business Div., EVA Airways Corp., Chief Representative, Shanghai Office, EVA Airways Corp.	None	None	None	None	—
General Manager, North America Co. (Vice President)	R.O.C. (Taiwan)	Wang, Chia-Chi	Male	2023.03.20	161,633	0.01	—	—	—	—	Bachelor's degree in Department of International Business, Feng Chia University Vice President of Passenger Sales & Marketing Div. Director, Revenue Management Dept., EVA Airways Corp. Director, Houston Branch/America Head Office, EVA Airways Corp.	None	None	None	None	—

Note 1: The date of appointment is the effective date of the position.

Note 2: Chief Human Resources Officer Wu, Chun-Hung was on unpaid leave from 2024/06/01.

**(3) Regarding the chairman of the Board of Directors and the president or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity and response measures: None.**



## 2. Remuneration paid to Directors, General Manager and Executive Vice Presidents in the Most Recent Year

### (1) Remuneration of Directors and Independent Directors

2024; Unit: NT\$ thousand

Title	Name	Remuneration of directors						Total of four items of A+B+C+D as a percentage of net income after tax		Remuneration received for serving as an employee concurrently						Total of seven items of A+B+C+D+E+F+G as a percentage of net income (Note 6)		Remuneration from investees other than subsidiaries or from the parent company		
		Remuneration (A) (Note 1)		Severance and pension (B)		Remuneration of directors (C) (Note 2)		Expenses for execution of business (D) (Note 3)		Salary, bonus and special allowance (E) (Note 4)		Severance and pension (F)		Remuneration of employees (G) (note 5)					The Company	All companies in the financial statements
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	Cash amount	Stock amount					
Chairman	STARLUX Investments Limited Representative: Chang, Kuo-Wei	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Director	STARLUX Investments Limited Representative: Chai, Chien-Hua	—	—	—	—	—	—	—	—	4,789	108	—	—	—	—	—	—	4,897 0.37%	4,897 0.37%	—
Director	STARWAY Developing Investments Limited Representative: Yeh, Shu-Wen	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Director	ABICO AVY Co., Ltd. Representative: Tong, Chun-Yi	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Public Welfare Independent Director	Tsai, Duet	1,000	—	—	—	—	24	1,024 0.08%	1,024 0.08%	—	—	—	—	—	—	—	—	1,024 0.08%	1,024 0.08%	—
Independent Director	Wang, Te-Ho	1,000	—	—	—	—	24	1,024 0.08%	1,024 0.08%	—	—	—	—	—	—	—	—	1,024 0.08%	1,024 0.08%	—
Independent Director	Huang, Chih-Chen	1,000	—	—	—	—	24	1,024 0.08%	1,024 0.08%	—	—	—	—	—	—	—	—	1,024 0.08%	1,024 0.08%	—

1. Please describe the payment policy, system, standard and structure for remuneration of independent directors, and explain the relationship with the remuneration payment according to the job duties handled, risks and time invested, etc.:

(1) The Company appoints three Independent Director (including one independent director undertaking public welfare) according to the Articles of Incorporation, and regardless whether the Company is operating at a profit or loss, independent directors shall collect a fixed remuneration on a monthly basis and further collect transportation allowance for each time of attendance of board of directors' meeting or shareholders' meeting.

(2) After the consideration of the necessity, reasonableness, legality, company risk appetite and assessment based on the standards adopted in the same industry, the Company decides to not provide compensation items other than the aforementioned remuneration described above to the independent directors, which are not related to the Company's profitability; nevertheless, the remuneration of independent directors of the Company is still considered to be reasonable.

(3) After the close of the fiscal year, for the remuneration of directors, according to the Articles of Incorporation of the Company, if there is profit for the year, the Company shall appropriate no higher than 1% of the profit as for remuneration of directors. However, if the Company still has accumulated losses, priority shall be given to covering the cumulative losses, followed by appropriation according to the aforementioned percentage. The Company provides reasonable remuneration to each director based on individual director's participation in the Company's operations and the contribution value along with reference to the common standards adopted in the same industry. The aforementioned directors' participation in the Company's operations and contribution value are determined based on the directors' individual performance and the performance evaluation result (including meeting attendance status, participation level in the Company's operations, internal relationship management and communication, director's professionalism and continuing education, promotion of sustainable development, and implementation of corporate governance, etc.). However, the Company still had accumulated losses in 2024, and according to the resolution of the board of directors on March 11, 2025, no remuneration of directors is to be distributed.

In addition to the disclosure of the table above, the remuneration collected by directors of the Company for providing services to all companies listed in the financial report (such as acting as non-employee consultant of the parent company/companies/investees indicated in the financial report): None.

Note 1: Refers to the remuneration of directors for the most recent year (including the directors' salary, allowance, severance pay, various bonuses and rewards etc.).

Note 2: The amount of directors' remuneration appropriated in the most recent year and approved by the Board of Directors.

Note 3: Refers to the relevant business execution expense of directors in the most recent year (including transportation fee, special disbursement, various subsidies, accommodation, company vehicles and other physical offers etc.)

Note 4: Refers to the expense for the compensation, including salary, allowance, severance pay, various bonuses, rewards, transportation fee, special disbursement, various subsidies, accommodation, company car etc. and physical offers etc., collected by directors concurrently acting as employees (including adjunct Presidents, Vice Presidents, other Managers and employees).

Note 5: Where directors concurrently acting as employees (including adjunct President, Vice President, other Managers and employees) obtain employees' remuneration (including stocks and cash), the employees' remuneration amount appropriated in the most recent year based on the approval of the Board of Directors shall be disclosed. If such amount cannot be estimated, then the proposed appropriation amount for present year shall be calculated according to the actual appropriation amount ratio of last year.

Note 6: Net income after tax refers to the net income after tax disclosed in the individual financial statements of the most recent year.

**Remuneration range table**

Range of remunerations to each director of the Company	Director name			
	Sum of foregoing four items (A+B+C+D)		Sum of foregoing seven items (A+B+C+D+E+F+G)	
	The Company	All companies in the financial statements	The Company	All companies in the financial statements
Under NT\$1,000,000	Chang, Kuo-Wei Chai, Chien-Hua Yeh, Shu-Wen Tong, Chun-Yi	Chang, Kuo-Wei, Chai, Chien-Hua, Yeh, Shu-Wen, Tong, Chun-Yi	Chang, Kuo-Wei Yeh, Shu-Wen Tong, Chun-Yi	Chang, Kuo-Wei Yeh, Shu-Wen Tong, Chun-Yi
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	Tsai, Duei Wang, Te-Ho Huang, Chih-Chen	Tsai, Duei Wang, Te-Ho Huang, Chih-Chen	Tsai, Duei Wang, Te-Ho Huang, Chih-Chen	Tsai, Duei Wang, Te-Ho Huang, Chih-Chen
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	—	—	—	—
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	—	—	Chai, Chien-Hua	Chai, Chien-Hua
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	—	—	—	—
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	—	—	—	—
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	—	—	—	—
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)	—	—	—	—
NT\$50,000,000 (inclusive) ~ NT\$ 100,000,000 (exclusive)	—	—	—	—
Above NT\$100,000,000	—	—	—	—
Total	7 people	7 people	7 people	7 people

**(2) Remuneration of Supervisors: The Company has established Audit Committee on August 29, 2022 to replace the functions of the supervisors.**

## (3) Remuneration of General Manager and Executive Vice Presidents

2024; Unit: NT\$ thousand; thousand shares

Title	Name	Salary (A) (Note 1)		Severance and pension (B)		Bonus and special disbursement (C) (Note 2)		Remuneration of employees (D) (Note 3)				Total of four items of A+B+C+D as a percentage of net income (Note 4)		Remuneration from investees or subsidiaries or from the parent company
		The Company	All companies in the financial statements	The Company	All companies in the financial statements	The Company	All companies in the financial statements	Cash amount	Stock amount	All companies in the financial statements	Stock amount	The Company	All companies in the financial statements	
Chief Executive Officer (General Manager)	Chai, Chien-Hua	4,461	4,461	108	108	328	328			4,897	0.37%	4,897	0.37%	
Mainland China Chief Representative and Branch General Manager (Executive Vice President)	Cho, Po-Yue (Note 5)	3,853	3,853	99	99	1,285	1,285			5,237	0.40%	5,237	0.40%	
Chief Communications Officer (Executive Vice President)	Nieh, Kuo-Wei	2,933	2,933	108	108	201	201			3,242	0.24%	3,242	0.24%	
Executive Vice President	Lee, Chung-Ning	7,212	7,212	108	108	554	554			7,874	0.59%	7,874	0.59%	
Chief Strategy Officer	Liu, Yun-Fu	2,832	2,832	108	108	213	213			3,153	0.24%	3,153	0.24%	
General Counsel	Huang, Pei-Pei													
Chief Human Resources Officer	Wu, Chun-Hung (Note 6)													
Executive Vice President	Tsai, Bor-Kuen													
Chief Passenger Commercial Officer	Liang, Wen-Long													
Chief Cargo Commercial Officer	Chiou, Yu-Yi	23,697	23,697	909	909	1,732	1,732			26,338	1.99%	26,338	1.99%	
Executive Vice President	Tung, Huei-Ling													
Executive Vice President	Chang, Lih-Lih													
Executive Vice President	Lien, Chieh-Cheng													
Chief Information Officer	Huang, Chi-Yao													

Note 1: Refers to the salary, allowance, severance pay for the General Manager and Executive Vice Presidents in the most recent year.

Note 2: Refers to various bonuses, rewards, transportation fees, special disbursement, various subsidies, accommodation, company vehicles and physical offers etc. as well as other remuneration amounts.

Note 3: The amount (including shares and cash) of employees' remuneration for General Manager and Executive Vice Presidents appropriated in the most recent year and approved by the Board of Directors.

Note 4: Net income after tax refers to the net income after tax disclosed in the individual financial statements of the most recent year.

Note 5: Chairman's Special Assistant, Pao-Yu Chou, adjusted the job position to China Chief Representative and Branch President of Hong Kong Branch on 2024/03/11.

Note 6: Chief Human Resources Officer Wu, Chun-Hung was on unpaid leave from 2024/06/01.

**Remuneration range table**

Range of remunerations to General Manager and Executive Vice Presidents of the Company	Name of President and Vice President	
	The Company	All companies in the financial statements
Under NT\$1,000,000	—	—
NT\$1,000,000 (inclusive) ~ NT\$2,000,000 (exclusive)	Wu, Chun-Hung	Wu, Chun-Hung
NT\$2,000,000 (inclusive) ~ NT\$3,500,000 (exclusive)	Nieh, Kuo-Wei Liu, Yun-Fu Huang, Pei-Pei Tsai, Bor-Kuen Liang, Wen-Long Chiou, Yu-Yi Tung, Huei-Ling Chang, Lih-Lih Lien, Chieh-Cheng Huang, Chi-Yao	Nieh, Kuo-Wei Liu, Yun-Fu Huang, Pei-Pei Tsai, Bor-Kuen Liang, Wen-Long Chiou, Yu-Yi Tung, Huei-Ling Chang, Lih-Lih Lien, Chieh-Cheng Huang, Chi-Yao
NT\$3,500,000 (inclusive) ~ NT\$5,000,000 (exclusive)	Chai, Chien-Hua	Chai, Chien-Hua
NT\$5,000,000 (inclusive) ~ NT\$10,000,000 (exclusive)	Cho, Po-Yue Lee, Chung-Ning	Cho, Po-Yue Lee, Chung-Ning
NT\$10,000,000 (inclusive) ~ NT\$15,000,000 (exclusive)	—	—
NT\$15,000,000 (inclusive) ~ NT\$30,000,000 (exclusive)	—	—
NT\$30,000,000 (inclusive) ~ NT\$50,000,000 (exclusive)	—	—
NT\$50,000,000 (inclusive) ~ NT\$ 100,000,000 (exclusive)	—	—
Above NT\$100,000,000	—	—
Total	14 people	14 people

**(4) Name of Managerial officers for Distribution of Remuneration of Employees and Distribution Status:**

December 31, 2024; Unit: NT\$ thousand

	Title	Name	Stock amount	Cash amount	Total	Total as a percentage of net income after tax (%)
Managerial Officers	Chief Executive Officer (General Manager)	Chai, Chien-Hua	—	—	—	—
	Mainland China Chief Representative and Branch General Manager (Executive Vice President)	Cho, Po-Yue				
	Chief Communications Officer (Executive Vice President)	Nieh, Kuo-Wei				
	General Counsel (Executive Vice President)	Huang, Pei-Pei				
	Chief Strategy Officer (Executive Vice President)	Liu, Yun-Fu				
	Chief Human Resources Officer (Executive Vice President)	Wu, Chun-Hung (Note)				
	Executive Vice President	Tsai, Bor-Kuen				
	Chief Financial Officer ( Executive Vice President ) (Financial Officer and Chief Corporate Governance Officer)	Chang, Chih-Lin				
	Chief Passenger Commercial Officer (Executive Vice President)	Liang, Wen-Long				
	Chief Cargo Commercial Officer (Executive Vice President)	Chiou, Yu-Yi				
	Executive Vice President	Tung, Huei-Ling				
	Executive Vice President	Chang, Lih-Lih				
	Executive Vice President	Lee, Ming-Chieh				
	Executive Vice President	Wang, Chih-Li				
	Executive Vice President	Lien, Chieh-Cheng				
	Chief Information Officer (Executive Vice President)	Huang, Chi-Yao				
	Vice President	Lin, Yu-Chen				
	Vice President	Liu, Li-Wen				
	Vice President	Chuang, Chung-Ting				
	Chief Audit Officer (Vice President)	Chang, Li-Jen				
	Vice President	Hsu, Pei-Hsuan				
	Vice President	Chan, Ming-Lu				
	Chief Procurement Officer (Vice President)	Huang, Chieh-Chih				
	Vice President	Chou, Hsien-Lun				
	Vice President	Yen, Chih-Fan				
	Chief Corporate Safety Officer (Vice President)	Yang, Chia-Ming				
	Vice President	Chen, Hung-Ying				
	Vice President (Accounting Officer)	Lin, Hsin-Hui				
	Vice President	Teng, Chieh-Yi				
	Vice President	Wu, Chieh-Yuan				
	Vice President	Tseng, Wen-Chiang				
	Vice President	Hu, Chen-Te				
	Executive Chief Pilot (Vice President)	Wu, Kuo-Pin				
	Executive Deputy Chief Pilot (Vice President)	Lee, Chung-Ning				

	Title	Name	Stock amount	Cash amount	Total	Total as a percentage of net income after tax (%)
Managerial Officers	Vice President	Chen, Chin-Hung	—	—	—	—
	A321 Chief Pilot	Chen, Chih-Hao				
	Check Pilot	Chang, Dz-An				
	Vice President	Chiou, Yunn-Ru				
	Vice President	Huang, Ta-Chih				
	Vice President	Chen, Yu-Chu				
	Vice President	Chen, Ching-Ti				
	Vice President	Wang, Chih-Kai				
	Vice President	Liao, Ming-Min				
	Vice President	Lin, Chee-Jong				
	Vice President	Lu, Kuo-Tien				
	Vice President	Wang, Chih-Ming				
	Vice President	Lee, Ming-Der				
	Vice President	Yang, Chien-Chin				
	Vice President	Shen, Cheng-Lu				
	Branch General Manager, Japan Branch (Vice President)	Wang, Yun-Hsiang				
	General Manager, North America Co.(Vice President)	Wang, Chia-Chi				

Note : Chief Human Resources Officer Wu, Chun-Hung was on unpaid leave from 2024/06/01.

**(5) Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or financial reports, paid in the past two fiscal years by the Company and all companies included in the parent company only financial statements to the Company's General Manager and Executive Vice Presidents. Also, analyze and describe the remuneration policies, standards, and packages, the procedures through which remunerations were determined, and their linkage to business performance and future risks :**

A. Remuneration paid to directors, supervisors, presidents, and vice presidents of the Company as a proportion to the net income after tax referred to in the individual financial statements in the most recent two years:

Job Title	Total remuneration as a percentage of net profit after tax in 2023		Total remuneration as a percentage of net profit after tax in 2024	
	The Company	All companies in the financial statements	The Company	All companies in the financial statements
Director	6.42%	6.42%	0.61%	0.61%
Supervisor	—	—	—	—
General Manager and Executive Vice Presidents	28.04%	28.04%	3.83%	3.83%

B. Policy, standard and combination for payment of remuneration, establishment of procedure of remuneration, and correlation between the business performance and future risk: The remuneration of directors of the Company comply with the provisions of the Articles of Incorporation of the Company, and the Board of Directors is authorized to determine the remuneration according to the operation participation level of the Company along with the consideration of the common standard adopted in the same industry. The remuneration of managerial officers is handled according to the salary structure and standard of the Company. Regarding the distribution of bonus, bonus is distributed depending upon the overall business performance of the Company and individual performance achievement rate.



### 3. Corporate Governance Status

#### (1) Board Meeting Operation Status

In 2024, a total of 7 sessions (A) of the Board of Directors' meetings were convened, and the director attendance status is as follows:

Job Title	Name (Note 1)	Actual Number of Attendance (Presence) (B)	Number of Attendance by Proxy	Actual Attendance Rate (%) [B/A] (Note 2)	Remarks
Chairman	STARLUX Investments Limited Representative: Chang, Kuo-Wei	6	1	85.71%	Independent Director Tsai, Duei was entrusted to attend as proxy on February 21, 2024.
Director	STARLUX Investments Limited Representative: Chai, Chien-Hua	6	1	85.71%	Director Tong, Chun-Yi was entrusted to attend as proxy on February 21, 2024.
Director	STARWAY Developing Investments Limited Representative: Yeh, Shu-Wen	7	0	100%	None
Director	ABICO AVY Co., Ltd. Representative: Tong, Chun-Yi	7	0	100%	None
Public Welfare Independent Director	Tsai, Duei	7	0	100%	None
Independent Director	Wang, Te-Ho	7	0	100%	None
Independent Director	Huang, Chih-Chen	7	0	100%	None

Note 1: Where a director or supervisor is a corporate entity, the name of the corporate shareholder and the name of its representative shall be disclosed.

Note 2: (1) Before the end of the fiscal year, if there is any resignation of director or supervisor, the resignation date shall be indicated in the remarks field. The actual attendance rate (%) is calculated according to the number of board meetings convened and the number of actual attendance during the term of office.

(2) Where a reelection may be held for filling the vacancies of directors or supervisors before the end of the fiscal year, list both the new and the discharged directors or supervisors, and specify if they are the former directors or supervisors, or newly elected, re-elected and the date of the reelection in the "Remark" section. The actual attendance rate (%) is calculated according to the number of board meetings convened and the number of his/her actual attendance during his/her term of office.

Other matters required to be recorded:

1. Where the operation of a board meeting is subject to one of the following, the board meeting date, session, proposal content, opinion of all independent directors and Company's handling for the opinions of independent directors shall be described:

(1) Matters specified in Article 14-3 of Securities and Exchange Act: The Company has established the Audit Committee; therefore, the provision of Article 14-3 of the Securities and Exchange Act shall not be applicable in accordance with the Article 14-5 of the Securities and Exchange Act.

(2) Any other resolution(s) passed but with independent directors voicing opposing or qualified opinions on the record or in writing: None.

2. For the execution status of recusal of directors due to conflicts of interest, the name of directors, proposal content, reasons of recusal and participation in voting shall be described:

Meeting date	Proposal content	Director for recusal due to conflict of interest	Reason for recusal of conflict of interest	Voting participation status
2024.05.21 Board of Directors	Trademark transfer agreement between the Company and related parties.	Chairman Chang, Kuo-Wei Director Chai, Chien-Hua Director Yeh, Shu-Wen	With conflict of interest for this proposal	Except that Chairman Chang, Kuo-Wei, Director Chai, Chien-Hua and Director Yeh, Shu-Wen recused themselves from participating in the discussion and voting due to conflict of interest according to the law, this proposal was approved by the remaining four attending directors, and this proposal was passed as proposed.
2024.08.13 Board of Directors	Proposal for ratification of related contracts between the Company and related parties.	Chairman Chang, Kuo-Wei Director Chai, Chien-Hua Director Yeh, Shu-Wen	With conflict of interest for this proposal	Except that Chairman Chang, Kuo-Wei, Director Chai, Chien-Hua and Director Yeh, Shu-Wen recused themselves from participating in the discussion and voting due to conflict of interest according to the law, this proposal was approved by the remaining four attending directors, and this proposal was passed as proposed.
	A new salary structure for the Chairman, and an adjusted salary structure for the Vice Chairman/CEO in accordance with the Company's "Remuneration Committee Charter" and "Regulations for Remuneration of Directors and Managerial Officers".	Chairman Chang, Kuo-Wei Director Chai, Chien-Hua Director Yeh, Shu-Wen	With conflict of interest for this proposal	Except that Chairman Chang, Kuo-Wei, Director Chai, Chien-Hua and Director Yeh, Shu-Wen recused themselves from participating in the discussion and voting due to conflict of interest according to the law, this proposal was approved by the remaining four attending directors, and this proposal was passed as proposed.
2024.8.28 Board of Directors	Manager subscription for new shares issued in cash capital increase	Director Chai, Chien-Hua	With conflict of interest for this proposal	Except that Director Chai, Chien-Hua recused himself from participating in the discussion and voting due to conflict of interest according to the law, this proposal was approved by the remaining six attending directors, and this proposal was passed as proposed.
	Review remuneration of new managerial officers according to the "Remuneration Committee Charter" and "Regulations for Remuneration of Directors and Managerial Officers" of the Company	Chairman Chang, Kuo-Wei Director Yeh, Shu-Wen	With conflict of interest for this proposal	Except that Chairman Chang, Kuo-Wei and Director Yeh, Shu-Wen recused themselves from participating in the discussion and voting due to conflict of interest according to the law, this proposal was approved by the remaining five attending directors, and this proposal was passed as proposed.
2024.12.27 Board of Directors	Proposal for the distribution of the Company's 2024 bonus for managerial officers. Proposal for review of 2025 remuneration of existing and new managerial officers of the Company	Director Chai, Chien-Hua	With conflict of interest for this proposal	Except that Director Chai, Chien-Hua recused himself from participating in the discussion and voting due to conflict of interest according to the law, this proposal was approved by the remaining six attending directors, and this proposal was passed as proposed.

## 3. Board of Directors Self-Evaluation (Peer Evaluation) Execution Status.

Evaluation Cycle	Executed once annually
Evaluation Period	January 1, 2024 to December 31, 2024
Evaluation Scope	(1) Board of directors and Individual board member performance evaluation (2) Audit Committee and Remuneration Committee performance evaluation
Evaluation Method	Internal self-evaluation of Board of Directors, self-evaluation of individual board members and self-evaluation of functional committees were conducted through the method of directors filling out questionnaires.
Evaluation Content	(1) Board of directors performance evaluation: It includes the aspects of participation level in company's operation, increase of decision making quality of Board of Directors, composition and structure of the Board of Directors. Election and continuing education of directors, and internal control. (2) Individual board member performance evaluation: It includes the aspects of understanding of the objectives and missions of the Company, director responsibilities and authorities, level of participation in the Company's operations, internal relationship management and communication, expertise and continuing education of director, and internal control. (3) Functional committee performance evaluation: It includes the aspects of level of participation in the Company's operations, understanding of responsibilities and authorities of the functional committee, improvement of decision making quality of the functional committee, composition of the functional committee and its member selection, and internal control.

The Company has completed the 2024 board of directors performance self-evaluation, and has reported the evaluation result to the board of directors on March 11, 2025 as the basis for review and improvement. The total average score of the 2024 board of directors performance evaluation was 98.27 points (total of 100 points), the total average score of individual board member performance evaluation was 98.48 points (total of 100 points), the total average score of functional committees performance evaluation was 98.84 points (total of 100 points), indicating that the operation status of the board of directors and all committees is proper.

## 4. Goals (such as establishment of Audit Committee, improvement of information transparency etc.) for establishment of and execution status evaluation on the enhancement of functions of the Board of Directors for the current year and the most recent year:

- (1) To enhance the management mechanism and sound supervisory function, the Company has established the "Remuneration Committee" and "Audit Committee", as well as the "Corporate Sustainability Committee" on November 12, 2024. Meetings are convened according to the organization charters approved by the Board of Directors, in order to review and discuss relevant proposals. In addition, conclusions and recommendations are also reported to the Board of Directors for resolution, and great outcomes have been achieved. For organizational charter approved by the Board of Directors, its content includes the numbers, terms of office, and powers of committee members, as well as the meeting rules and resources to be provided by the Company for exercise of power by the committee.
- (2) The Company has applied for the "Liability Insurance for Directors, Supervisors and Important Staff", in order to diversify legal liabilities of directors and to improve corporate governance capability of the Company.
- (3) To increase information transparency, the Company has established the "Corporate Governance Section", "Stakeholders Section" and "Investors Section" on the Company's website.
- (4) Presently, the Company has installed three independent directors and has established the "Rules Governing the Scope of Powers of Independent Directors" in order to facility independent directors to exercise their authorities. In addition, the Company has also established the Audit Committee to enhance the board function.

## (2) Audit Committee Operation Status

The Company convened a total of 7 sessions (A) of Audit Committee meetings in 2024, and the attendance status of the independent directors is as follows:

Job Title	Name	Actual Number of Attendance (Presence) (B)	Number of Attendance by Proxy	Actual Attendance Rate (%) (B/A) (Note 1, 2)	Remarks
Public Welfare Independent Director (Convener)	Tsai, Duei	7	0	100%	
Independent Director	Wang, Te-Ho	7	0	100%	
Independent Director	Huang, Chih-Chen	7	0	100%	

Other matters required to be recorded:

1. Where the operation of Audit Committee is subject to one of the following, the board meeting date, session, proposal content, dissenting opinion of independent directors, reserved opinions or major recommendation item content, resolution result of the Audit Committee meeting and the Company's handling with respect to the opinions of the Audit Committee shall be described.

(1) Matters specified in Article 14-5 of Securities and Exchange Act: Please refer to pages 57~61 (Important Resolutions of Board of Directors, Audit Committee, Remuneration Committee, and Corporate Sustainability Committee).

(2) In addition to the aforementioned matters, other motions without approval by the Auditing Committee but passed by the board of the directors with the consents of more than two-thirds of the directors: None.

2. Regarding recusal of independent directors from voting due to conflicts of interests, the names of independent directors, details of the relevant agendas, reasons for recusal, and the results of voting: None.

3. The communications between the independent directors, the internal auditors, and the independent auditors are listed in the table below (shall include major events, methods and results et. communicated in relation to the company's financial and business status):

(1) Communication with Internal Audit Supervisor:

A. Communication Method:

- The Company's audit officer provides audit report during the Audit Committee meeting or other communication method on a quarterly basis, such that the audit operation implementation status, inspection deficiency improvement follow-up status and its outcome have been sufficiently communicated, and written audit report is also submitted to the independent directors periodically. The CPAs of the Company report the annual financial statements audit result and other communication matters required by the laws and regulations during the Audit Committee meeting annually.
- The Company's CPAs regularly report to the Audit Committee each quarter on the review or audit results of the Company's financial statements, internal control audits, the impact of IFRS amendments and issuances on the Company, and other relevant legal requirements. The CPAs communicate with independent directors regarding whether financial statement adjustments or legal amendments affect accounting methods.
- The Company's independent directors maintain direct contact channel with the internal audit officer and the CPAs, and the method of email, telephone and meeting in person may be adopted for communication depending upon the needs. In addition, according to the requirements of the competent authority, the financial and business status of the Company is inspected, and management unit and governance unit are also communicated directly.

B. Summary on Status of Communication of Independent Directors and Internal Audit Officer:

Summary of 2024 Main Communication Matters

Date	Communication Method	Communication Focus	Communication Status and Result	Handling and Implementation Result
2024.3.25	Audit Committee	Internal audit report for December 2023 and January-February 2024.	The attending members of the Audit Committee have been informed.	Independent directors held no opinions on this issue.

Date	Communication Method	Communication Focus	Communication Status and Result	Handling and Implementation Result
2024.5.21	Audit Committee	Internal audit report for March~April 2024	The attending members of the Audit Committee have been informed.	Independent directors held no opinions on this issue.
2024.8.13	Audit Committee	Internal audit report for May~July 2024	The attending members of the Audit Committee have been informed.	Independent directors held no opinions on this issue.
2024.12.27	Audit Committee	Internal audit report for August~November 2024 2025 audit plan of the Company	1. The attending members of the Audit Committee have been informed. 2. Approved through discussion of all attending members of the Audit Committee.	Independent directors held no opinions on this issue.

## (2) Communication Status with CPAs

The Company's Audit Committee members and CPAs convene communication meeting at least once quarterly, in order to conduct sufficient communication on any impact of material adjustment of entries and regulatory amendments.

## Summary of 2024 Main Communication Matters

Date	Communication Method	Communication Focus	Communication Status and Result	Handling and Implementation Result
2024.3.25	Audit Committee	CPA audit report conclusion for the Company's 2023 annual financial statements.	Approved through discussion of all attending members of the Audit Committee.	Independent directors held no opinions on this issue.
2024.5.21	Audit Committee	CPA audit report conclusion for the Company's Q1 2024 financial statements.	Approved through discussion of all attending members of the Audit Committee.	Independent directors held no opinions on this issue.
2024.8.13	Audit Committee	CPA review report conclusion for the Company's Q2 2024 financial statements.	Approved through discussion of all attending members of the Audit Committee.	Independent directors held no opinions on this issue.
2024.11.12	Audit Committee	CPA review report conclusion for the Company's Q3 2024 financial statements.	Approved through discussion of all attending members of the Audit Committee.	Independent directors held no opinions on this issue.

### (3) Corporate Governance Operation Status and Discrepancies with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons

Assessment Item	Operation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
1. Has the Company established and disclosed its corporate governance practices according to the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies?	V		The Company has established the "Corporate Governance Best Practice Principles" according to the resolution of the Board of Directors and has disclosed such principles at the Company's website and the Market Observation Post System (MOPS).	No major difference.
2. Company's shareholding structure and shareholders' equity (1) Has the Company established the internal procedures for handling shareholders' proposals, doubts, disputes, and litigation matters; in addition, have the procedures implemented accordingly?	V		The Company's Financial Division personnel handle shareholders' proposals, doubts, and disputes according to the internal procedures.	No major difference.
(2) Is the Company constantly informed of the identities of its major shareholders and the ultimate controller?	V		The Finance Department is responsible for disclosing the shareholding status of major shareholders and their ultimate controllers as required.	No major difference.
(3) Has the company established and implemented risk management practices and firewalls for companies it is affiliated with?	V		Risk control measures have been established in the internal control operation procedure.	No major difference.
(4) Has the company established internal policies that prevent insiders from trading securities against nonpublic information?	V		<p>A. The Company has established the "Internal Material Information Handling Operation Procedure" according to the resolution of the Board of Directors, and "Management for Prevention of Insider Trading" is stipulated in the internal control operation procedure, in order to regulate the securities trading behaviors of insiders.</p> <p>B. The Company reminds insiders about the important rules related to equity transfer during the new assumption of job position of insiders or irregularly. In addition, the Company also provides the "Questions and Answers for Doubts on Prohibition of Insider Trading" to directors and managerial officer at the same time, and the "Prevention of Insider Trading" promotion letter from the competent authority is also forwarded to internal staff, in order to allow directors and managerial officers to timely and comprehensively understand "Insider Trading" related regulations. In 2024, directors participated in "Prevention of Insider Trading" related courses, and two letters were sent to managers and above in 2024 to promote insider trading regulations.</p>	No major difference.



Assessment Item	Operation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	Summary	
3. Composition and responsibility of Board of Directors (1) Has the Board of Directors established diversity policy, specific management goal and has executed properly?	V		For the Company's diversity policy on the composition of board members, specific management goal and implementation status, please refer to pages 12 for details.	No major difference.
(2) Apart from the Remuneration Committee and Audit Committee, has the Company assembled other functional committees at its own discretion?	V		On November 12, 2024, the board established the Corporate Sustainability Committee (a functional committee).	No major difference.
(3) Has the Company established a set of policies and assessment tools to evaluate the board's performance? Is performance evaluated regularly at least on an annual basis? In addition, has the result of the performance assessment been submitted to the Board of Directors' meeting and used as reference for the remuneration and nomination or reelection of individual director?	V		<p>A. The Company has established the "Rules for Performance Evaluation of Board of Directors" according to the resolution of the Board of Directors and has disclosed such rules on the MOPS website.</p> <p>B. According to the Rules for Performance Evaluation of Board of Directors of the Company, the Board of Directors shall conduct at least once of internal evaluation on performance of Board of Directors annually.</p> <p>C. The 2024 performance result of Board of Directors has been reported to the Board of Directors on March 11, 2025, and the evaluation content is as follows:</p> <p>a. Evaluation on performance of Board of Directors: Total average score of 98.27 points, indicating that the self-evaluation result was excellent.</p> <p>b. Evaluation on performance of individual board members: Total average score of 98.48 points, indicating that the self-evaluation result was excellent.</p> <p>c. Evaluation on performance of functional committees: Total average score of 98.84 points, indicating that the self-evaluation result was excellent.</p> <p>D. The annual performance evaluation result of the Board of Directors may be used as the reference basis for the determination of the remuneration of individual directors and the nomination of directors.</p>	No major difference.
(4) Does the Company assess the independence of CPAs on a regular basis?	V		A. The CPAs retained by the Company are not directors, supervisors, managerial officers, employees, shareholders of the Company or affiliated enterprises, and the CPAs are not stakeholders thereof and also comply with the regulations on independence judgment specified by the competent authority. (Please refer to Note 1 for	No major difference.

Assessment Item	Operation Status		Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	
			<p>details of the Certified Public Accountant Independence Assessment)</p> <p>B. The Company assesses the professionalism and independence of the CPAs annually, and the CPAs have also issued the independence declaration for the entrusted audit operation. In 2024, additional Audit Quality Indicators (AQIs) were obtained from the auditor. The 2024 CPA independence assessment has been approved by the audit committee and Board of Directors on December 27, 2024.</p>
4. Has the Company designated a department or personnel that specializes (or is involved) in corporate governance affairs (including but not limited to providing directors/supervisors with the information needed to perform their duties, convention of board meetings and shareholders' meetings, company registration and changes, preparation of board meeting and shareholders' meeting minutes etc.)?	V		<p>A. The Financial Division of the Company serves as the corporate governance unit and corporate governance personnel are staffed under the corporate governance unit in order to protect the rights and benefits of the shareholders and to strengthen the functions of the Board of Directors. The main responsibilities of the corporate governance unit of the Company are as follows:</p> <ul style="list-style-type: none"> <li>a. Handling of board, functional committee, and shareholder' meeting matters in accordance with the law.</li> <li>b. Prepare meeting minutes of board meetings and its functional committees as well as shareholders meetings.</li> <li>c. Assist the assumption of duty of directors and their continuing education.</li> <li>d. Provide documents necessary for directors' execution of duties.</li> <li>e. Assist directors to comply with laws and regulations.</li> </ul> <p>B. 2024 duty execution status is as follows:</p> <ul style="list-style-type: none"> <li>a. Assisted directors to obtain documents and information necessary for their performance of duties and also arranged 6 hours of continuing educations for directors.</li> <li>b. Irregularly provided latest laws and regulations related to corporate governance to all directors.</li> <li>c. Provided company information necessary for directors to perform duties, and maintained proper communication of directors with all department heads.</li> <li>d. With regard to the application of liability insurance for directors and important staff, the insurance application amount in the most recent period is US\$20 million, and the insurance period is April 15, 2025 to April 15, 2026.</li> </ul>
			No major difference.

Assessment Item	Operation Status			Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
			<p>C. The Board of Directors of the Company has approved that the CFO Chang, Chih-Lin concurrently serves as the Corporate Governance Officer, and corporate governance personnel under the corporate governance unit to be responsible for the corporate governance affairs, in order to protect the rights and benefits of the shareholders and to strengthen the functions of the Board of Directors.</p> <p>D. All functional committee meetings, Board of Directors' meetings and shareholders' meetings are convened according to the laws:</p> <p>a. The draft agenda of the board meeting is sent to the Board of Directors seven days in advance, and meeting materials are provided in the meeting. Reminders are given to director(s) in advance when such director(s) is in a conflict of interest with a proposal for recusal, and the board meeting minutes are sent to directors twenty days after the meeting.</p> <p>b. After a Board of Directors' meeting, assistance to the major information announcement of important resolutions is provided in order to ensure the legality and accuracy of the major information content and to ensure the properness of the investor transaction information, etc.</p> <p>c. Meeting notice, meeting handbook and meeting minutes are prepared within the statutory deadlines.</p>	
5. Has the Company provided proper communication channels and created dedicated sections on its website to address corporate social responsibility issues that are of significant concern to stakeholders (including but not limited to shareholders, employees, customers and suppliers)?	V		The Company has set up the stakeholder section on the Company's website to provide media, corporate investor, employee, personal shareholder and supplier contact information, as the channel for communication between the Company and external parties.	No major difference.
6. Has the Company commissioned a professional stock agency institution to handle shareholders' meeting affairs?	V		The Company entrusts the "Registrar & Transfer Agency Department of Yuanfa Securities Co., Ltd." for handling shareholders' meeting affairs.	No major difference.
7. Information Disclosure (1) Has the Company established a website that discloses financial, business, and corporate governance-related information?	V		The Company has disclosed financial, business, and corporate governance information on the Company's website.	No major difference.

Assessment Item	Operation Status		Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and Reasons
	Yes	No	
(2) Has the Company adopted other means to disclose information (e.g. English website, assignment of specific personnel to collect and disclose corporate information, implementation of a spokesperson system, broadcasting of investor conferences via the company website)?	V		No major difference.
(3) Has the Company made public announcement and report the annual financial statements within a period of two months after the end of each fiscal year, and has the Company also made announcement and provided report of the first, second and third quarter financial statements as well as the monthly business operation status?		V	Early announcement will made timely in the future.
8. Does the Company has other important information (including but not limited to employees' benefits and rights, employee care, investor relationship, supplier relationship, rights of stakeholders, educational training status of directors and supervisors, implementation of risk management policy and risk measurement standards, customer policy implementation status, purchase of liability insurance for directors and supervisors of the Company etc.) helpful to the understanding of the corporate governance operation status of the Company?	V		No major difference.

Assessment Item	Operation Status		Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	
			<p>May 21, 2024 and November 12, 2024, respectively. For the 2024 continuing education status of directors of the Company, please refer to Note 2 for details.</p> <ul style="list-style-type: none"> <li>Implementation status of risk management policy and risk measurement criteria:               <ol style="list-style-type: none"> <li>The Company's Audit Committee evaluates the independence and competence of CPAs retained annually, and requests CPAs to provide the "Declaration of Independence" and also performs evaluation on the five main aspects of professionalism, quality control, independence, supervision and innovation capability according to the standard of Note 1 and the Audit Quality Indicators (AQIs), and evaluation is also performed according to the evaluation data provided by the 15 indicators. The CPAs' independence and competence was reviewed and approved by the Audit Committee and reported to the Board of Directors for resolution on December 27, 2024.</li> <li>The Company's Corporate Sustainability Committee, which holds responsibilities for risk management, regularly reviews operational risks and reports to the Board of Directors in order to assist the directors in identifying and managing various risks.</li> <li>For risk analysis and assessment, please refer to Chapter Five Risk Assessment Information of the annual report of the Company.</li> </ol> </li> <li>Implementation status of customer policy:               <p>The Company conducts regular transportation/ cargo transportation customer satisfaction surveys to actively understand customers' feedbacks and key requirements of customers, in order to provide improvement in priority. The Company also conducts regular meetings to track service quality and observe the feedback of passengers, along with the consideration of the results of the surveys, in order to improve customer satisfaction and make timely adjustments to customer needs. In 2024, the Company actively sent questionnaires to passengers to understand their recent experience with the flight of the Company, and provided feedback opinions to relevant service responsible units as a reference for reviewing and optimizing current operations. According to the results of present survey, 92.1% of visitors provided the score between 4 and 5 points for service satisfaction, and the overall questionnaire recovery rate of the questionnaires reached 25%.</p> </li> </ul>

Assessment Item	Operation Status		Discrepancies from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	
			<ul style="list-style-type: none"> <li>Status of liability insurance purchased by the Company for the directors and supervisors: To strengthen the corporate governance and the board function, the Company has entrusted Cathay Century Insurance Co., Ltd. to organize the insurance renewal for the "Liability insurance for directors, supervisors and important staff", and has reported to the board of directors on May 21, 2024.</li> </ul>
9. Please provide explanation on the improvement status of the corporate governance evaluation announced by Taiwan Stock Exchange (TWSE) in the most recent year, and provide priority enhancement and measures for matters yet to be improved. (This not required for company not listed for evaluation) Not applicable.			

Note 1: Certified Public Accountant (CPA) Independence Assessment

Assessment Item	Assessment Result	Whether the independence criteria are satisfied
1. Up to the most recent certification operation, there is no occurrence of CPA without change for seven years.	Criteria satisfied	Yes
2. CPA has no material financial interests with the trustor.	Criteria satisfied	Yes
3. CPA prevents to have any inappropriate relationship with the trustor.	Criteria satisfied	Yes
4. CPA shall request its assisting personnel to properly comply with the requirements for integrity, fairness and independence.	Criteria satisfied	Yes
5. The financial statements of the institutions serviced within two years before practice shall not be audited and certified.	Criteria satisfied	Yes
6. The name of CPA shall not be provided to others for use.	Criteria satisfied	Yes
7. CPA does not hold shares of the Company and associates.	Criteria satisfied	Yes
8. CPA does not engage in any loan or borrowing with the Company and associates.	Criteria satisfied	Yes
9. CPA does not engage in any relationship of joint investment or share of profit with the Company and associates.	Criteria satisfied	Yes
10. CPA does not concurrently hold a routine job position at and receive a fixed salary from the Company or associates.	Criteria satisfied	Yes
11. CPA does not involve in the management position or function for decision making of the Company or associates.	Criteria satisfied	Yes
12. CPA does not concurrently operate other business that may cause the loss of his/her independence.	Criteria satisfied	Yes
13. CPA is not in any relationship of spouse, lineal relative by blood or by marriage or relative within second degree of kinship with the management of the Company.	Criteria satisfied	Yes
14. CPA does not collect commission related to any business.	Criteria satisfied	Yes
15. Up to the present day, there has been no sanction or violation of the principle of independence.	Criteria satisfied	Yes



Note 2 : 2024 Continuing Education Status of Directors of the Company

Job Title	Name	Date of education/training	Professional training institution	Training course	Number of hours
Chairman	Chang, Kuo-Wei	May 21, 2024	Securities & Futures Institute	Corporate Governance and Securities Laws and Regulations	3.0
		November 12, 2024	Securities & Futures Institute	Practical Corporate Sustainability: Case Studies on Legal Responsibilities under Three Gender Equality Acts	3.0
Director	Chai, Chien-Hua	May 21, 2024	Securities & Futures Institute	Corporate Governance and Securities Laws and Regulations	3.0
		November 12, 2024	Securities & Futures Institute	Practical Corporate Sustainability: Case Studies on Legal Responsibilities under Three Gender Equality Acts	3.0
Director	Yeh, Shu-Wen	May 21, 2024	Securities & Futures Institute	Corporate Governance and Securities Laws and Regulations	3.0
		November 12, 2024	Securities & Futures Institute	Practical Corporate Sustainability: Case Studies on Legal Responsibilities under Three Gender Equality Acts	3.0
		May 21, 2024	Securities & Futures Institute	Corporate Governance and Securities Laws and Regulations	3.0
		November 12, 2024	Securities & Futures Institute	Practical Corporate Sustainability: Case Studies on Legal Responsibilities under Three Gender Equality Acts	3.0
Director	Tong, Chun-Yi	May 21, 2024	Securities & Futures Institute	Corporate Governance and Securities Laws and Regulations	3.0
		June 27, 2024	Taiwan Investor Relations Institute	Carbon Management, Carbon Tariffs, and Carbon Credits for Greenhouse Gases	3.0
Director		July 10, 2024	Taiwan Investor Relations Institute	Corporate Risk Management under ESG	3.0
		August 30, 2024	Taiwan Investor Relations Institute	International Corporate Sustainability Trends: ESG Performance Management and Corporate Value Strategy	3.0
		September 25, 2024	Taiwan Investor Relations Institute	Corporate Manpower Development and Social Inclusion Strategies	3.0
		April 16, 2024	Taiwan Independent Director Association	Discussion on Two Major Risks in High-Tech Manufacturing: Export Trade Controls under Geopolitical Conflicts and Supply Chain Procurement Fraud	3.0
Public Welfare Independent Director	Tsai, Duei	May 21, 2024	Securities & Futures Institute	Corporate Governance and Securities Laws and Regulations	3.0
		November 12, 2024	Securities & Futures Institute	Practical Corporate Sustainability: Case Studies on Legal Responsibilities under Three Gender Equality Acts	3.0
Independent Director	Wang, Te-Ho	May 21, 2024	Securities & Futures Institute	Corporate Governance and Securities Laws and Regulations	3.0
		November 12, 2024	Securities & Futures Institute	Practical Corporate Sustainability: Case Studies on Legal Responsibilities under Three Gender Equality Acts	3.0
Independent Director	Huang, Chih-Chen	May 7, 2024	Taiwan Corporate Governance Association	Green Energy, Certificates, and Sustainable Development – The Path to Corporate Net Zero	3.0
		May 21, 2024	Securities & Futures Institute	Corporate Governance and Securities Laws and Regulations	3.0



**(4) If the Company has established the Remuneration Committee or Nomination Committee, the composition and operations of such committee shall be disclosed:**

**A. Information of Remuneration Committee Members**

All members of the Remuneration Committee of the Company are independent directors. For information on their professional qualification and experience, independence status, number of positions as a remuneration committee member in other public companies, please see pages 10-11 for details.

**B. The responsibilities of the Remuneration Committee are to provide advices on the following matters and to submit to the Board of Directors for resolution:**

- Establish and periodically review the performance evaluation of directors and managerial officers as well as the policy, system, standard and structure for the remuneration.
- Establish and periodically review the performance evaluation of directors and managerial officers as well as the policy, system, standard and structure for the remuneration.

**C. Information on Operation Status of Remuneration Committee**

- The Company's Remuneration Committee consists of 3 members.
- The term of office of present members is from August 29, 2022 to August 28, 2025.
- In 2024, a total of 5 sessions (A) of Remuneration Committee Meetings were convened. For resolutions of the meetings, please refer to pages 57~61 (Important Resolutions of Board of Directors, Audit Committee and Remuneration Committee). The attendance status of the committee members is as follows:

Job Title	Name	Actual Number of Attendance (B)	Number of Attendance by Proxy	Actual attendance rate (%) (B/A)(Note)	Remarks
Convener	Tsai, Duei	5	0	100%	None
Committee Member	Wang, Te-Ho	5	0	100%	None
Committee Member	Huang, Chih-Chen	5	0	100%	None

Other matters required to be recorded:

- In the event where the Remuneration Committee's proposal is rejected or amended in a Board of Directors meeting, please describe the date and session of the meeting, details of the agenda, the board's resolution, and how the company had handled the Remuneration Committee's proposals (describe the differences and reasons, if any, should the Board of Directors approve a solution that was more favorable than the one proposed by the Remuneration Committee): None.
- In case where any member object or express qualified opinions to the resolution made by the Remuneration Committee, whether on-record or in writing, please describe the date and session of the meeting, details of the agenda, the entire members' opinions, and how their opinions were addressed: None.

**(5) Discrepancies of the Company's implementation of sustainable development status from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and cause:**

Implementation item	Implementation status		Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and cause
	Yes	No	
1. Has the Company established a governance structure for promoting the sustainable development, and set up a unit that specializes (or is involved) in the promotion of sustainable development, and does the board of director authorize the senior management for handling such mater, and the supervision status of the Board of Directors?	V		The Company has established a comprehensive sustainable development governance structure. On November 12, 2024, the "Corporate Sustainability Committee" was formed as a functional committee to oversee sustainability strategies and performance. This continues the work of the "Sustainability Steering Committee Sustainability Steering Committee", established in May 2023, which included specialized task forces that reported progress to the board quarterly. In 2022, a dedicated carbon offsetting unit was established, demonstrating the Company's commitment to sustainable development.
2. Has the Company implemented the risk assessment of environmental, social, and corporate governance issues related to corporate operation, and has the Company established relevant risk management policies or strategies based on the principle of materiality?	V		<p>The Company has established a comprehensive ESG risk management framework, with the CEO at the highest management level, under which there are multiple dedicated roles to execute the tasks. The Sustainability Steering Committee identified and managed ESG issues based on materiality principles, covering operations in Taiwan, Macau, Southeast Asia, Northeast Asia, and North America, with the key achievements as follows:</p> <p>Environmental sustainability:</p> <ul style="list-style-type: none"> <li>• Planned to implement ISO 14001 and ISO 50001 management systems.</li> <li>• Completed CORSIA carbon emission management and greenhouse gas inventory.</li> <li>• Introduced the TCFD framework to assess climate risks.</li> <li>• Established wastewater treatment and waste management systems.</li> </ul> <p>Social responsibility:</p> <ul style="list-style-type: none"> <li>• Obtained ISO 45001 occupational health and safety certification, with a 100% training completion rate.</li> <li>• Enhanced brand image, achieving over 15,000 annual media exposures.</li> <li>• Conducted regular customer satisfaction surveys and service optimizations.</li> </ul> <p>Governance:</p> <ul style="list-style-type: none"> <li>• Offered ethical management training for the board and employees.</li> <li>• Obtained ISO 27001/27701 and TIPS certifications.</li> <li>• Established a Safety Committee to regularly oversee flight safety.</li> <li>• Strengthened compliance systems and intellectual property management.</li> <li>• Dedicated units execute tasks, with the audit unit overseeing and tracking to ensure effective implementation of sustainability policies.</li> </ul>

Implementation item	Implementation status		Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and cause
	Yes	No	
3. Environmental Topic (1) Has the Company established environmental management system suitable for the Company's industrial characteristics?	V		The Company is committed to greenhouse gas management. In 2023, the Company conducted a comprehensive greenhouse gas inventory for Taiwan operations per ISO 14064-1:2018, successfully obtaining third-party verification. In 2025, by systematically collecting data on various greenhouse gas emission sources, we will expand the inventory to include STARLUX Airlines' overseas branches, completing the assurance of STARLUX Airlines as an individual company. The relevant results will be fully disclosed in the 2025 Sustainability Report, covering the year 2024, which will be published in 2025, demonstrating the Company's commitment and achievements in promoting environmental sustainability.
(2) Is the Company committed to achieving efficient use of resources, and using renewable materials that produce less impact on the environment?	V		The Company's energy-saving and carbon reduction strategy is to effectively improve energy consumption efficiency for the main energy consumption source - purchased electricity, by adopting smart lighting control, solar equipment installation, and air-conditioning system optimization. In aviation operations, the introduction of new A350 wide-body aircraft with Rolls-Royce XWB engines achieves a 25% carbon reduction. Plans are in place to gradually increase the use of sustainable aviation fuel to lower operational carbon emissions. To promote environmental friendliness, the Company has strengthened internal plastic reduction campaigns and prioritizes renewable and recyclable materials for in-flight services and products, demonstrating our commitment to environmental sustainability.
(3) Has the Company assessed the climate change on the present and future potential risks and opportunities of the corporation, and has the Company adopted relevant responsive actions?	V		The Sustainability Steering Committee, chaired by the CEO, served as the highest body for climate change management. It regularly collected sustainability issues in the same industry, CDP climate questionnaires, and aviation industry trends, and regularly submit it to the Corporate Sustainability Committee as the basis for the company's decision-making and strategy formulation. Following the TCFD framework, a dedicated task force identified 14 key climate risks and opportunities in 2024, including 6 transition risks (policy and regulation, technology, market, reputation, etc.), 3 physical risks (acute and chronic), and 5 climate opportunities (products and services, energy sources, resource efficiency, etc.) Detailed analyses of climate risks and opportunities will be fully disclosed in the 2024 Sustainability Report; we also plan to adopt IFRS standards to enhance transparency in climate-related financial information.

Implementation item	Implementation status		Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and cause																								
	Yes	No																									
(4) Has the Company statistically analyzed the greenhouse gas emission, water usage and waste total weight over the past years, and does the Company establish policies for reduction of greenhouse gas emissions, reduction of water consumption or other waste management?	V	<div><div>Summary</div><p>The Company actively manages environmental sustainability issues and has completed the 2024 ISO 14064-1:2018 greenhouse gas inventory for Scopes 1, 2, and 3, along with third-party verification. Greenhouse gas emissions have increased over the past two years due to expanded operations and an extended inventory boundary from Taiwan to the entire STARLUX Airlines entity.</p><ul style="list-style-type: none"><li>Greenhouse gas emissions for the past two years:</li></ul><div><div>Unit: tonnes CO<sub>2</sub>e</div><table><tr><th>Year</th><th>Scope 1</th><th>Scope 2</th><th>Scope 3</th><th>Total</th></tr><tr><td>2023</td><td>589,857.38</td><td>6,594.27</td><td>4,290.04</td><td>600,741.69</td></tr><tr><td>2024</td><td>973,496.12</td><td>8,039.77</td><td>9,888.19</td><td>991,424.08</td></tr></table><p>Note 1: The statistics of the 2023 Greenhouse Gas (GHG) Inventory covers the following: Taiwan region (including the Taipei Headquarters of Starlux Airline, STARLUX Flagship Store, Taichung Office, and business location inside Taoyuan International Airport), which has been expanded to the GHG inventory of parent company of Starlux Airline in 2024.</p><p>Note 2: GHG inventory inspection scope: The scope includes a total of 7 types of GHGs of carbon dioxide (CO<sub>2</sub>), nitrous oxide (N<sub>2</sub>O) methane (CH<sub>4</sub>), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>), nitrogen trifluoride (NF<sub>3</sub>).</p><p>Note 3: The inventory inspection scope for Categories 3~6 covers the items of GHG emissions generated from the upstream emissions of externally purchased energy, employee commute and business trips in the value chain.</p><p>Total water consumption and waste output have increased, corresponding to the growth in employee numbers.</p><ul style="list-style-type: none"><li>Water Consumption for the past two years:</li></ul><div><div>Unit: million liters</div><table><tr><th>Year</th><th>Total water consumption</th><th>Number of employees</th></tr><tr><td>2023</td><td>111</td><td>4,073</td></tr><tr><td>2024</td><td>97</td><td>5,047</td></tr></table><p>Note: The 2023 water consumption data covers Taiwan operations (STARLUX Airlines Taipei Headquarters, Taipei Image Store, Taichung Office, business locations in the Taoyuan International Airport Park ). In 2024, the scope was expanded to include the entire Starlux Airlines entity.</p></div></div></div>	Year	Scope 1	Scope 2	Scope 3	Total	2023	589,857.38	6,594.27	4,290.04	600,741.69	2024	973,496.12	8,039.77	9,888.19	991,424.08	Year	Total water consumption	Number of employees	2023	111	4,073	2024	97	5,047	No major difference.
Year	Scope 1	Scope 2	Scope 3	Total																							
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Implementation item	Implementation status		Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and cause									
	Yes	No										
			<div>Unit: tonnes</div> <div>•Waste Output for the past two years:</div> <table><thead><tr><th>Year</th><th>Weight of general waste</th><th>Number of employees</th></tr></thead><tbody><tr><td>2023</td><td>591.63</td><td>4,073</td></tr><tr><td>2024</td><td>886.49</td><td>5,047</td></tr></tbody></table> <div>Note: The Waste data for 2023 covers only operational sites located in Taiwan. In 2024, the reporting scope was expanded to include STARLUX Airlines as an individual reporting entity, and the waste classification methodology was also revised.</div> <div>The Company has initiated the adoption of environmental and energy management systems and adheres to the 5R principles (Refuse, Reduce, Reuse, Recycle, Rethink) for waste management. It is also planning water resource recycling to further strengthen environmental sustainability efforts.</div>	Year	Weight of general waste	Number of employees	2023	591.63	4,073	2024	886.49	5,047
Year	Weight of general waste	Number of employees										
2023	591.63	4,073										
2024	886.49	5,047										
4. Social Topic (1) Has the Company established related management policies and procedures in accordance with applicable laws and the international human rights conventions?	V		No major difference.									



Implementation item	Implementation status		Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and cause
	Yes	No	
(2) Has the Company developed and implemented reasonable employee welfare measures (including compensation, leave of absence and other benefits), and appropriately reflected business performance or outcome in employees' compensations?	V		Upholding the principle of sustainable operations, STARLUX Airlines has established a fair and competitive compensation system, offering market-competitive base salaries and role-specific allowances. We review the compensation system annually by considering operational profits, consumer price index changes, and individual performance, and make timely salary adjustments and offer year-end bonuses to reflect a culture of sharing success with employees. To promote a happy workplace, the Company pioneered a policy of not working on make-up days, allowing employees to have more time off. Employees and their families receive discounted air tickets, and the Employee Welfare Committee designs diverse benefit programs, including three festival bonuses, birthday cash gifts, and cross-industry partnership discounts, demonstrating the Company's commitment to employee care. These innovative benefit policies reflect the Company's people-centric approach and pursuit of work-life balance. To retain talent and enhance employee confidence in the Company's future, the company reserved 10%–15% of shares in recent cash capital increases for employees at below-market subscription prices. In 2024, the average employee subscription rate for two offerings was approximately 63%.
(3) Has the Company provided a safe and healthy work environment for employees, and education on occupational safety and health for employees at regular intervals?	V		The Company is committed to creating a safe and healthy work environment. We conduct annual hazard identification and risk assessment of workplaces, evaluate the safety of work environments and operational procedures, and implement timely improvements to reduce the risk of occupational injuries. We offer regular occupational safety and health training for new and existing employees to enhance safety awareness. The Company has achieved dual certification for the ISO 45001 Occupational Health and Safety Management System and the Taiwan Occupational Safety and Health Management Systems (TOSHMS), valid until 2027. For employee health, an on-site physician with dual qualifications in aviation medicine and occupational medicine, supported by a nursing team, provides health management, medical consultations, and follow-up care. An annual worker health service plan, combined with health checkup results, includes health seminars to help employees better understand their health status. In 2024, occupational incidents increased by 1.08% due to expanded operations, with traffic accidents accounting for 1.18% and workplace accidents for 0.94%. The Company conducts root cause analyses for each incident and proposes improvements to prevent recurrence.
(4) Has the Company established a plan for the training of effective career development and planning of employees?	V		The Company values employee career development and has a dedicated training unit. We have established a comprehensive online and physical learning system and offer a variety of training programs. Training is structured around three competencies: professional skills (planned by departments based on business needs), core competencies, and management skills (coordinated by HR), ensuring employees acquire necessary skills at different career stages. The results of our 2024 training and development initiatives were significant, including 954 courses, 3,215 sessions, 80,425 participants, 14,326 training hours, and a budget of approximately NT\$70.23 million. In 2025, the Company will continue optimizing training content to enhance employee competency development, supporting mutual growth of the Company and employees.

Implementation item	Implementation status		Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and cause
	Yes	No	
			To ensure the effectiveness of training, the Company has established a comprehensive tracking and evaluation mechanism. We regularly review training outcomes and adjust training directions as needed to foster a learning organization culture and continuously enhance corporate competitiveness.
(5) Has the Company complied with laws and international standards with respect to customers' health, safety and privacy, marketing and labeling in all products and services offered, and implemented consumer or customer protection policies and complaint procedures?	V		<p>The Company's official website is based on a thematic index model, providing comprehensive service information, including travel guides, passenger support, and contact details for various locations. To protect consumer rights, diverse customer service channels are available, including phone support, online services, and physical service points, with a feedback system for case management. At the same time, a service quality management team is in place to handle consumer complaints and continuously optimizes service processes.</p> <p>To safeguard personal privacy, the Company has established a robust data protection policy and formed an Information Security and Personal Data Protection Committee, which oversees and promotes related tasks through quarterly meetings. The Company has obtained dual certifications for the ISO 27001 Information Security Management System and the ISO 27701 Privacy Information Management System, demonstrating its commitment to information security and privacy protection.</p> <p>The Company strictly complies with domestic regulatory requirements and aligns with standards from the International Air Transport Association (IATA) and the International Civil Aviation Organization (ICAO), while continuously investing in resources to strengthen information security and data protection mechanisms to provide safe and reliable services.</p>
(6) Has the Company established supplier management policy, requested suppliers to comply with relevant regulations with regards to the issues of the environmental protection, occupational safety and health or labor rights etc. and the implementation status?	V		<p>The Company has obtained dual certifications for the ISO 45001: 2018 Occupational Health and Safety Management System and CNS 45001: 2018 &amp; TOSHMS, indicating its commitment to workplace safety and employee well-being. The Procurement Management Guidelines align with the Climate Change Response Act, prioritizing environmental protection, carbon reduction, circular economy, and supply chain value-sharing as key procurement criteria. Suppliers are required to meet the Company's standards for safety, quality, and sustainability.</p> <p>To ensure effective supplier management, the Company implements comprehensive procurement request inspection processes, regular supplier evaluations, audits, coaching, and two-way communication meetings to strengthen supply chain management. The 2024 supplier evaluation was completed in the first quarter of 2025, and the Company will continue to deepen sustainable partnerships with suppliers.</p>
5. Has the Company stipulated standards or guidelines according to the internationally accepted report, prepared ESG Report and reports for disclosing non-financial information of the Company? Has a third-party verification entity provided	V		<p>Following the Global Reporting Initiative (GRI) Standards issued by the Global Sustainability Standards Board (GSSB), the Company compiles the Starlux Airlines Sustainability Report, fully disclosing its environmental, social, and governance (ESG) initiatives and performance.</p> <p>The 2024 Sustainability Report, to be issued in the second quarter of 2025, will undergo dual verification by the British Standards Institution (BSI) for GRI Standards: 2021 and AA1000 AS v3 in the second quarter of 2025 to ensure the quality of information disclosure. The report will then be</p>



Implementation item	Implementation status		Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and cause
	Yes	No	
assurance or assurance opinion for the aforementioned report?			published on the Company's official website, demonstrating our commitment and achievements in promoting sustainable development.
<p>6. If the Company has established its own sustainability development principles in accordance with "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies" please describe its current practices and any discrepancies from the Best Practice Principles:</p> <p>In August 2023, the board approved and announced the Sustainable Development Best Practice Principles, based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies. Our operations align fully with these principles.</p>			
<p>7. Other important information to facilitate the understanding of the execution status of promotion of sustainable development:</p> <p>The Company is actively launching a sustainable development blueprint, comprehensively advancing ESG initiatives. Committed to corporate social responsibility, we continue to strengthen our boutique airline brand value, and taking the promotion of Taiwan's local boutique culture as our responsibility. We aspire to bring our high-quality services to the international stage, showcasing Taiwan's soft power.</p> <ul style="list-style-type: none"> <li>• [Sustainable Governance Framework and Promotion Mechanisms] To enhance sustainability management and oversight, STARLUX Airlines established the Corporate Sustainability Committee on November 12, 2024, as a functional committee under the board. It convenes meetings per its charter and is responsible for reviewing sustainability-related issues and reporting its conclusions to the board for resolution, thereby strengthening the decision-making and execution capabilities regarding sustainability issues at the corporate governance level. Under the Corporate Sustainability Committee, the Sustainability Steering Committee is established, chaired by the CEO, includes four thematic task forces: Environmental Sustainability (E), Social Welfare (S), Corporate Governance (G), and Sustainability Disclosure (Disclosure). Of them, the Enterprise Risk Management (ERM) Task Force, under the Corporate Governance group, coordinates risk management, assists management in reviewing and validating the effectiveness of risk management mechanisms and provides timely improvement suggestions to ensure sustained implementation and integration of sustainability goals with operations.</li> <li>• [STARLUX Airlines Expands Cargo Operations, Becoming One of the World's Largest A350F Order Customers] At a critical moment for the global aviation industry's transformation, STARLUX Airlines demonstrated strong ambition by signing a landmark agreement with Airbus at the Singapore Airshow. The deal included the purchase of 5 A350F next-generation freighters and 3 A330neo passenger aircrafts, with an additional exercise of options for 5 more A350F freighters, bringing the total order to 10. This positions STARLUX Airlines as one of the world's largest A350F customers. Equipped with the latest-generation Trent engines, the A350F freighters offer 25% fuel savings, 50% noise reduction, an additional 3-ton payload capacity, and a wider main deck door, aligning perfectly with STARLUX Airline's 2050 net-zero emissions goal. By expanding its eco-friendly freighter fleet, STARLUX Airlines will leverage Taiwan's geographic advantage to build a global cargo network, creating new opportunities in the international air freight market.</li> <li>• [STARLUX Airlines Achieves Grand Slam of International Certifications, Setting a New Benchmark for Sustainability] STARLUX Airlines has excelled in corporate sustainability, securing six major international certifications, including "AA1000 Sustainability Report Standard" and "ISO 14064 Greenhouse Gas Inventory" dual environmental certifications from the BSI, and ISO 27001 and ISO 27701 dual information security certifications, fully demonstrating our strengths in all aspects of environmental sustainability and digital security. At the same time, upholding the core principle of "Safety is Our Attitude," the Company has established a comprehensive workplace safety system and successfully obtained ISO 45001 and TOSHMS certifications. Additionally, STARLUX Airlines received the ISO 45001 Occupational Health and Safety Performance Excellence Award for creating a friendly, diverse, and inclusive workplace, implementing robust employee care and risk management. This not only fulfills our commitments to employees and passengers but sets a new benchmark for sustainable operations in Taiwan's aviation industry, showcasing our pursuit of excellence.</li> </ul>			

Implementation item	Implementation status		Discrepancies from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and cause
	Yes	No	
<ul style="list-style-type: none"> <li>[STARLUX Airlines Campus Tour Lectures Inspire Students to Pursue Aviation Dreams] From March to May 2024, STARLUX Airlines visited seven universities across Taiwan, inviting experienced crew members who advanced from trainee pilots to co-pilots to share their flight experiences and answer students' questions about aviation careers. These sessions ignited the dreams of aspiring aviation professionals.</li> <li>[STARLUX Airlines Promotes Sustainable Sports Tourism, Pioneering Industry Standards] STARLUX Airlines deepened its three-year partnership with the Los Angeles Dodgers, developing eco-friendly co-branded products, using sustainable materials, and supporting youth baseball programs, showcasing the sustainable synergy between the sports industry and aviation services. This innovative collaboration connects Taiwan and U.S. markets while fulfilling our environmental and social commitments. Additionally, STARLUX Airlines launched a premium North American golf tour, with fuel-efficient A350 aircraft, eco-certified golf courses, and local organic dining experiences, creating a luxurious yet sustainable travel experience that showcases innovative green tourism thinking.</li> <li>[STARLUX Airlines Launches Taichung Routes, Expanding Sustainable Tourism] STARLUX Airlines officially launched Taichung routes, demonstrating its commitment to the central Taiwan market. In addition to using a fuel-efficient next-generation fleet to serve Taichung travelers, STARLUX Airlines partners with local hotels to promote green tourism certifications, promoting sustainable thinking of international tourism in central Taiwan and creating a new regional sustainability model.</li> <li>[STARLUX Airlines Deepens Sustainable Partnership with Alaska Airlines, Expanding North American Network] STARLUX Airlines partnered with Alaska Airlines, a fellow sustainability-focused carrier, through a codeshare agreement. Via the Seattle hub, the partnership connects eight major U.S. cities, expanding service networks while strengthening both airlines' strategic partnership to eco-friendly aviation. This collaboration provides passengers with convenient transfer services and mileage accrual but also demonstrates a shared vision of low-carbon flights and alignment with UN Sustainable Development Goals (SDGs).</li> <li>[STARLUX Airlines Supports Global Health, Joining Pink Ribbon Campaign] In support of the UN SDG "Good Health and Well-Being," STARLUX Airlines partnered with the Estée Lauder Companies for the 32nd Global Pink Ribbon Campaign. Through innovative air-ground initiatives, we promoted breast cancer awareness during Pink October, demonstrating the Company's commitment to public health issues, contributing to the health and well-being of women in Taiwan, and fulfilling our sustainable development commitments.</li> <li>[STARLUX Airlines Elevates Innovative Services, Advancing Sustainability] STARLUX Airlines received the APEX Five-Star rating, ranking in the top 7% of 600 global airlines based on millions of authentic passenger reviews, recognizing its innovative service quality. This is based on millions of authentic passenger reviews, reflecting our resolved commitment to sustainable service excellence. As Taiwan's first airline to receive IATA lithium battery transport certification, STARLUX Airlines upholds has established safety standards for dangerous goods transport in line with its "Safety is Our Attitude" ethos. Amid the rapid growth of global demand for lithium battery cargo, STARLUX Airlines has set a new benchmark for Taiwan's air freight industry with its professionalism.</li> </ul>			

**(6) Implementation of Climate-Related Information**

Item	Implementation status
1. Describe the Board of Directors' and management's oversight and governance of climate-related risks and opportunities.	STARLUX Airlines has established a multi-tiered climate risk governance framework, with the Board of Directors as the highest supervisory body, overseeing climate issues through the Corporate Sustainability Committee. The Sustainability Steering Committee and its executive secretary regularly collect sustainability trends, CDP climate assessments, and industry dynamics in the same industry, and provide insights to the TCFD task force for annual focuses, in alignment with SDG 13 (Climate Action), to enhance corporate climate resilience.
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	STARLUX Airlines is planning to adopt IFRS climate-related disclosure standards, with comprehensive climate risk assessments led by the TCFD task force. Through cross-departmental interviews, surveys, and climate issue scoring, the Company systematically evaluates the impact of climate risks and opportunities on operations and formulates corresponding management strategies. The Sustainability Steering Committee identified 14 key climate risks and opportunities, including 6 transition risks (e.g., carbon pricing, low-carbon technology transitions), 3 physical risks (e.g., extreme weather events), and 5 climate opportunities (e.g., green aviation services). The evaluation framework covers the entire value chain, analyzing financial impacts on flight operations across short-, medium-, and long-term horizons (0-3 years, 3-10 years, 10+ years), ranging from minor disruptions to flight cancellations, thus laying the foundation for full IFRS sustainability disclosure adoption.
3. Describe the impact of extreme climate event and transformation action on the finance.	STARLUX Airlines is dedicated to strengthening climate risk governance and is currently actively adopting IFRS to enhance the transparency and quality of climate-related financial information. We have systematically identified and assessed key physical risks, with a particular focus on the potential impact of extreme weather events, such as typhoons and floods, on our operations. To enhance climate resilience, STARLUX Airlines established an Operations Control Center (OCC) for comprehensive risk monitoring and crisis response.
4. Describe how the processes for identifying, assessing, and managing climate risks are integrated into the overall risk management system.	STARLUX Airlines manages climate risks through the Sustainability Steering Committee, systematically integrates risk assessment results from all operational sites, and collaborates with relevant departments to develop response strategies and targets. This leads to establishment of a comprehensive climate risk management mechanism, ensuring that climate-related issues are effectively incorporated into the Company's overall operational decision-making and risk management system, and completing our sustainable governance map.
5. If the scenario analysis is used to assess the resilience against the climate change risk, it is necessary to describe the scenario, parameters, assumptions, analysis factors used and the key financial impact	<p>We employ climate scenario analysis to assess potential risks and opportunities under different climate change pathways for the Company's operations and finances, referencing scenarios from the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC), covering different possible future scenarios with high transition and high physical risks.</p> <p>Under the transition risk scenario, accelerated global net-zero transitions with stricter carbon pricing and environmental regulations increase pressure on the aviation industry's fuel costs, emissions management, and technology investments. The Company pays attention to key factors, such as sustainable aviation fuel (SAF), fuel efficiency improvement, and carbon management mechanisms, to mitigate financial impacts during the transition process.</p> <p>Under the physical risk scenario: Increased extreme weather events due to climate change may disrupt flight regularity, airport operations, and infrastructure safety. The Company assesses the potential impact of different climate factors on operational stability and the cost structure, and explores adaptation and adjustment measures to enhance overall resilience.</p> <p>Through scenario analysis, the Company can identify key risks and opportunities as a reference for operational strategies and investment decisions, strengthen its ability to respond to climate change risks, and ensure the continuity of future operations and financial stability.</p>



Item	Implementation status
<p>6. If transformation plan for managing climate related risk is available, the plan content shall be explained, and the indicators and goals for identifying and managing physical risks and transformation risk shall be described.</p>	<p>In response to the potential risks of global warming, by adopting the Task Force on Climate-Related Financial Disclosures (TCFD) framework, the Company comprehensively identifies and assesses the potential impacts of climate-related risks and opportunities on operations and financial performance, thus enhancing climate governance and strategic adaptability. Systematic disclosure of climate risks and financial impacts enhances transparency and boosts stakeholder trust, thus aligning with global sustainable finance trends. In addition, the TCFD framework helps integrate climate risks into the decision-making process and prompt the Company to incorporate climate considerations into capital allocation, operational adjustments, and long-term investment strategies to enhance overall resilience and competitiveness. STARLUX Airlines actively supports the national Net-Zero Emissions by 2050 policy, collaborates with the Civil Aeronautics Administration, MOTC, and national decarbonization initiatives. In 2025, we will participate in Taiwan's first Sustainable Aviation Fuel (SAF) pilot blending program, marking a milestone as the first Taiwanese airline to use SAF. SAF significantly reduces greenhouse gas emissions compared to traditional jet fuel, effectively mitigating aviation's environmental impact. Looking ahead, STARLUX Airlines will continue to promote the use of SAF and gradually increase the blending ratio year by year to achieve low-carbon flights with actions and move toward sustainable aviation."</p>
<p>7. If the internal carbon pricing is used as a planning tool, it is necessary to explain the price establishment basis.</p>	<p>The implementation of an internal carbon pricing mechanism will help the Company internalize the cost of greenhouse gas emissions, thus strengthening our financial awareness and responsiveness to climate change risks. By setting carbon prices, the Company can proactively assess the potential costs associated with carbon emissions during operational and investment decision-making processes, optimize resource allocation, and facilitate the adoption of low-carbon technologies and execution of sustainability projects. Internal carbon pricing will also help enhance the incentive for departments to reduce emissions and strengthen the consensus and motivation of all employees toward carbon reduction goals. Furthermore, as global carbon pricing policies and sustainable finance trends increasingly mature, internal carbon pricing can serve as a crucial tool for enterprises to align with future regulations and market mechanisms, thereby enhancing corporate resilience and sustainable competitiveness. The Company is currently actively researching relevant literature and referencing international carbon market prices, greenhouse gas-related regulations, and trends. Given that STARLUX Airlines is currently in a phase of operational expansion with a continuously growing fleet, and the basis for carbon pricing has not yet stabilized, we will plan and promote an internal carbon pricing mechanism in the future based on market and regulatory developments. This will facilitate the internalization of carbon costs, strengthen overall carbon reduction benefits, and enable us to progress toward sustainable operations.</p>
<p>8. If climate-related goal has been set up, it is necessary to describe the information of activity covered, greenhouse gas emissions scope, plan schedule, annual achievement progress, etc. If carbon offset or renewable energy certificates (RECs) are used to achieve relevant goals, it is necessary to explain the carbon reduction source and quantity for the offset or the quantity of renewable energy certificates (RECs).</p>	<p>The Company supports the national Net-Zero Emissions by 2050 policy. Since 2023, we have regularly conducted a greenhouse gas emissions inventory annually, covering Scopes 1, 2, and 3, and have obtained verification from the BSI as a third-party organization. Regarding our fleet, STARLUX Airlines exclusively adopts the latest Airbus models, effectively improving fuel efficiency and carbon reduction benefits. Internationally, since 2022, STARLUX Airlines has regularly conducted a carbon emissions inventory for international routes and submits annual reports and ensures compliance with the ICAO's Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) regulations to fulfill the global aviation industry's carbon reduction responsibilities.</p>

Item	Implementation status																																																	
9. GHG inventory inspection and assurance status, and reduction goal, strategy and specific action plan.	<p>(1) Greenhouse Gas Inventory and Assurance Status</p> <p>a. Information on Greenhouse Gas Inventory Inspection</p> <p>Since 2023, STARLUX Airlines has implemented the ISO 14064-1: 2018 standard, completed a greenhouse gas inventory for its Taiwan operations with third-party verification. In 2024, the inventory scope was expanded to include overseas operations, leading to a more comprehensive carbon emissions management system.</p> <table><tr><th colspan="5">GHG Emissions</th></tr><tr><th colspan="2" rowspan="2">Item</th><th colspan="2">2023</th><th>2024</th></tr><tr><th>tonnes CO<sub>2</sub>e</th><th>%</th><th>tonnes CO<sub>2</sub>e</th><th>%</th></tr><tr><td rowspan="2">Category 1</td><td>Aircraft direct emissions</td><td>587,117.75</td><td>97.73%</td><td>970,048.98</td><td>97.84%</td></tr><tr><td>Non-aircraft direct emissions</td><td>2,739.62</td><td>0.46%</td><td>3,447.14</td><td>0.35%</td></tr><tr><td>Category 2</td><td>Ground operations</td><td>6,594.27</td><td>1.10%</td><td>8,039.77</td><td>0.81%</td></tr><tr><td colspan="2">Subtotal of Category 3~6</td><td colspan="2">Indirect emissions from transportation and product use</td><td>9,888.19</td><td>1.00%</td></tr><tr><td colspan="2">Total</td><td colspan="2">600,714.69</td><td>991,424.08</td><td></td></tr><tr><td colspan="2">Category 1 and Category 2 Intensity (tonnes CO<sub>2</sub>e/NT\$ million of revenue)</td><td colspan="2">26.54</td><td colspan="2">27.61</td></tr></table> <p>b. Information on GHG Assurance</p> <p>In 2023, ISO14064-1: 2018 GHG was implemented for the first time with BSI performing the verification according to the GHGEV 801259 and ISO 14064-1:2018 standard for the verification of all business locations of STARLUX Airlines, and the verification scope included 10 business locations of Taipei NeiHu Headquarters, STARLUX Flagship Store, Taichung Office, Taoyuan Flight Operations Center, Terminal 1 Office, Terminal 2 Office, Taoyuan Airport, Bonded Building, Maintenance Hangar, Farglory Cargo Transportation Office.</p> <p>In 2024, STARLUX Airlines conducted its second greenhouse gas inventory under ISO 14064-1: 2018, certified by the BSI per GHGEV 801259 and ISO 14064-1:2018 standards, covering all Taiwan operations. The organizational boundary included 48 operational sites, including Taiwan: Taipei NeiHu Headquarters, STARLUX Flagship Store, Taichung Office, Taichung Airport Office, Taoyuan Flight Operations Center, Taiwan Taoyuan International Airport sites (Terminal 1 and 2 Offices, duty factory, Bonded Building, Maintenance Hangar), Farglory Cargo Transportation Office, Taipei Dome Headquarters, and aircraft fuel used in Taiwan and on the ground; and overseas: 10 international branches.</p> <p>(2) Greenhouse gas reduction goals, strategies, and action plans: STARLUX Airlines is committed to fulfilling its corporate responsibility for sustainable development and climate governance, actively responding to the national Net-Zero Emissions by 2025 policy, and formulating forward-looking greenhouse gas reduction strategies and action plans by referencing international trends and standards. By integrating fleet management, fuel transition, carbon pricing, and climate risk assessment, we are establishing a short-, medium-, and long-term carbon reduction blueprint to steadily move toward the goal of net-zero aviation.</p> <p>Fleet transition is one of the core pillars of the Company's low-carbon strategy. STARLUX Airlines exclusively uses Airbus's new-generation energy-efficient aircraft models, including the A350 and A321neo, which feature high fuel efficiency and advanced avionics systems, with reduction of unit carbon emissions by over 20% compared to traditional models. The new-generation fleet not only helps reduce direct emissions during operations (Scope 1) but also effectively improves flight efficiency, reduces maintenance</p>	GHG Emissions					Item		2023		2024	tonnes CO <sub>2</sub> e	%	tonnes CO <sub>2</sub> e	%	Category 1	Aircraft direct emissions	587,117.75	97.73%	970,048.98	97.84%	Non-aircraft direct emissions	2,739.62	0.46%	3,447.14	0.35%	Category 2	Ground operations	6,594.27	1.10%	8,039.77	0.81%	Subtotal of Category 3~6		Indirect emissions from transportation and product use		9,888.19	1.00%	Total		600,714.69		991,424.08		Category 1 and Category 2 Intensity (tonnes CO <sub>2</sub> e/NT\$ million of revenue)		26.54		27.61	
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Item	Implementation status
	<p>energy consumption and resource use, demonstrating the Company's high level of integration between aerospace technology and sustainable operations.</p> <p>Regarding alternative fuels, we will participate in Taiwan's first SAF pilot blending program in 2025 to achieve the first commercial flight with SAF blended in Taiwan. SAF can significantly reduce lifecycle carbon emissions by over 80% compared to traditional jet fuel, effectively mitigating the aviation industry's impact on the climate. In the future, the Company will continue to monitor global SAF development and supply stability and gradually increase the SAF usage ratio, while establishing a medium- to long-term usage roadmap to move toward the mainstream adoption of alternative fuels.</p> <p>To guide carbon reduction investments and internal actions, the Company is also gradually establishing an internal carbon pricing mechanism. Initially, a "shadow carbon price" will be used to assess the carbon emission financial risks for major investment projects and operational plans as a basis for decision-making. In the future, we will promote an "internal carbon fee" system based on the development of international and domestic carbon policies and consider establishing a dedicated carbon fund for actions, such as energy-saving projects, SAF procurement, or carbon offsetting, to accelerate the low-carbon transition.</p> <p>On the other hand, STARLUX Airlines is gradually implementing climate risk and opportunity identification and assessment based on the TCFD framework. Scenario modeling and financial impact analysis help the Company proactively implement response strategies under scenarios, such as high carbon prices, oil price volatility, and policy changes, thus enhancing operational resilience and the foresight of resource allocation.</p> <p>In summary, STARLUX Airlines is systematically promoting carbon reduction efforts with a highly integrated climate strategy, combined with a high-efficiency fleet, alternative fuel adoption, internal carbon pricing design, and risk governance mechanisms. This demonstrates our actions and commitment to environmental sustainability, climate responsibility, and industry transformation, to steadily progress toward the long-term goal of net-zero aviation.</p>

**(7) Ethical Corporate Management Practices, and Deviations from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons:**

Assessment Item	Operation Status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
1. Establishment of Ethical Management Policies and Plans (1) Has the company established ethical management policies approved by the Board of Directors' meeting and stated in its memorandum or external correspondence about the policies and practices it has to maintain business integrity? Are the Board of Directors and the management committed in fulfilling this commitment?	V		The Company has established the "Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" in accordance with the resolution and approval of the board of directors as the guideline for implementation of ethical management, specifying the Company's ethical management policies and methods, and also regulates that directors, managerial officers, employees, appointees and individuals having sustainable control power to properly comply with the integrity and trust principle, to refrain from unethical conducts and to actively commitment the implementation of ethical management policy. The aforementioned regulations are disclosed in the "Corporate Governance Section" of the Company's website, in order to explicitly state relevant rules to the external.	No major difference.
(2) Has the company established assessment mechanism for unethical conduct risk, performed periodic analysis and assessed operating activities of relatively higher unethical conduct risk in the scope of business, and has established unethical conduct solution accordingly, and at least covering the preventive measures for the conducts described in each subparagraph of Paragraph 2 of Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?	V		The Company's "Corporate Management Best Practice Principles of the Company" and "Procedures for Ethical Management and Guidelines for Conduct" have included the operating activities of unethical conduct risk described in subparagraph of Paragraph 2 of Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies". In addition, the Company has set up responsible personnel for handling relevant reports and complaints filed by internal and external personnel for unethical or improper conducts.	No major difference.
(3) Has the Company defined and enforced operating procedures, behavioral guidelines, penalties and grievance systems as part of its preventive measures against dishonest conducts? Are the above measures reviewed and revised on a regular basis?	V		The Company has established relevant regulations of the "Ethical Corporate Management Best Practice Principles", "Code of Ethical Conducts" and "Employee Management Rules", and has specified matters requiring attention for personnel performing job duties and prohibition on the provision or receipt of illegal benefits, in order to use such regulations as the basis for implementing prevention of unethical conducts. Furthermore, the Company will also continue to review and make revision depending upon the situation.	No major difference.



Assessment Item	Operation Status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
2. Implementation of Ethical Management (1) Has the Company evaluated the record of the counterparties on business ethics, and explicitly stated business integrity as an integral part of the contracts when entering into agreements with counterparties of trade?	V		According to the provisions of the personnel. On Company's "Ethical Corporate Management Best Practice Principles", business activities shall be performed in a fair and ethical manner. Prior to the establishment of business relationship with others, it is necessary to assess the brand reputation and legality of the business counterparty, and business dealings with those with records of unethical conduct shall be prevented. The contract signing is recommended to include ethical clauses in order to explicitly specify provisions on rejection of director or indirect offer, promise, request or acceptance of illegal benefits in any form and name.	No major difference.
(2) Has the company established a dedicated unit directly under the Board of Directors and responsible for the promotion of corporate ethical management, and reporting its ethical management policy and proposal for prevention of unethical conducts as well as supervision of implementation status to the Board of Directors' meeting periodically (at least once annually)?	V		To achieve sound ethical operation management, the Company's board of directors has approved the "Ethical Corporate Management Best Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" through resolution, and the human resource unit acts as the dedicated unit responsible for the establishment, supervision and implementation of the Procedures for Ethical Management and Guidelines for Conduct, and reporting to the board of directors on its implementation status annually. The 2024 ethical management report was submitted to the board for review on December 27, 2024.	No major difference.
(3) Has the Company established policies to prevent conflicts of interest, provided appropriate methods for stating one's conflicts of interest, and implemented them appropriately?	V		The Company provides various reporting channels, including employee complaint responsible units and report mailbox, in order to allow personnel to report any matters violating the business ethics or ethical conduct.	No major difference.
(4) Has the Company established effective accounting and internal accounting and control systems for the implementation of ethical corporate management policies, prepared audit plans according to the evaluation results of dishonesty risks, and have they results audited by internal auditors or CPAs?	V		The Company has established accounting system complying with the laws and regulations to serve as the standard for handling accounting affairs. In addition, the Company has also established effective internal control system, and the audit office implements internal audit and reviews the design of the assurance system and continuous effectiveness of its implementation. Moreover, the audit office also includes the compliance status and measures for preventing unethical conduct in the scope of audit.	No major difference.

Assessment Item	Operation Status			Discrepancies with the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and Reasons
	Yes	No	Summary	
(5) Has the Company provided internal and external training on ethical management regularly?	V		The Company has specified the code of conduct required for employees and relevant reward/disciplinary action system in relevant rules of "Work Rules", Code of Ethical Conduct" and "Employee Management Rules". In addition, the Company has also organized education and training courses, including "Antitrust Law", in order to improve employees' awareness on legal compliance, integrity and ethics.	No major difference.
3. Implementation Status of the Company's Reporting System (1) Has the Company established a substantive reporting and reward and punishment system and convenient channels for reporting, and appointed designated personnel for handling the targets of reports?	V		The Company has established specific reporting and reward system in the "Procedures for Ethical Management and Guidelines for Conduct" and has also set up independent reporting mailbox. The human resource unit is designated to act as the responsible receiving unit in order to handle report and complaint related matters.	No major difference.
(2) Has the Company established any investigation standard operation procedures for accepting reported misconducts, subsequent measures and relevant confidentiality measures required to be performed after the completion of the investigation?	V		The Company has established the "Procedures for Ethical Management and Guidelines for Conduct" and relevant case investigation and handling are performed according to these procedures with confidential mechanism and implementation standard operation.	No major difference.
(3) Has the Company taken any measures for the protection of the informants or reporters from suffering undue treatment?	V		According to the "Procedures for Ethical Management and Guidelines for Conduct" of the Company, the Company has specified and guaranteed to protect reporters from any improper disposition due to their reporting.	No major difference.
4. Enhancement of Information Disclosure Has the Company disclosed the content of its Corporate Governance Best Practice Principles and the effectiveness of the implementation of the principles on its website and the MOPS?	V		The Company has disclosed relevant information of the "Corporate Ethical Management Best-Practice Principles" and "Procedures for Ethical Management and Guidelines for Conduct" on the MOPS website and the Corporate Governance Section of the Company's website.	No major difference.
5. If the Company has established its own ethical corporate management best practice principles according to the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies", please specify the difference between its operation and the principles: The Company has established the "Ethical Corporate Management Best Practice Principles" according to the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies" to handle all operations according to the principles, and there has been no major difference.				
6. Other important information that is helpful in understanding the corporate ethical management operation of the Company? (Such as, the Company has the corporate ethical management best practice principles amended, etc.): Relevant important information is disclosed in the "Corporate Governance Section" of the Company's websites.				

## (8) Other information material to the understanding of corporate governance within the Company

### A. Continuing Education Status of Officers of the Company

#### a. Financial and Accounting Officers

Name	Date of education/training	Professional training institution	Training course and number of hours
Chang, Chih-Lin (Financial Officer and Chief Corporate Governance Officer)	March 8, 2024	Accounting Research and Development Foundation	Latest Corporate Governance Policies and Impact of Net-Zero Carbon Emissions on Financial Reporting (6 hours)
	May 21, 2024	Securities & Futures Institute	Corporate Governance and Securities Laws and Regulations (3 hours)
	November 12, 2024	Securities & Futures Institute	Practical Corporate Sustainability: Case Studies on Legal Responsibilities under Three Gender Equality Acts (3 hours)
Lin, Hsin-Hui (Accounting Officer)	April 18, 2024	Accounting Research and Development Foundation	Continuing Education for Accounting Supervisors of Issuers, Securities Firms, and Exchanges (12 hours)
	May 21, 2024	Securities & Futures Institute	Corporate Governance and Securities Laws and Regulations (3 hours)
	November 12, 2024	Securities & Futures Institute	Practical Corporate Sustainability: Case Studies on Legal Responsibilities under Three Gender Equality Acts (3 hours)

#### b. Internal Auditors

Name	Date of education/training	Professional training institution	Training course and number of hours
Chang, Li-Jen (Chief Audit Officer)	January 24, 2024	The Institute of Internal Auditors-Chinese Taiwan	Key Considerations and Impacts of IFRS S1/S2 on Internal Controls and Audits (6 hours)
	March 29, 2024	Accounting Research and Development Foundation	Promotion of Corporate Sustainability through Risk Management (6 hours)
	September 23, 2024	The Institute of Internal Auditors-Chinese Taiwan	How to Use "Sustainability Disclosure Policy Analysis" and Key Internal Control/Audit Discussions (6 hours)
	March 9, 2024- May 18, 2024	Taiwan Institute for Sustainable Energy	Corporate Sustainability Management Certification Training (80 hours)
	September 12, 2024 November 7, 2024	Taiwan Institute for Sustainable Energy/BSI	Net-Zero Carbon Emission Planning Administrator and International Certification Training (62 hours)

Status of internal auditors acquiring relevant licenses designated by competent authority

- ISO 9001 Lead Auditor 5 people
- ISO/IEC 27001 Lead Auditor 3 people
- ISO/IEC 27701 Lead Auditor 1 person
- Corporate internal control system basic competency test qualification certificate 1 person

### B. Market Observation Post System (MOPS): <https://mops.twse.com.tw/mops/web/index>

### C. The Company's website: <https://www.starlux-airlines.com/zh-TW>

**(9) Internal Control System Implementation Status:****A. Statement of International Control System:**

Homepage > Individual Company > Corporate Governance > Company Regulations/Internal Controls > Internal Control Ad-Hoc Review Report  
<https://mops.twse.com.tw/mops/#/web/t06sg20>

**B. CPA's internal control system report:**

Homepage > Individual Company > Corporate Governance > Company Regulations/Internal Controls > CPA's internal control system report  
<https://mops.twse.com.tw/mops/#/web/t06hsg20>

**(10) Material resolutions made by the shareholders' meetings and the board meetings during the most recent financial year and up to the printing date of the annual report****A. Important resolution of shareholders' meeting:**

Meeting date	Summary of major resolutions	Implementation status
June 14, 2024 2024 Annual Shareholders' Meeting	<ol style="list-style-type: none"> <li>1. The Company's 2023 Business Report and Financial Statements.</li> <li>2. Proposal to make up for the Company's losses in 2023.</li> <li>3. Proposal to amend part of the provisions of the Company's "Articles of Incorporation".</li> <li>4. Proposal to amend part of the provisions of the Company's "Rules and Procedures for Shareholders' Meetings"</li> <li>5. Proposal to amend part of the provisions of the Company's "Procedures for the Election of Directors".</li> <li>6. Proposal to request the original shareholders to waive their preemptive rights for the public underwriting of new shares issued for a capital increase before the Company's initial public offering (IPO).</li> </ol>	Announcement according to resolution.

**B. Important resolutions of Board of Directors**

Date and Session of Board of Directors' Meeting	Important Resolutions	Functional Committees Meeting dates, session numbers, independent directors' opinions, resolution outcomes, and the Company's handling of opinions
February 21, 2024 (1st Meeting)	<ol style="list-style-type: none"> <li>1. The Company plans to purchase three A330-900 passenger planes and five A350F freighters.</li> <li>2. The Company plans to purchase one unit of Trent 7000 and one unit of Trent XWB-97 backup engine.</li> </ol>	2024.02.21 1st Audit Committee Meeting in 2024 1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.
March 25, 2024 (2nd Meeting)	<ol style="list-style-type: none"> <li>1. The Company plans to set up the Hong Kong Branch.</li> <li>2. The Company signs the "Over-allotment Agreement".</li> <li>3. Specify the Company's 2024 annual general shareholders' meeting date, location, reason of conversion related matters and acceptance for written proposals from shareholders with shareholding above 1%, review standard and operation procedure related matters.</li> </ol>	—

Date and Session of Board of Directors' Meeting	Important Resolutions	Functional Committees Meeting dates, session numbers, independent directors' opinions, resolution outcomes, and the Company's handling of opinions
	4. Review remuneration of new managerial officers according to the “Remuneration Committee Charter” and “Regulations for Remuneration of Directors and Managerial Officers” of the Company. 5. Proposal for review of the Remuneration Committee Charter of the Company	2024.03.25 1st Remuneration Committee Meeting in 2024 1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.
	6. The Company's 2023 business report and financial statements. 7. Proposal to make up for the Company's losses in 2023. 8. Report on the Company's accumulated losses reaching one-half of the paid-in capital. 9. Proposal for “2023 Internal Control System Effectiveness Evaluation” and “2023 Statement of Internal Control System” of the Company. 10. Proposal to amend part of the provisions of the Company's “Articles of Incorporation.” 11. Proposal to amend part of the provisions of the Company's Rules and Procedures for Shareholders' Meetings.” 12. Proposal to amend part of the provisions of the Company's “Procedures for the Election of Directors.” 13. Proposal to request the original shareholders to waive their preemptive rights for the public underwriting of new shares issued for a capital increase before the Company's initial public offering (IPO).	2024.03.25 2nd Audit Committee Meeting in 2024 1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.
May 21, 2024 (3rd Meeting)	1. The Company's 2023 ESG Report.	—
	2. Review remuneration of new managerial officers according to the “Remuneration Committee Charter” and “Regulations for Remuneration of Directors and Managerial Officers” of the Company.	2024.05.21 2nd Remuneration Committee Meeting in 2024 1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.
	3. Amendment to the Company's "General Principles of the Internal Control System”. 4. Proposal to lease six A321neo aircrafts. 5. Change of ownership for leased A350-941 aircraft (nationality and registration mark B-58502) and A330-900 aircraft (Nationality and Registration Mark tentatively B-58305). 6. The Company's Q1 2024 financial statements.	2024.05.21 3rd Audit Committee Meeting in 2024 1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.

Date and Session of Board of Directors' Meeting	Important Resolutions	Functional Committees Meeting dates, session numbers, independent directors' opinions, resolution outcomes, and the Company's handling of opinions
	7. The Company's 2024 corporate governance self-evaluation results. 8. The Statement of Internal Control System for April 1, 2023–March 31, 2024.	
August 13, 2024 (4th Meeting)	1. Proposal for removal of non-compete restriction for managerial officers of the Company.	—
	2. A new salary structure for the Chairman, and an adjusted salary structure for the Vice Chairman/CEO in accordance with the Company's "Remuneration Committee Charter" and "Regulations for Remuneration of Directors and Managerial Officers". 3. Review remuneration of new managerial officers according to the "Remuneration Committee Charter" and "Regulations for Remuneration of Directors and Managerial Officers" of the Company.	2024.08.13 3rd Remuneration Committee Meeting in 2024 1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.
	4. The Company's Q2 2024 financial statements.	2024.08.13 3rd Audit Committee Meeting in 2024 1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.
August 28, 2024 (5th Meeting)	1. Review remuneration of new managerial officers according to the "Remuneration Committee Charter" and "Regulations for Remuneration of Directors and Managerial Officers" of the Company.	2024.08.28 4th Remuneration Committee Meeting in 2024 1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.
	2. Issuance of new shares through a cash capital increase prior to the initial public listing. 3. Manager subscription for new shares issued in cash capital increase.	2024.08.28 5th Audit Committee Meeting in 2024 1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.
November 12, 2024 (6th Meeting)	1. Proposal to establish the Corporate Sustainability Committee as a functional committee and formulate its organizational charter. 2. Appointment of members of the first Corporate Sustainability Committee.	—
	3. The Company's Q3 2024 financial statements.	2024.11.12 6th Audit Committee Meeting in 2024



Date and Session of Board of Directors' Meeting	Important Resolutions	Functional Committees Meeting dates, session numbers, independent directors' opinions, resolution outcomes, and the Company's handling of opinions
		1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.
December 27, 2024 (7th Meeting)	1. Proposal for the distribution of the Company's 2024 bonus for managerial officers. 2. Proposal for review of 2025 remuneration of existing and new managerial officers of the Company.	2024.12.27 5th Remuneration Committee Meeting in 2024 1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.
	3. Proposal to purchase five additional A350F freighters. 4. Proposal to purchase one Trent XWB-97 backup engine. 5. The Company's 2025 budget plan. 6. The Company's periodic assessment on the independence and competence of CPA. 7. Prior consent of the Company's CPA and its affiliates on providing non-assurance service to the Company. 8. Proposal to establish a project to align with the government's implementation of IFRS Sustainability Disclosure Standards. 9. Amendments to the Regulations for Directors and Managers Performance Evaluation. 10. Amendments to certain provisions of the General Principles of the Internal Control System. 11. The Company's 2025 audit plan.	2024.12.27 7th Audit Committee Meeting in 2024 1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.
	12. Material topics of the Company's 2024 Sustainability Report and the focus of sustainability promotion in 2025. 13. Planning for the greenhouse gas inventory and verification timeline. 14. Formulation of the Company's "Risk Management Policy and Procedures.	2024.12.27 1st Corporate Sustainability Committee Meeting in 2024 1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.
March 11, 2025 (1st Meeting)	1. Registration of a change in the Company's registered location. 2. Proposal to Elect the 4th Term of Directors of the Company. 3. Nomination of directors and review of qualifications. 4. Proposal to Lift the Restriction of Non-competition Prohibition Imposed on the 4th Term of Directors of the Company.	—

Date and Session of Board of Directors' Meeting	Important Resolutions	Functional Committees Meeting dates, session numbers, independent directors' opinions, resolution outcomes, and the Company's handling of opinions
	5. Specify the Company's 2025 Annual Shareholders' Meeting date, location, reason of conversion related matters and acceptance for written proposals from shareholders with shareholding above 1%, review standard and operation procedure related matters.	
	6. The 2025 distribution of remuneration to employees and directors.	2025.3.11 1st Remuneration Committee Meeting in 2025 1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.
	7. The Company's 2024 Business report and Financial statements. 8. The 2024 loss compensation plan and Decision not to distribute dividends. 9. Proposal to change CPAs starting in 2025. 10. Proposal for appointment of the Company's CPA and resolution on its remuneration. 11. Proposal for amending certain provisions of the Company's "Articles of Incorporation." 12. Proposal for amending certain provisions of the Company's "Procedures for Acquiring or Disposing of Assets." 13. The Company's 2024 Statement of Internal Control System. 14. Amendment to certain provisions of the Company's "General Principles of the Internal Control System".	2025.3.11 1st Audit Committee Meeting in 2025 1. Review Result: Agreed and approved by all attending members. 2. Independent directors' dissenting or reserved opinions, or major recommendations, and the Company's handling of such opinions: None.

**(11) Documented opinions or declarations made by directors or supervisors against board resolutions in the most recent year and up till the publication date of this annual report, and its main content: None.**

#### 4. Information on CPAs' Fee

##### (1) CPA's Fee:

Unit: NT\$ thousand

Name of Accounting Firm	Name of CPA	CPA's Audit Period	Audit fees	Non-audit fees	Total	Remarks
Ernst & Young Taiwan	Yu, Chien-Ju	113.01.01~113.12.31	3,345	6,095	9,440	1. Fees for 2024 profit-seeking enterprise annual income tax return filing and 2023 undistributed earnings filing: NT\$155 thousand.
	Fu, Wen-Fang					2. Fees for internal control system advisory services for public offering: NT\$1,580 thousand. 3. Fees for management platform development and implementation: NT\$3,560 thousand. 4. Fees for sustainability disclosure standards and consulting: NT\$680 thousand. 5. Fees for U.S. airport agreement procedure report: NT\$120 thousand.

Note: If the Company changes independent auditor or accounting firm in the current year, please respectively indicate their respective audit period, and provide explanation on the reasons of such change in the remarks field. In addition, the information on audit and non-audit fees is disclosed in sequence. Notes with explanation on its service content shall be provided for non-audit fees.

- (1) When the accounting firm is changed and the audit fees paid for the financial year in which the change took place are lower than those paid for the financial year immediately preceding the change, the amount of the audit fees before and after the change and the reason shall be disclosed: None.
- (2) When the audit fees paid for the current financial year are lower than those paid for the immediately preceding financial year by 10 percent or more, the amount and percentage of and reason for the reduction in audit fees: None.

##### 5. Information on change of CPA: None.

##### 6. The Company's chairman, General Manager, and Managers in charge of its finance and accounting operations holding any positions within the independent audit firm or its affiliates in the most recent year, the name, job title and the employment period at the independent audit firm or its affiliates: None.

##### 7. Transfer or pledge of shares owned by directors, supervisors, managerial officers, shareholders with a stake of more than 10% during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report

##### (1) Equity transfer and change status of directors, supervisors, managerial officers and major shareholders with shareholding percentage exceeding 10%:

Equity transfer:

Homepage > Individual Company > Equity transfer /Securities Issuance > Equity Transfer Information Inquiry > Post-reporting Form for Insider Shareholding Changes  
[https://mops.twse.com.tw/mops/##/web/query6\\_1](https://mops.twse.com.tw/mops/##/web/query6_1)

Changes in Share Pledge Status:

Homepage > Individual Company > Equity transfer /Securities Issuance > Insider Share Pledge / Release > Insider Share Pledge / Release Announcements  
[https://mopsov.twse.com.tw/mops/web/STAMAK03\\_1](https://mopsov.twse.com.tw/mops/web/STAMAK03_1)

##### (2) Information on the counterpart of equity transfer being a related party: None.

##### (3) Information on pledge of equity created by a director, supervisor, manager and major shareholder with shareholding percentage exceeding 10 percent for a related party: None.

## 8. Information of shareholders of top ten shareholding percentage for related parties or spouse, relative relationship within second degree of kinship among themselves

April 15, 2025; Unit: shares; %

Name	Shareholding of the individual		Shareholding of spouse or minor children		Total shareholding by nominee arrangement		Information on the relations among the top 10 major shareholders if anyone is a related party, a spouse, or a relative within second degree of kinship of another and their names.		Remarks
	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Name	Relationship	
1. STARLUX Investments Limited	827,055,000	27.49	Not applicable		—	—	None	None	None
Representative: Chang, Kuo-Wei	—	—	—	—	Note	Note	STARWAY Developing Investments Limited	Director	None
							Chang, Kuo-Ming	With relationship within second degree of kinship	None
							Cheng, Shen-Chih	With relationship within second degree of kinship	None
2. STARWAY Developing Investments Limited	827,055,000	27.49	Not applicable		—	—	None	None	None
Representative: Chang, Kuo-Wei	—	—	—	—	Note	Note	STARLUX Investments Limited	Director	None
							Chang, Kuo-Ming	With relationship within second degree of kinship	None
							Cheng, Shen-Chih	With relationship within second degree of kinship	None
3. Chang, Kuo-Ming	40,746,000	1.35	Not applicable		—	—	Chang, Kuo-Wei	With relationship within second degree of kinship	None
4. Ming Wei Development Co., Ltd.	23,496,530	0.78	Not applicable		—	—	None	None	None
Representative: Cheng, Shen- Chih	1,663,253	0.06	—	—	—	—	Chang, Kuo-Wei	With relationship within second degree of kinship	None
5. Yu Heng Co., Ltd.	21,795,771	0.72	Not applicable		—	—	None	None	None
Representative: Chun-Chi Chou	2,000	0.00	—	—	—	—	None	None	None
6. Sunlit Investments PTY Ltd.	15,000,000	0.50	Not applicable		—	—	None	None	None
Representative: Wu, Chien-Li	—	—	—	—	—	—	None	None	None
7. Dale Investment Development Co., Ltd.	11,000,000	0.37	Not applicable		—	—	None	None	None
Representative: Yin, Shih-Chin	—	—	—	—	—	—	None	None	None
8. ABICO Asia Capital Corp.	9,010,128	0.30	Not applicable		—	—	None	None	None
Representative: Hsieh, Fa-Ta	—	—	—	—	—	—	None	None	None
9. ABICO AVY CO., LTD.	8,654,227	0.29	Not applicable		—	—	ABICO Asia Capital Corp.	Director	None
Representative: Tong, Chun Jen	—	—	—	—	—	—	None	None	None
10. TBB I Venture Capital LLP	8,146,967	0.27	Not applicable		—	—	None	None	None
Representative: TBB Consulting Co., Ltd.	—	—	—	—	—	—	None	None	None

Note: Chang, Kuo-Wei holds 1,654,110,000 shares of the Company, shareholding percentage of 54.98%, through the STARLUX Investments Limited and STARWAY Developing Investments Limited.

## 9. Number of shares held by the company, the company's directors, supervisors, managerial officers and the number of shares invested in a single company which are held by the entities directly or indirectly controlled by the company, and calculating the consolidated shareholding percentage of the above categories: None.

## III. Capital Overview

### 1. Capital and Shares

#### (1) Source of Capital

Units: Thousand shares; NT\$ thousands

Month / Year	Par Price (NT\$)	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital (NT\$ thousands)	Capital Increased by Assets Other than Cash	Others
05/2018	10	3,000,000	30,000,000	600,000	6,000,000	Establishment with registered capital of 6,000,000	None	MOEA Jing-Shou-Shang-Zi Letter No. 10701046660 dated May 2, 2018
05/2018	10	3,000,000	30,000,000	601,000	6,010,000	Cash capital increase of 10,000	None	MOEA Jing-Shou-Shang-Zi Letter No. 10701052070 dated May 14, 2018
02/2020	10	3,000,000	30,000,000	836,735	8,367,350	Cash capital increase of 2,357,350	None	MOEA Jing-Shou-Shang-Zi Letter No. 10901018550 dated Feb 18, 2020
02/2021	10	3,000,000	30,000,000	1,136,735	11,367,350	Cash capital increase of 3,000,000	None	MOEA Jing-Shou-Shang-Zi Letter No. 11001021710 dated Feb 8, 2021
05/2022	10	3,000,000	30,000,000	1,536,735	15,367,350	Cash capital increase of 4,000,000	None	MOEA Jing-Shou-Shang-Zi Letter No. 11101070990 dated May 3, 2022
09/2022	12	3,000,000	30,000,000	1,811,735	18,117,350	Cash capital increase of 2,750,000	None	MOEA Jing-Shou-Shang-Zi Letter No. 11101172660 dated Sep 6, 2022
08/2023	18	3,000,000	30,000,000	2,088,735	20,887,350	Cash capital increase of 2,770,000	None	MOEA Jing-Shou-Shang-Zi Letter No. 11230133460 dated Aug 1, 2023
04/2024	18	3,000,000	30,000,000	2,538,735	25,387,350	Cash capital increase of 4,500,000	None	MOEA Jing-Shou-Shang-Zi Letter No. 11330055230 dated April 15, 2024
11/2024	20	7,000,000	70,000,000	3,008,735	30,087,350	Cash capital increase of 4,700,000	None	Jing-Shou-Shang-Zi No. 11330190410 issued by MOEA on November 6, 2024

April 15, 2025 Unit: Thousand shares

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common stock	3,008,735	3,991,265	7,000,000	TWSE listed stocks

#### (2) List of Major Shareholders

April 15, 2025

Names of Major Shareholders	Shares	Shareholding (Shares)	Shareholding Ratio (%)
1. STARLUX Investments Limited		827,055,000	27.49
2. STARWAY Developing Investments Limited		827,055,000	27.49
3. Chang, Kuo-Ming		40,746,000	1.35
4. Ming Wei Development Co., Ltd.		23,496,530	0.78
5. Yu Heng Co., Ltd.		21,795,771	0.72
6. Sunlit Investments PTY Ltd.		15,000,000	0.50
7. Dale Investment Development Co., Ltd.		11,000,000	0.37
8. ABICO Asia Capital Corporation		9,010,128	0.30
9. ABICO AVY CO., LTD.		8,654,227	0.29
10. TBB I Venture Capital LLP		8,146,967	0.27

### (3) Company's Dividend Policy and Implementation Status

#### A. Dividend policy stipulated in the Articles of Incorporation

If the Company records earnings after year-end closing, the earnings shall first be used to pay taxes and make up for accumulated losses in accordance with the law. Ten percent of the earnings shall be appropriated as a legal reserve unless the accumulated legal reserve has reached the capital amount. For the rest, a special reserve shall be appropriated or reversed in accordance with laws and regulations or based on actual needs. The Board of Directors shall prepare a proposal for the distribution of any remaining earnings (distributable earnings in the current year) plus undistributed earnings from prior years and submit it to the shareholders' meeting for resolution.

The Company's dividend policy is based on the principles of stability and balance. In addition to taking into account profits for shareholders, the impact of the Company's capital expenditure and operating turnover shall be considered. Common dividends distributed shall not be less than 10% of the distributable earnings in the current year, of which those paid in cash shall not be less than 10%.

For the Company's dividend distribution, the Board of Directors is authorized to distribute all or part of the dividends and bonuses payable in cash upon a resolution by a majority of attending directors who represent two-thirds of all directors. The Board shall report the distribution to the shareholders' meeting. If the distribution is in the form of issuing new shares, it shall be proposed to and resolved by the shareholders' meeting in accordance with the Company Act.

#### B. Dividend Distribution proposed at the current Shareholders' Meeting:

The 19th meeting of the 3rd Board of Directors on March 11, 2025 resolved not to distribute dividends in 2024 and this proposal will be submitted to the 2025 Annual Shareholders' Meeting for ratification.

### (4) The impact of the stock dividends proposed at the current shareholders' meeting on the Company's operating performance and earnings per share: Not applicable.

### (5) Employee bonuses and remuneration to directors and supervisors

#### A. The percentages or ranges with respect to employees', directors' and supervisors' remuneration as set forth in the Company's Articles of Incorporation

Article 21 of the Articles of Incorporation: " Before closing the annual accounts of the Company, if there is profit, the Company shall set aside an amount not less than 1% of the profit as employees' compensation and an amount not more than 1% of the profit as compensation for directors. However, if the Company has accumulated deficit, the Company shall reserve an amount thereof for offsetting the deficit before setting aside the proportion of profits aforementioned as compensation for employees and directors.

The employee remuneration referred to in the preceding paragraph may be paid, in cash or stock. It shall be resolved by a board of directors meeting attended by over two-thirds of all directors with a majority vote of the attending directors and be reported in the shareholders' meeting.

The recipients of the remuneration to employees allocated in the form of stock or in cash, if any, include the employees of parents or subsidiaries of the Company meeting certain requirements. The certain requirements shall be set forth by the Board of Directors."

#### B. The basis for estimating the amount of remuneration to employees, directors, and supervisors, the basis for calculating the number of shares to be distributed as employee remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimate: None.

#### C. Remuneration distribution approved by the Board of Directors: None.

#### D. Reporting of remuneration distribution and results at the shareholders' meeting: None.

#### E. The actual distribution of remuneration to employees, directors, and supervisors in the previous year (including the number of shares, amount, and stock price), and any difference from the recognized remuneration to employees, directors, and supervisors, the reason therefor, and the treatment thereof shall be specified: None.



(6) **Shares repurchased by the Company:** None for the Company.

**2. Issuance of Corporate Bonds (including Overseas Corporate Bonds):**

(1) **Issuance of Corporate Bonds:** None.

(2) **Convertible Corporate Bonds:** None.

(3) **Issuance of Corporate Bonds under a Shelf Registration:** None.

**3. Issuance of Preferred Shares:** None.

**4. Participation in the issuance of Overseas Depository Receipts:** None.

**5. Disclosure of the issuance of Employee Stock Warrants:**

(1) **Issuance of employee stock warrants:** None.

(2) **Names of managers who have obtained employee stock warrants, and the names of employees who are among the top ten in terms of the number of shares that can be subscribed with obtained stock warrants and whose subscription amount reaches NT\$30 million, and their warrant acquisition and share subscription status:** None.

(3) **Private placement of employee stock warrants in the most recent three years and up to the publication date of this annual report:** None.

**6. Issuance of Restricted Stock Awards (RSAs):**

(1) **Issuance of RSAs:** None.

(2) **Names of managers receiving RSAs, and the names of the top ten employees with RSAs and their receipt of the RSAs:** None.

**7. Disclosure of the New Shares Issuance in Connection with Mergers and Acquisitions:** None.

**8. Implementation of the Capital Utilization Plan:**

Homepage > Individual Company > Equity transfer /Securities Issuance > Fundraising > Financing Plan Execution

[https://mopsov.twse.com.tw/mops/web/bfhtml\\_q2](https://mopsov.twse.com.tw/mops/web/bfhtml_q2)

## IV. Operational Overview

### 1. Business Activities

#### (1) Business Scope

##### A. Principal business activities

G501011 Civil Air Transport.

J201051 Approved Training Organizations.

F401171 Alcohol Products Importation.

ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

##### B. Revenue Distribution

Unit: NTD thousand

Item Year	Passenger Revenue		Cargo Revenue		Other Revenue		Total Revenue	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion
2023	19,747,159	87.87%	1,594,597	7.10%	1,130,372	5.03%	22,472,128	100%
2024	30,727,580	86.44%	3,152,700	8.87%	1,666,571	4.69%	35,546,851	100%

##### C. STARLUX Airlines' current products (services)

- Passenger services: International air transportation of passengers, scheduled and nonscheduled international charter flights.
- Cargo services: International transportation of goods, express delivery, mail, and packages.
- In-flight sales: Sale of duty-free products on board.
- Department store retail services: Sale of products online and in physical stores.

##### D. New products (services) to be developed

- Promoting interline partnerships and travel industry Collaboration

The Company continues to strengthen cooperation with companies in our and other industries in order to expand the Company's reputation and service range, thereby increasing flight sales and seat utilization and at the same time, improving business efficiency. In 2024, the Company collaborated with Alaska Airlines for the first time in the form of codeshare flights and launched membership programs. The existing members of COSMILE members of STARLUX or members of Mileage Plan of Alaska Airlines can accumulate their mileages from both airlines. In addition, the members of Alaska Airlines may use the mileages to redeem the Company's award tickets. In the future, members of STARLUX will also be able to redeem their mileages for award tickets of Alaska Airlines, such that members from both airlines can enjoy benefits mutually. In the future, the program will also be extended to allow STARLUX Airlines members to redeem Alaska Airlines' reward tickets, benefiting members of both carriers. Looking ahead, STARLUX Airlines will continue to explore opportunities for cooperation and proactively sign passenger/cargo interline/codeshare agreements to enhance the network and to offer more convenient and diversified options to passengers.

- Enhance the functions of the STARLUX's website and APP, as well as optimize the ticketing and passenger service process.

The development of the official website and APP of STARLUX will adhere to the "customer-centric" concept, and the Company will strive to provide more intelligent and personalized digital services. In the future, we will continue to optimize the ticketing process, COSMILES member section, itinerary management, and return ticket functions, so that every passenger can enjoy a smoother and more efficient service experience.

c. AI algorithm evaluation and technical analysis

As AI technology continues to evolve, intelligent customer service centers assisted by AI has become a new trend. The Company has integrated AI Large Language Models (LLMs) to serve as the core of our AI customer service. By combining LLMs with a Retrieval-Augmented Generation (RAG) architecture, we are creating a more nuanced, contextually relevant professional model utilizing multiple texts. Additionally, providing exclusive private data empowers the LLM to generate more precise responses. Such innovation effectively addresses the issue of inaccurate responses or problems stemming from commercial LLMs' limitations in handling professional knowledge or private information. It paves the way for the intelligent customer service center to provide faster and more satisfactory service in specialized areas and to customers.

## (2) Industry Overview

A. Status and development of the industry

a. Overall economic environment

According to the United Nations report dated January 2025, global economic growth rate in 2025 will be maintained at 2.8%, which is the same as that in 2024. However, due to the slow investment, the decrease in consumer spending, the stagnation of labor productivity and the high debt level, the global economic growth rate is still lower than the average level of 3.2% before the pandemic. The United Nations also predicted that the global inflation rate may drop from 4% in 2024 to 3.4% in 2025. As inflationary pressure eased, central banks of various countries are expected to further reduce interest rates in 2025. For developing countries, the global financial environment's easing policy helps reduce borrowing costs, but the capital is still insufficient. Many low-income countries are still facing the challenges of debt and limited international financing channels, which intensify economic instability.

On the other hand, the International Monetary Fund (IMF) pointed out that the global economy will grow steadily, and inflation will continue to slow down. According to the "World Economic Outlook Report" published in January, the global economic growth in 2025 and 2026 is expected to be 3.3%, which is the same as the forecast in October 2024. The main reason is that the economic growth in the US is expected to offset the decline in other economies. However, the trade policy brought by the U.S. government is still highly uncertain, which increases global economic obstacles and the likelihood of long-term interest rate increases, or may lead to a differentiation in the economic trends of different regions.

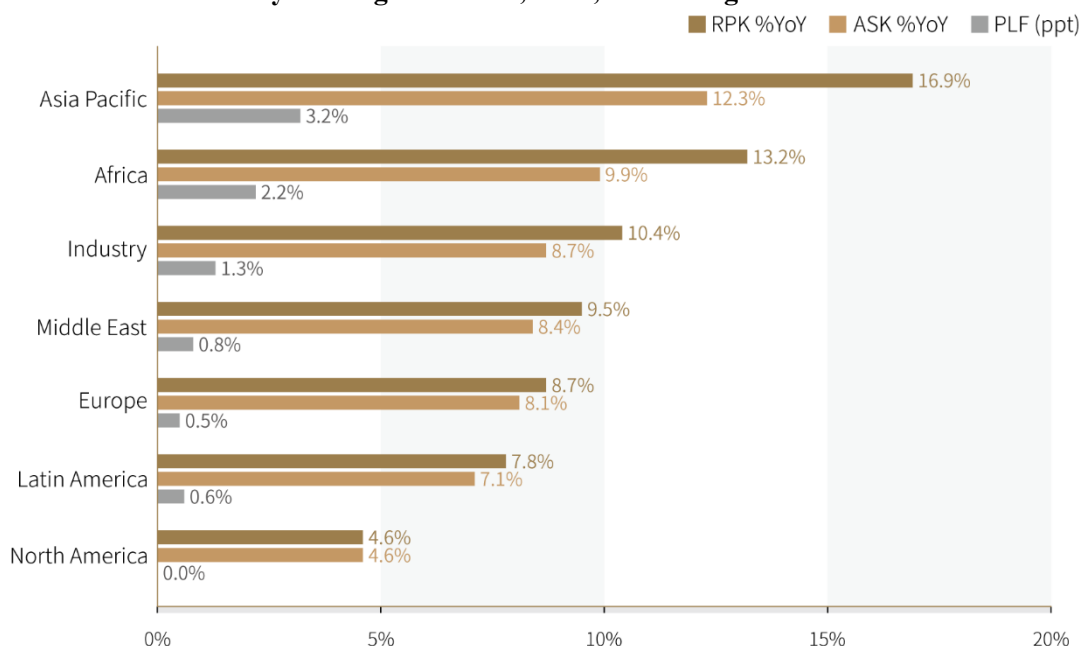
In Taiwan, the 2025 economic growth rate is 3.42%, according to the Taiwan Institute of Economic Research, which is mainly supported by consumption, investment and export. It is 0.27 percentage points higher than the forecast in November last year. In terms of the price index, the domestic inflation also showed a slow decline trend. However, the uncertainties of labor shortage and political risks still exist, and the inflation is limited. Therefore, the consumer price index is expected to rise by 1.95%. Overall, private investment still makes significant contribution to Taiwan's GDP. In the future, the investment growth rate is expected to be further promoted by the demand for AI and other things.

b. Passenger and cargo transportation markets

According to the International Air Transport Association (IATA), the global passenger and cargo market remained robust in 2024. Revenue Passenger Kilometer (RPK) for the year increased by 10.4% compared to the previous period and stood 3.8% higher than pre-pandemic levels. International passenger volume saw a year-on-year increase of 13.6%, surpassing the 0.5% level in the same period of 2019. All regions performed better than their pre-pandemic levels, with the Asia-Pacific region leading globally and contributing over half of the net growth in overall passenger volume. The full-year average passenger load factor also reached a record-breaking 83.5%, indicating a full recovery in air travel. In the past year, the global economy has been stable, inflation has continued to drop, and the price of tickets has also tended to be stable, which has promoted the growth of travel demand. The consumer's travel preferences have gradually changed, and more travelers are willing to invest a higher budget to pursue high-end services and unique travel experiences, presenting an important business opportunity for the airlines. Despite limited

supply and potential customer traffic growth due to supply chain problems. The thriving development of the aviation industry still drives the global passenger volume to a record high, which brings positive results to the industry.

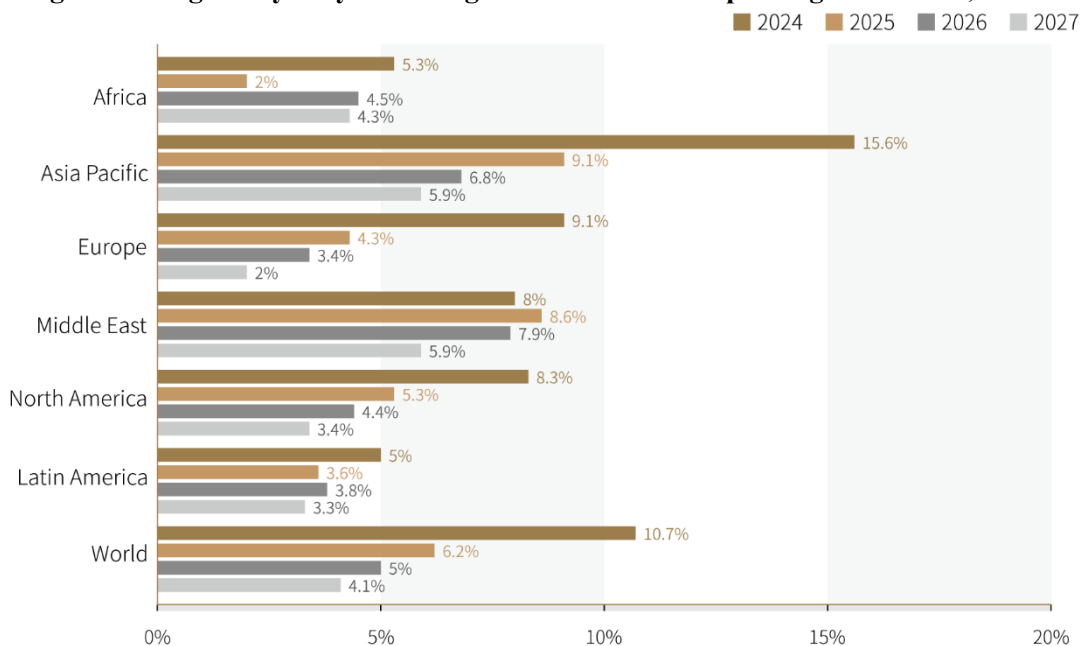
### Industry and regional RPK, ASK, and PLF growth in 2024



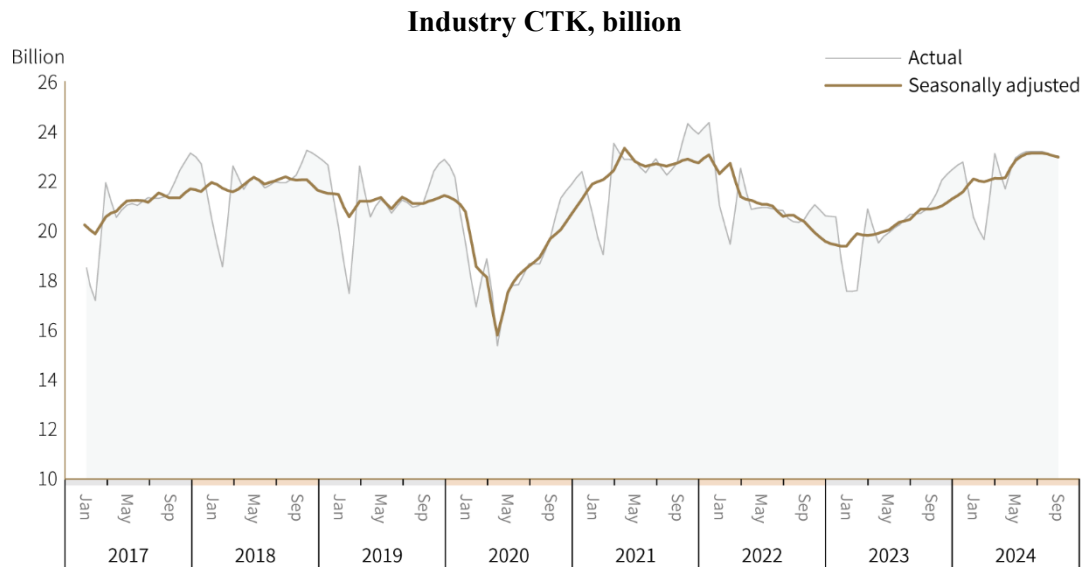
Sources: IATA Sustainability and Economics using data from IATA Information and Data - Monthly Statistics

After the pandemic, the global aviation industry's revenues hit a record high in 2024. The number of flights also increased steadily along with passenger volume. In the long run, IATA expects that global passenger volume will continue to grow at an average annual growth rate of 3.8% over the next 2 decades, which is expected to increase by 4.1 billion passengers in 2043 compared to 2023, bringing the total global passenger volume to 7.9 billion passengers.

### Regional and global yearly forecast growth rates in total passenger numbers, % YoY



In addition, with the gradual global economic recovery, geopolitical instability, and the rapid expansion of e-commerce, the global aviation cargo transportation market showed a strong growth trend in 2024. Amidst a 3.6% annual growth rate in global goods trade, Cargo Tonne Kilometer (CTK) saw a significant increase of 11.3% compared to 2023, surpassing the previous peak recorded in 2021. International cargo volume also grew by 12.2%. Looking ahead, IATA expects that the growth of cargo transportation in 2025 will slow down to 5.8%, and it is necessary to pay attention to the challenges brought by geopolitical fluctuations, as well as the impact of the global economy and business cycles on the demand for aviation cargo transportation. However, the overall market remains optimistic, and it is expected that the thriving development of the market in 2024 will be continued, bringing a stable growth momentum to the cargo transportation market.



Source: IATA Sustainability and Economics using data from IATA information and Data - Monthly Statistics

#### c. International crude oil price

According to the International Energy Agency (IEA)'s monthly report dated January 2025, the scale of the global oil market's supply surplus this year may be lower than previously expected, leading the market towards balance. The oil price soared to US\$80/barrel in January due to the cold winter in North America and Canada, and the impact of the US sanction against Russia, as well as the increase in market demand and the new challenges in supply. In addition, the OPEC forecasts that the demand for oil will continue to grow steadily under the economic growth in India and China. As for the supply of oil, the oil output organization and partners (OPEC+) have started to boost the oil price through reduced production since the end of 2022, and the oil production is expected to begin in April this year to relieve the supply pressure and stabilize the oil price. The future outlook of the crude oil market is still driven by geopolitics, economic prospects, market supply and demand, and other factors.

## B. Correlation between the upstream, midstream, and downstream sectors of the industry

The air transportation service industry mainly focuses on the provision of passenger and cargo transportation services, and its operations rely on the complementarity of related upstream, midstream, and downstream sectors to construct a comprehensive service process to meet customer needs. The correlation between the upstream, midstream, and downstream sectors of our industry is illustrated and described as follows:



### a. Upstream sectors

- **Aircraft manufacturing:**  
Aircraft are the foundation for airline operations. Our aircraft (delivered and unrealized orders) are all purchased from Airbus in France.
- **Aircraft engine manufacturing:**  
As one of the important components of aircraft, the engine has a considerable influence on flight safety, range, and flight efficiency. At present, our fleet is equipped with two types of aircraft engines, which are manufactured by two well-known foreign engine manufacturers, Rolls-Royce and CFM International, a joint venture between GE Aviation of the United States and Safran of France, respectively.
- **Aircraft leasing:**  
STARLUX Airlines introduces new aircraft by purchasing or leasing according to the financial plan. As such, aircraft leasing is one of the sources of transportation capacity for airline companies and is also an upstream sector of the air transportation industry.
- **Ground handling equipment manufacturing:**  
Ground handling equipment refers to vehicles required for apron operations, such as shuttle vehicles, ground power supply units, aircraft trailers, drinking water carts, belt loaders, and ULD loaders.

### b. Midstream sectors

- **Petroleum:**  
Jet fuel is a major operating cost for airlines, and international oil prices are easily affected by the policies of oil-producing countries and exchange rate fluctuations, making it difficult to control the fuel cost. In order to stabilize the cost of fuel, STARLUX Airlines has signed long-term contracts with major fuel suppliers for purchase discounts.
- **Aircraft maintenance and repair:**  
The regular and irregular (emergency or special) inspection, maintenance and repair of aircraft are closely related to flight quality and safety. STARLUX Airlines spent a great deal of money in building a maintenance yard for three aircraft (one wide-body aircraft and two narrow-body aircraft) at Taoyuan International Airport and signed a long-term maintenance contract with Air Asia.



- Sky catering:  
In-flight meals are an important part of in-flight service. To ensure the quality of meals served, STARLUX Airlines has commissioned China Pacific Catering Services Ltd. and Kaohsiung Airport Catering Services Ltd. to prepare in-flight meals for flights departing from Taipei and Taichung, respectively. For foreign stops, we also carefully select qualified local suppliers to provide quality services.
- Ground handling services:  
As an integral part of airport operations, ground handling services mainly include airport counter check-in, baggage handling, loading/unloading of goods and mails, towing of aircraft, and other operations on ground. The Company currently manages its landside ground handling operations at Taoyuan International Airport and Taichung International Airport. At other domestic airports, however, we collaborate with ground handling service providers, including Taiwan Airport Service Co., Ltd. and others.
- Air cargo entrepôts:  
Air cargo terminal operators engage in the handling of cargo such as air cargo import/export, transit, customs clearance of air and express cargo, storage, and loading/unloading ULDs. STARLUX Airlines currently commissions Farglory Free Trade Zone Co., Ltd. to provide freight and warehousing services.
- Information software services:  
Information systems not only improve the operational efficiency of airline companies, but also provides data support for operational decision-making. In addition to cooperating with well-known system service providers at home and abroad, STARLUX Airlines is the first airline company certified to both ISO 27001 and ISO 27701. We adopt the most rigorous attitude when it comes to management to properly protect the information security and privacy of passengers.
- Supply of catering supplies:  
In addition to the above-mentioned midstream sectors, suppliers of catering supplies provide various cabin supplies, which makes them an indispensable part of the passenger service chain.

c. Downstream sectors

- General public:  
The growing popularity of air transportation has greatly increased the opportunities for the general public to travel overseas for business or sightseeing. Being time-saving and safe, air transportation is attracting more and more passengers. In response to changes in passengers' consumption habits, STARLUX Airlines actively seeks customers through diversified sales channels.
- Travel agencies:  
STARLUX Airlines continues to work with travel agencies. In addition to selling airline tickets, assisting passengers with visa application, room reservation, and ground transportation, we also use our marketing expertise in packaging travel products to attract different target customers.
- Freight forwarding:  
Freight forwarders provide air cargo consolidation processing services to deliver shippers' cargo to airline companies for export or deliver imported cargo to cargo owners. The business scope includes import, export, transit, and sometimes, customs declaration. Freight forwarders can be regarded as ground carriers for air cargo.

### C. Product development trends

#### a. Taiwan Taoyuan International Airport as a transshipment hub in East Asia

The government launched the "Taoyuan Aerotropolis Project" in 2012. Through the urban planning model, the project will optimize land use and ensure a complete transportation network to further integrate the flow of people, goods, money, and information. The goal is to develop Taoyuan Airport into a hub airport in East Asia to not only increase the competitiveness of Taiwan's international gateway, but also create opportunities for Taiwan's overall economy. The third runway expansion project will be completed in 2030, and the construction of the third terminal is expected to be completed and begin trial operation in 2027. Our stable business planning, flexible adjustment of the fleet capacity, and route network planning are aligned with the national policy development schedule and direction for joint efforts to build a new transshipment hub in East Asia.

#### b. Strategic codeshare cooperation to create a win-win situation

International air transportation is subject to freedom of the air and market restrictions. In order to expand their route networks and provide more convenient transportation services to increase competitiveness, many airline companies have developed different strategic cooperation models. Common examples include codeshare, shared frequent flyer programs, and joining airline alliances. Through resource sharing, these collaborations enhance overall service quality and expand the customer base. In 2024, the Company achieved codeshare with Alaska Airlines to further expand the network of flight routes and improve the flexibility of flight. Furthermore, we have signed interline agreements with several regional airline companies for passenger and cargo transportation. In the future, we will strive for more codeshare cooperation opportunities depending on the scale of operations and market demand.

#### c. Diversification of air cargo to explore new market opportunities

Benefiting from the continuing order-transfer effect from the "transfer of cargo from sea to air" and the strong import and export momentum, the demand for air cargo increased steadily, and cargo structure became significantly diversified, laying a sound foundation for market development. In addition, Taoyuan Airport has planned to build a new air cargo park and free trade zone in the airport. By integrating existing cargo distribution needs, an international logistics and warehousing center will be developed, and key industries such as high-end value-added manufacturing, biotechnology, and pharmaceutical cold chains will be introduced. This can drive the development of a high value-added economy and promote the continuous growth of Taiwan's air freight traffic. As the industry recovers, the Company will not only continue to work closely with freight forwarders, but also actively expand codeshare cooperation.

### D. Competition

In 2024, as post-pandemic air travel demand reached new heights, various national airlines increased their flights, and many foreign airlines resumed service to Taiwan. The total number of aircraft movements at Taoyuan International Airport reached nearly 248 thousand, a 23% increase compared to the same period. This indicates the intensifying competition within the airline industry, which is rapidly returning to pre-pandemic levels.

In January 2024, the Company added 7 new destinations and will continue to expand the Asia and North America markets. The third North America destination, Seattle, is added as an important destination for the Company's expansion into the west coast of the United States. Furthermore, the Company commenced operations at Taichung International Airport in March 2024, vigorously reinforcing its market strategy in the central Taiwan region. As of the end of April 2025, STARLUX Airlines has launched a total of 32 scheduled routes. Through the increase in flight frequency, the expansion of the route network, and the active development of the transfer market, STARLUX Airlines is committed to improving competitiveness and addressing challenges.

## Overview of Passenger and Cargo Transportation on International and Cross-Strait Routes of National Air-lines

Airlines	2024								
	Number of flights	Passenger transportation				Cargo transportation			
		Number of passengers carried (person)	Passenger kilometers flown (person-thousand kilometers)	Available seat kilometers (seat-thousand kilometers)	Passenger load factor (%)	Cargo tonnage (metric tons)	Cargo tonne-kilometers (tonne-thousand kilometers)	Available cargo tonne-kilometers (tonne-thousand kilometers)	Cargo load factor (%)
China Airlines	66,593	11,155,236	36,985,274	47,007,258	78.68	1,180,786	5,282,850	7,728,178	68.36
EVA Airways	61,648	13,160,821	54,478,404	65,977,787	82.57	790,340	4,536,482	6,337,174	71.59
STARLUX Airlines	21,408	4,103,635	11,014,215	13,425,328	82.04	116,019	234,642	391,464	59.94
Mandarin Airlines	34,461	2,357,362	1,155,926	1,444,057	80.05	28,642	4,690	20,511	22.87
UNI Airways	39,387	3,200,221	770,685	946,136	81.46	36,362	6,067	19,925	30.45
Tigerair Taiwan	18,716	2,903,383	5,563,418	6,430,274	86.52	30,380	59,360	125,033	47.48
Total	242,213	36,880,658	109,967,922	135,230,840	81.32	2,182,528	10,124,092	14,622,284	69.24

Source: Statistical report of December 2024 from Civil Aviation Administration

### (3) Research and Development (R&D)

A. R&D expenses invested and successfully developed technologies and products in the most recent year and up to the date of publication of the annual report

In 2024 and as of the publication date of the annual report, STARLUX Airlines has invested a total of NT\$70 million in the development of the following technologies and products:

Project	R&D Project Description
Promote codeshare flights and businesses related to travel agencies	The Company continues to strengthen cooperation with companies in our and other industries in order to expand the Company's reputation and service range, thereby increasing flight sales and seat utilization and at the same time, improving business efficiency. Furthermore, the Company has also started the joint flight membership cooperation project. The existing members of COSMILE members of STARLUX or members of Mileage Plan of Alaska Airlines can accumulate their mileages from both airlines. In addition, the members of Alaska Airlines may use the mileages to redeem the Company's award tickets. In the future, members of STARLUX will also be able to redeem their mileages for award tickets of Alaska Airlines, such that members from both airlines can enjoy benefits mutually. In 2024, the Company also cooperates with the Alaska Airlines to operate joint flights, such that passengers can fly to eight major cities in North America conveniently, which also expands the Company's network coverage and improves the market competitiveness of the Company.
Upgrading of the ticketing website and app functions (Passenger pre-boarding alert notification service function project)	The Company has introduced the pre-boarding reminder service for passengers, including pre-arranged seats, pre-arranged meals, pre-arranged excess baggage, and pre-arranged duty-free products. The Company also sends check-in and change of boarding gate reminders to passengers. Passengers can obtain relevant information via email, mobile text messages, and app push notifications.
Cargo transport website revision project	The new version of the website of the Cargo Transportation Office 2.0 has been completed and launched in 2024. The new version not only optimizes the user interface, allowing users to browse and access information more intuitively, but also includes several enhanced features to meet diverse needs.
In-flight service product management and duty free shopping website revision project	The development and establishment of the Taichung duty-free warehouse system have been completed. The system is currently undergoing on-site inspection and review by customs. Following the future issuance of the necessary license, the duty-free warehouse will officially commence operations. This will enable more timely allocation and dispatch of in-flight supplies and duty-free goods for flights operating to and from Taichung International Airport, thereby enhancing the passenger's in-flight experience and comfort.

Project	R&D Project Description
Introduce the flight data analysis system	The flight data analysis system has been completed in 2024 to accurately grasp the information on competing routes, transportation capacity, schedule planning, etc. through big data analysis in order to refine our network planning strategies and develop potential markets.
Development of intelligent customer services and establishment of a global customer service center	The Company has completed the establishment of smart voice-based customer service system, and aims to provide diverse customer service channels in the future, in order to improve the service response speed and quality. In addition, the Company also plans to set up a Global Customer Service Center to order to strengthen comprehensive services to customers and to satisfy the increasingly diverse needs in the future.
Origin and destination (OnD) seat sales management system	The Company has implemented a new generation Origin and Destination (OnD) Revenue Management System. In addition to utilizing historical booking data, this system integrates factors such as origin and destination itineraries, point of sale (POS), yield, bid-price, passenger value, and sales strategy. This comprehensive approach optimizes seat control and sales to boost revenue. This function is scheduled to be launched in 2025.

#### B. Future R&D projects

In 2025, STARLUX Airlines will continue to invest about NT\$80.25 million in the research and development of the following technologies or products:

Project	Future R&D Project Description	Estimated Completion Date
Upgrading of the ticketing website and app functions (Optimize online DIY services)	The deregulation permitting joint operation of flight sales enables visitors to plan their itineraries more efficiently and comprehensively, offering greater flexibility and diversity in their travel arrangements. Meanwhile, the online self-service and ticketing experience has been optimized to enhance the overall conversion rate of the website. Furthermore, the Company is continuously optimizing the COSMILE members' area and the ticket change and refund functions to improve the overall user experience, thereby improving the user's purchasing experience and optimizing online self-service features, with the goal of increasing the website's overall ticketing conversion rate. Pre-boarding reminder push notifications: The STARLUX Airlines official app features intelligent push notifications that send timely reminders to your mobile device before your trip. These notifications cover a range of pre-departure services, such as seat and meal selection, pre-purchase of additional baggage allowance, and duty-free items.	April, 2025 Current progress: 50%
Evaluation of AI algorithms and technical analysis for the intelligent customer service project	As AI technology continues to evolve, intelligent customer service centers assisted by AI has become a new trend. The Company has integrated AI Large Language Models (LLMs) to serve as the core of our AI customer service. By combining LLMs with a Retrieval-Augmented Generation (RAG) architecture, we are creating a more nuanced, contextually relevant professional model utilizing multiple texts. Additionally, providing exclusive private data empowers the LLM to generate more precise responses. Such innovation effectively addresses the issue of inaccurate responses or problems stemming from commercial LLMs' limitations in handling professional knowledge or private information.	April 2025 Current progress 85%

#### **(4) Long-term and short-term business development plans**

##### **A. Short-term business development plans**

###### **a. Increase of flight density and route network expansion**

The Company actively expands its flight network and increases the flight density, in order to satisfy the growing needs of passengers. Since the end of 2024, the number of flights to US Los Angeles has increased to 10 flights per week. Starting in March, the number of flights to Seattle has also increased to one flight per day. The flights to San Francisco will continue to maintain the daily flight schedule. In addition, new flight route to Ontario will be launched in June. Accordingly, there will be 28 flights to four major cities on the west coast of North America. Through the joint flight operation with Alaska Airlines, the flight network of the Company is further extended to eight major cities in North America.

For the Japanese market, the number of flights from Taoyuan to Tokyo and Osaka has increased to 3 flights and 2 flights daily, respectively. For the flights to Sapporo, Sendai, Fukuoka, Kumamoto and Nagoya, the Company has also changed to use wide-body aircrafts according to the increasing passenger demand. Furthermore, the Company has also opened two new flight routes of Taoyuan-Kobe and Taichung-Kobe in April, in order to expand its scope of service.

In addition, since the Company's stationing at the second base in Taichung, its overall operating performance has been better than expected. This year, the Company will continue to evaluate the opening of more flight routes in the central and southern Taiwan, in order to provide rich and diverse choices to passengers.

###### **b. Enhanced development of the intercontinental transshipment market**

With the steady growth of the demand for travel from Asia Pacific to North America, the Company actively utilizes the excellent geographical advantages in Taiwan and assembles high-performance fleets, in order to establish a premium airline and flight-transfer market. The high-density flight network with Taipei as the hub has been established with a certain scale. With the increase of flights in Southeast Asia and optimization flight schedule, the Company aims to strengthen the flight-transfer service. Among them, the number of flights to Jakarta has been increased to 5 flights per week since March, the number of flights to Clark has been increased to 9 flights per week since May, and the number of flights to Ho Chi Minh City has also been increased 2 flights per day. In addition, for the flights to Vietnam Ho Chi Ming City and Thailand Bangkok, first-class service has also been activated and provided, in order to satisfy the needs of business customers and to improve the overall travel experience of passengers. Moreover, to further strengthen the convenience of the flight-transfer and the competitiveness of the Taipei hub, the Company has also actively endeavored to move the Southeast Asian flights to the Taoyuan International Airport Terminal 2, in order to optimize the transfer moving line, to shorten the time of transfer, and to secure the position in the intercontinental flight-transfer market.

###### **c. Strengthen brand value and premium brand image**

For the brand's field expansion, the Company continues to strengthen the brand value and improve consumer adhesion through the cross-industry co-brand collaboration. The Company has been collaborating with Snoopy to launch limited-edition products and theme flights, and has worked with high-end brands of Aesop, THREE and SMILEY to provide exclusive overnight packages for the four classes of cabins of long-haul flight routes. Meanwhile, the Company has also collaborated with local and international well-known food and beverage brands to upgrade the in-flight service experience with premium visual and tasty meals. In addition, various high-quality peripheral products are sold via "Starlux Shop" to further strengthen the brand identification and consumer interaction. In the future, the Company will continue to uphold the philosophy of innovation by developing innovative marketing and promotion planning, in order to set the Company apart from the traditional flight competition, and to strive to improve the brand premium ability and international market competitiveness.



d. Enhance customer service efficiency

In view of the rapid expansion of the flight route network and the significant growth in the number of passengers, the Company actively establishes an intelligent customer service by integrating cloud customer service telephone calls and diverse customer service channels, in order to timely respond to passengers' needs and improve service quality. The Global Customer Service Center is expected to be officially commissioned in 2025, such that the international customer support and service capability will be enhanced comprehensively.

e. Optimization of internal system operations

In order to strengthen the convenience of operations and improve operational efficiency, the Company has actively introduced a flight data analysis system, in order to integrate various information sources and to use big data to analyze the operational performance of each flight in real time, such that it can be used as a basis for network planning, market development and flight adjustment strategies. Moreover, the Company continues to promote the internal paperless operating process, and strive to achieve the goal of high-efficiency operation and sustainable development.

f. Optimize user experience

In order to provide passengers with a more complete and convenient travel experience, the Company continues to optimize the ticket and product portfolio, increase the Internet and APP check-in functions, strengthen the stability of in-flight Wi-Fi, plan and promote electronic services of newspapers and magazines, and "StarWonderers" flight ticket plus hotel package products. At the same time, the Company also expands the COSMILE mileage accumulation and use flexibility, in order to continue to improve the overall satisfaction of the passengers with diverse services.

B. Long-term business development plans

a. Steady fleet expansion

As of the end of April 2025, STARLUX Airlines had a total of 28 passenger aircraft. We expect that an additional 3 aircraft will be delivered this year, this includes the plan to introduce our first A350-1000 aircraft, which serves as preparation for developing long-haul routes to destinations such as the US East Coast and Europe. By then, our fleet will expand to a total of 31 aircraft, including thirteen A321neo, seven A330-900neo, ten A350-900, and one A350-1000. Looking ahead at the prospects for the passenger and cargo transportation markets, the Company announced last year the lease of an additional six A321neo aircraft and signed purchase agreements with Airbus for three A330-900neo passenger aircraft and five A350F new generation wide-body freighters, with deliveries slated for 2026 and 2028, respectively. Moreover, STARLUX Airlines announced in January this year the exercise of options for 5 more A350F freighters, which will expand our cargo fleet to 10 aircraft. STARLUX Airlines will pay close attention to changes in the market and adjust our route network expansion plan based on the manufacturer's capacity and delivery status to meet the goal of expanding the fleet to more than 50 aircraft in phases.

b. Construction of a dense route network

With the original intention of steady development, STARLUX Airlines continues to expand the route network in Asia and actively increases connecting passengers between Southeast Asia and North America. In the long run, we will launch new destinations in large cities in the Central States and East Coast cities according to the schedule for introducing wide-body aircraft, while actively applying for traffic rights, with a view to expanding our route network to Oceania, Europe, Canada, etc. In the future, besides gradually developing new overseas destinations, STARLUX Airlines will continue to assess the feasibility of launching regional routes including from Taichung and Kaohsiung based on market demand to serve tourists from all over Taiwan and attract more international tourists to experience the beauty of Taiwan.



c. Development of transshipment services

There are more and more diversified air cargo types. In addition to the traditionally common raw materials, consumer electronics, machinery and equipment, and apparel and footwear, small-size and high-priced biotech products and time-sensitive cargo with high unit prices are also important types of air cargo. The rise of e-commerce has also driven the growth of express delivery. STARLUX Airlines will actively develop transshipment services to connect the markets of East Asia and North America. Taiwan has a mature technology industry, and we will assist in the transportation of key materials (e.g. wafers, functional fabrics, etc.) to Southeast Asia, and then forward the finished goods to North America, making full use of route network connectivity.

d. Enhancement of interline cooperation

STARLUX Airlines and Alaska Airlines became partners in 2023 and launched codeshare flights in October 2024 to provide high-quality and convenient flight services to and from major cities in North America and Asia for the passengers and members of both parties. The cooperation between the 2 companies will combine the Asian routes of STARLUX Airlines and the dense network of Alaska Airlines in North America to significantly enhance each other's competitive advantages. This can also provide members of both parties with more diverse options for mileage accrual and redemption to improve customer loyalty. At the same time, STARLUX Airlines will continue to explore opportunities for cooperation and proactively sign passenger/cargo interline/codeshare agreements with other carriers. Depending on our growth scale, we will actively pursue additional strategic partnerships to expand our network and create mutually beneficial opportunities.

e. Support for energy conservation and carbon reduction

In addition to introducing a new-generation fleet of high-efficiency and energy-saving aircraft and digitizing paper-based operations, we will continue to take active actions related to energy management, energy conservation, and fuel-saving operations; participate in the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA); and introduce EV equipment and consider the use of green power in support of the International Civil Aviation Organization's (ICAO) goal of achieving net zero carbon emissions by 2050. At the same time, the Company will focus on the relevant applications of Sustainable Aviation Fuel (SAF). We are evaluating SAF procurement and plan to use at least 5% SAF in ferry flights for new aircraft deliveries, marking this as a starting point towards a green fuel transition. Our mid- to long-term goal is to achieve a blending ratio of 5% by 2035. Once Terminal 3 of the Taoyuan International Airport is completed and operated, it will complement the airport's design concepts for smart and sustainable operations, contributing to lowering carbon emissions in the aviation industry and fulfilling corporate social responsibility.

f. Integration of the air transportation industry chain

We currently operate our own ground handling services at Taoyuan International Airport and have built the flight operations center, service factory, maintenance yard, and bonded building near the airport to control overall service quality and operating efficiency. In the future, STARLUX Airlines plans to integrate the upstream and downstream related sectors in the aviation industry to achieve economic benefits and promote the development of the aviation industry value chain in line with the national aviation city development plan.

g. Development of the STARLUX Corporate Park

STARLUX Airlines participated in the land auction of the "Taoyuan Aerotropolis Priority Industry Zone" and won the bid in 2022 for a base of approximately 14.39 hectares. In line with the overall operational policy and needs of STARLUX, we plan to develop aviation-related industries at this base in phases. A corporate park combining intelligence, green energy, and low carbon is expected to create a large number of job opportunities. We hope to work with the Taoyuan City Government to promote the industrial cluster effect of the aviation city, implement the "airport economics" policy, and jointly facilitate the prosperity and growth of both the airport and the city.

## 2. Overview of the Market, Production, and Sales

### (1) Market analysis

#### A. Sales (supply) regions of major products (services)

##### Passenger Operations

Year Item Region	2023			2024		
	Number of passengers carried	RPK (Thousand)	Revenue (NTD thousand)	Number of passengers carried	RPK (Thousand)	Revenue (NTD thousand)
Hong Kong, Macau	218,758	184,632	1,021,282	414,919	338,269	1,370,892
Japan	1,259,065	2,294,560	10,160,139	1,885,641	3,511,866	14,547,567
Southeast Asia	1,053,625	2,512,024	5,993,503	1,390,855	3,242,758	7,595,779
USA	121,300	1,325,444	2,440,223	359,474	3,822,776	6,816,683
Others (Chartered Flights)	13,796	31,412	132,012	52,746	98,546	396,659
Total	2,666,544	6,348,072	19,747,159	4,103,635	11,014,215	30,727,580

Note: RPK (Revenue Passenger Kilometers) is calculated as the number of revenue passengers multiplied by the flight distance (km).

##### Cargo Operations

Year Item Region	2023			2024		
	Cargo tonnage (tonnes)	FTK (Thousand)	Revenue (NTD thousand)	Cargo tonnage (tonnes)	FTK (Thousand)	Revenue (NTD thousand)
Hong Kong, Macau	5,049	4,261	138,129	7,519	6,154	180,508
Japan	12,773	25,641	393,212	16,368	32,276	357,780
Southeast Asia	16,640	43,428	575,156	17,422	45,131	508,154
USA	5,017	54,845	488,100	14,184	151,081	2,106,258
Total	39,479	128,175	1,594,597	55,493	234,642	3,152,700

Note: FTK (Freight Tonne Kilometers) is calculated as the weight of revenue cargo multiplied by the flight distance (km).

## B. Market share

### Main competitors and market share

#### Market Share in Taiwan's International Route Market in the Most Recent Two Years

Item \ Year		2023	2024
Number of flights	STARLUX Airlines	15,538	21,207
	Taiwan	208,447	271,923
	Market share (%)	7.45	7.80
Number of passengers	STARLUX Airlines	2,658,173	4,070,315
	Taiwan	40,893,381	53,316,413
	Market share (%)	6.50	7.63
Cargo tonnage	STARLUX Airlines	30,431	44,135
	Taiwan	2,163,413	2,328,457
	Market share (%)	1.41	1.90

Source: Civil Aviation Administration's Monthly Statistical Report - Passenger and Freight Market Share of International and Cross-Strait Lines by National Airlines.

#### Market Share of National Airlines in the International Passenger and Freight Route Market in the Most Recent Two Years

Unit: %

Airlines \ Year	2023		2024	
	Passengers	Cargo	Passengers	Cargo
China Airlines	23.17	38.27	21.17	36.03
EVA Air	27.80	29.67	24.90	30.61
Mandarin Airlines	0.52	0.29	0.59	0.28
UNI Air	0.26	0.18	0.26	0.21
STARLUX Airlines	6.5	1.41	7.63	1.90
Tigerair Taiwan	5.39	0.03	5.38	0.03

Source: Civil Aviation Administration's Monthly Statistical Report - Passenger and Freight Market Share of International and Cross-Strait Lines by National Airlines.

## C. Future market supply, demand, and growth

The global aviation industry has been affected by the COVID-19 pandemic since 2020. After the advent of vaccines, extensive screening tests, and the resumption of sightseeing tours, countries around the world have coexisted with the virus and the aviation industry has been able to recover. According to analysis by the International Air Transport Association (IATA), the air transport industry's performance in 2024 exceeded pre-pandemic levels, with both passenger and cargo demand reaching historical highs. This indicates that the aviation industry has retained a certain level of resilience and competitiveness.

According to the 2024 market performance of the transportation service published by IATA, the revenue passenger kilometers (RPK) in 2024 increased by 10.4% compared to 2023, and the annual growth rate of the Asia Pacific region was the highest, with a growth rate of 16.9% compared to last year. In addition, supply chain constraints also contributed to pushing up the passenger load factor, with the full-year average reaching a record high of 83.5%.

Looking ahead, IATA forecasts that despite the uncertainties such as the slowdown of global economic growth, supply chain challenges, and regional conflicts, the number of travelers will continue to grow. In 2025, the global number of passengers is expected to reach 5.2 billion, a growth of 6.7% compared to 2024. The global revenue of the aviation industry is expected to exceed USD 1 trillion. In terms of cargo services, air cargo performance was outstanding in 2024. According to IATA's analysis, air cargo demand saw an 11.3% increase compared to 2023, influenced by factors such as the growth in e-commerce demand and various sea transport limitations. Capacity also grew by 7.4% compared to the same period, with the strongest growth in cargo demand observed in the Asia-Pacific region. The demand for air cargo services is expected to continue in 2025. However, volatile geopolitics and tariff policies will also become a major challenge. IATA forecasts that the cargo services growth rate will drop to 5.8% in 2025, but it is still consistent with the historical growth rate.

Looking at this year, IATA expects the aviation industry to continue to perform well. The net profit in 2025 will reach USD 36.6 billion, a 16% growth compared to 2024. The decrease in oil price and the increase in demand will also increase the profitability of the aviation industry. IATA also expects that the profit will increase as European low-cost carriers resume operation. STARLUX Airlines will always pay attention to market dynamics, carefully plan the route network, and appropriately invest resources in order to respond to market dynamics.

#### D. Competitive Niche

##### a. Hub and spoke route network strategy

The Company expand our route network steadily and progressively. By making good use of Taiwan's geographical advantage, with the "hub-and-spoke route network" as the core strategy, we have gradually expanded into the commercial and tourist cities in Asia and expanded our route network to North American destinations, as well as introduced 3 main models for short-distance, medium-distance, and long-distance flights, namely A321neo, A330-900neo, and A350-900, enabling flexible deployment to meet route demands. As of 2024, the Company concentrated on expanding its network by progressively launching new routes to destinations including Chiang Mai, Hakodate, Takamatsu, Phu Quoc Island, Hong Kong, Jakarta, and Seattle. Recognizing the significant tourism potential of central Taiwan, we also established our second base in Taiwan in Taichung in March 2024, from which we have launched routes to Macau, Takamatsu, Da Nang, Phu Quoc Island, and Okinawa. This year, we plan to continue developing potential new routes and enhance our network density. By increasing capacity on Asian regional and US routes, we seek to expand our trans-continental transfer network. In the long term, we will be able to evaluate the possibility of adding long-haul intercontinental routes to and from Europe and Oceania, with the ultimate goal of turning Taiwan into an East Asian aviation transfer hub.

##### b. New-generation fleet gradually in place

Based on the long-term development plan, STARLUX Airlines plans to introduce Airbus family aircraft. Currently, the Company have 3 models of new-generation aircraft, A321neo, A330-900neo, and A350-900. It is expected that our first A350-1000 wide-body passenger aircraft will be delivered this year, and A350F freighters will be introduced starting from 2028. The aircraft introduced by STARLUX Airlines can reduce the training time of pilots and maintenance personnel thanks to the commonality among the members of the Airbus family, significantly reducing operating costs, providing the highest efficiency and operational flexibility for future route network development, and offering passengers an ultimately comfortable in-flight experience. Our A350F freighter and A350 passenger aircraft are equipped with the best performing aircraft engines on the market, which can reduce fuel consumption by 25%, making them more environmentally friendly and energy-saving, and engine noise is significantly reduced. This indicates that in addition to active expansion, STARLUX Airlines is committed to the investment of resources for the implementation of sustainable operations. We are also ready to embrace the era of net zero emissions in response to the industry trends.

c. Brand differentiation to segment target customers

The Company is targeting the gap in Taiwan's premium aviation market, offering exquisite and high-quality service across all cabin classes, including First Class. As the only domestic carrier to feature First Class, we can attract high-end domestic and international business travelers. By collaborating with renowned teams, designers, and Taiwanese professionals, we can create a unique 5 senses experience that solidifies our position as a provider of refined flight services. In order to strengthen brand recognition and differentiation, we not only provide safety-first premium transportation services, but also strive to develop innovative ideas and cross-industry cooperation through brand concept extension to offer in-flight meals and service products that combine Taiwanese brands and local elements, as well as STARLUX's merchandise and co-branded products, demonstrating our high requirements and persistence towards products and services to passengers in different ways.

d. Comprehensive security certification

While actively expanding our operations, we have dedicated considerable resources to obtain numerous international safety and quality certifications in quick succession. These include the international dual certification for data privacy and security (ISO 27001 and ISO 27701), the WTTC Safe Travels Stamp, Taiwan Intellectual Property Management System (TIPS) A level certification, ISO 9001:2015 SGS Management System Certification, and IOSA Operational Safety Audit certification. The Company officially became an IATA member in December 2023. Further demonstrating our commitment, we passed ISO 45001 and TOSHMS (CNS 45001) Occupational Health and Safety Management System certification in April 2024. In May of the same year, we were officially awarded the BSI AA1000 Sustainability Reporting Standard and the ISO 14064 Greenhouse Gas (GHG) Inventory Certificate. By December 2024, the Company became the first Taiwanese airline to receive the IATA CEIV Lithium Batteries certification. Through these comprehensive safety and quality certifications, we are committed to providing passengers with the most reliable and safest premium service.

e. Favorable and unfavorable factors of development prospects and countermeasures

Favorable factors

- Taiwan's geographical advantage

Taiwan is situated in the fast growing Asia-Pacific aviation market and also possesses the geographical advantage to become an Asian hub. From Taiwan, you can reach major metropolitans in Asia within a 5-hour flight. Combined with the range and performance level of new-generation aircraft, Taiwan has an excellent niche to become a transit hub between Southeast Asia and North America. In addition, the construction of Terminal 3 and the third runway of Taoyuan International Airport is ongoing. With improvements in passenger traffic and services, the airport is working towards the goal of becoming a hub airport in East Asia.

- Continued growth of the global aviation market

IATA estimates that global flight numbers will reach 40 million in 2025, and the number of passengers carried is projected to surpass the 5 billion mark for the first time, reaching about 5.2 billion, representing a year-on-year increase of 6.7%. Revenue Passenger Kilometers (RPK) are forecast to grow by 8%, which is higher than the 7.1% growth in capacity. In particular, North America's passenger volume saw a 3% year-on-year increase, while the Asia-Pacific region experienced a notable 11.7% growth, the strongest among all regions. This indicates a continued surge in passenger demand and a promising future for the aviation market.

- Three Major Programs for Investing in Taiwan

In response to the US-China trade war and global supply chain restructuring, the government has successively promoted the "Three Major Programs for Investing in Taiwan." As of February 2025, the programs have attracted more than NT\$2,527.7 billion investment from thousands of companies, of which those from the electronic information industry have been the main investors. Proactive strategies within the industry are boosting the economy, particularly Taiwan's strong export performance. As a result, many products are shifting towards air freight,

in turn significantly increasing air cargo demand. At present, the government has extended the programs to the end of 2027 and expanded its coverage by including global Taiwanese businesses and foreign-invested enterprises. This is expected to attract more enterprises to invest in Taiwan, thereby promoting the upgrading of enterprises and continuing to drive Taiwan's economic development.

- Open Skies Trend

Freedom from restrictions on flights and destinations thanks to the global trend of Open Skies in the aviation industry makes route operations more liberal, which is helpful for industrial competition and development. Taiwan has signed Open Skies agreements with the United States, Japan, Australia, and some Southeast Asian countries (such as Singapore, Malaysia, and Thailand). In recent years, the government has actively promoted the signing or amendment of air service agreements with other countries or regions under the new southbound policy for demand from airline companies with limited air service capacity under agreements or no air service agreements, with the overall interests of Taiwan, as well as the competitiveness of Taiwan's airports taken into consideration. This aims to expand the operating space of airline companies and provide passengers with more convenient flight options.

#### Unfavorable factors

- Lack of manpower in the aviation industry

During the COVID-19 pandemic, countries have drastically downsized manpower, causing some airports, ground handling personnel, and even airline companies to face a shortage of manpower. If the shortfall is not filled as quickly to respond to the growing trend in flight and passenger demand, it will affect the aviation industry's momentum. On the other hand, a weak global labor market and inflation have led to upward pressure on wages, causing the labor cost of air transportation-related industries to rise.

- Fluctuations in international crude oil prices

Fuel cost accounts for a significant portion of the operating cost of an airline company. Therefore, fluctuations in international crude oil prices also affect the overall profit margin significantly. Given the slowdown in global economic growth, coupled with the impact of the popularization of alternative energy sources, the increase in demand for crude oil may not meet 2024's forecasts. However, there are still many supply-side variables that have affected the international oil price trend, such as geopolitical changes, the adjustment of production quotas by OPEC+, the US shale oil exploration technology, and the sufficiency of production volume, causing uncertainty for airline companies in seeking profit margins.

- Global regional trade agreements

In view of Sino-US rivalry, continuing regional conflicts, and competing global regional trade agreements, global trade is full of volatility and risks, and is moving towards a pattern of regional differentiation. Following the official launch of RCEP (Regional Comprehensive Economic Partnership) and IPEF (Indo-Pacific Economic Framework), Taiwan is also actively applying to accede to the CPTPP (Comprehensive and Progressive Agreement for Trans-Pacific Partnership). Whether Taiwan can maintain or even improve its competitiveness in the competition of agreements will be a crucial key to the overall economic and trade development.

- Construction speed

During the pandemic, airports in various regions continue to upgrade their anti-pandemic measures and accelerate the implementation of renovation projects to enhance their service facilities and functions and prepare for the improvement of global connectivity. According to IATA, the global international transportation volume in 2024 has exceeded the pre-pandemic level. In the face of the rapid growth of the demand for passenger and cargo services, whether future airport capacity and related infrastructure developments can keep up and provide a high-quality, efficient environment for passenger and cargo services will be a key factor determining the continued growth of the aviation industry.



- Changes in the global economic environment

In recent years, the global environment has been faced with many uncertainties due to crises such as the Russo-Ukrainian War, the Israel-Palestinian conflict, the Sino-US trade conflict and recent measures by the United States to raise tariffs, among others. which led to fluctuations in energy prices, slowing economic growth, and rising inflation in the world's major economies. This in turn affects people's willingness to consume and travel. At the same time, weak consumption also weakens the demand for cargo import and export orders, which may drag down the performance of air passenger and cargo transportation. STARLUX Airlines will closely monitor the economic impact of international trade barriers and geopolitical turbulence.

#### Countermeasures

- Flexible adjustment of route network planning and capacity

Following the gradual recovery of the global travel market and the increasingly diverse needs of passengers, the Company has, since the pandemic, resumed an operation model prioritizing passenger services complemented by cargo services. We are actively optimizing route planning, focusing on adjusting flight frequencies to meet passenger demand, and deploying wide-body aircraft to simultaneously serve major metropolises with high passenger and cargo service needs. In order to respond to market changes in a timely manner, STARLUX Airlines continues to optimize flight schedules, and always pays attention to market dynamics and competing routes to flexibly adjust the route network and capacity allocation so as to provide more competitive services. Meanwhile, we will adjust the introduction schedule of new aircraft and effectively regulate aircraft transportation capacity according to actual market demand and manufacturer capacity to maintain our steady development.

- Active cultivation and development of potential customers

As the travel market demand has rebounded significantly, STARLUX Airlines has actively developed corporate customers, group and incentive travel, and continued to promote the STARLUX co-branded card, which provides a number of privileges and discounts to enhance member loyalty in the hope of attracting more passengers to join STARLUX Airlines' COSMILE membership program. At the same time, we are actively planning the development of the Starwonderers program together with travel agencies, hoping to meet the travel needs of different customer groups by integrating travel agency resources, thereby continue to develop domestic and overseas customer bases.

- Strengthening Interline Partnerships

The Company has actively entered into passenger and cargo interlines/codeshare agreements with several regional airlines. In 2023, the company established a partnership with Alaska Airlines, and by the end of 2024, we officially launch our codeshare flight cooperation. Going forward, the Company will continue to deepen the scope of collaboration, with the aim of enhancing passenger convenience and significantly improving the competitiveness of our U.S. routes. Looking ahead, the Company will proactively seek to enter into additional agreements with various airlines for both passenger and cargo services, striving to secure more strategic partnership opportunities and achieve mutually beneficial outcomes.

- Strengthening brand promotion

The Company also partnered with the Los Angeles Clippers of the National Basketball Association and the Los Angeles Dodgers of Major League Baseball in 2023 to not only introduce the Company's brand to plenty of basketball and baseball fans, but also promote our brand image to the whole world. Furthermore, in 2023, we collaborated with the classic cartoon character "SNOOPY" to launch a series of co-branded merchandise. In June 2024, we launched SNOOPY themed flights, combining the beloved cartoon character with our flight services. Snoopy can be found on over 25 in-flight service items across all routes, except for Los Angeles and Seattle. This has been effective in attracting the attention of young demographics and brand enthusiasts. In the future, STARLUX Airlines will also continue to seek cross-border

cooperation with different brands, with a view to bringing passengers a unique in-flight experience through cooperation in in-flight meals, service supplies, and co-branded products.

- Steady development of transshipment services

With the A321neo narrow-body passenger aircraft, A330-900neo, and A350-900 wide-body aircraft, STARLUX Airlines can utilize the belly capacity of different aircraft models to allocate and develop cargo transportation capacity. Our active network expansion in Southeast Asia and development of routes in the US, as well as Taiwan's highly mature technology industry, will assist in the export of key materials such as chips and functional fabrics to Southeast Asia and the forwarding of finished products to North America. Through the carefully constructed route network, STARLUX Airlines is committed to connecting the Asian and North American markets. Confident in the growth potential of the cargo services market, the Company signed an agreement with Airbus in February 2024 to purchase next-generation A350F wide-body freighters. Deliveries are scheduled to commence from 2028. These aircraft will be deployed exclusively for cargo operations, allowing us to steadily expand our freight network and further strengthen our cargo services.

## (2) Important use and production process of main products

### A. Important use of the Company's main products

Major Products	Main Uses
Passenger services	International air transportation of passengers, scheduled and nonscheduled international charter flights.
Cargo services	International transportation of goods, express delivery, mail, and packages.
Others	Sale of duty-free products, on board, online, and in physical stores.

### B. Production process of main products

STARLUX Airlines is a service business, rather than a production business. Therefore, there is no production process.

## (3) Supply of main raw materials

STARLUX Airlines is mainly engaged in air transportation services, and jet fuel accounts for a large proportion of the raw materials required for our operations, making it a main material. In 2024, for example, fuel expenditure accounted for 28.19% of our operating cost. STARLUX Airlines has signed fuel supply contracts with well-known international oil suppliers, and the supply of fuel is stable and guaranteed.

#### (4) List of major suppliers and customers

Names of suppliers accounting for more than 10% of total purchases in any of the most recent two years, the amount and proportion of purchases therefrom, and the reasons for the increase or decrease

Unit: NTD thousand; %

Item	2023				2024			
	Name	Amount	As a percentage of net purchases for the year	Relationship with the issuer	Name	Amount	As a percentage of net purchases for the year	Relationship with the issuer
1	A	2,887,192	14.96	None	A	4,810,100	17.49	None
2	Others	16,418,093	85.04	-	Others	22,685,931	82.51	-
	Net Total	19,305,285	100		Net Total	27,496,031	100	

#### Reason for the increase or decrease:

- A. As a provider of air transport services, our operations are heavily dependent on jet fuel. In 2024, the expansion of our fleet, the substantial increase in long-haul flight frequencies, and the greater use of wide-body aircraft on medium- and short-haul routes led to higher fuel consumption. As a result, our net fuel purchase ratio also rose compared to 2023.
- B. Names of customers accounting for more than 10% of total sales in any of the most recent two years, the amount and proportion of sales thereto, and the reasons for the increase or decrease: STARLUX Airlines is mainly engaged in air transportation services, and its consumers are general public. STARLUX Airlines does not sell to specific customers.

### 3. Information on Employees

Year		2023	2024	2025 (As of April 15, 2025)
Number of Employees	Pilots	295	380	424
	Flight Attendants	951	1,293	1,379
	Dispatchers	16	18	21
	Maintenance	253	309	356
	Others	2,558	3,047	3,216
	Total	4,073	5,047	5,396
Average Age		33.83	33.31	33.44
Average Years of Service		1.65	2.27	2.36
Distribution of Educational Attainments	Doctoral Degree	0	0	0
	Master Degree	7.10 %	6.64%	6.82%
	Junior College	85.41 %	85.91%	85.58%
	High School	7.10 %	7.05%	7.23%
	Less than High School	0.39 %	0.40%	0.37%

#### 4. Information on Environmental Protection Expenditure

**(1) Total losses (including compensation) and penalties for environmental pollution in the most recent year and up to the publication date of the annual report:** None.

**(2) Countermeasures and improvement measures for current and future environmental protection problems**

A. Evaluate and plan the application of renewable energy, and promote green building environmental indicators such as ecology, energy saving, waste reduction, and health.

B. Establish management mechanisms for continuous improvement

a. The Company has implemented the ISO 14001 Environmental Management System and ISO 50001 Energy Management System, forming a systematic framework for environmental and energy management. Through the PDCA cycle management model, we continuously improve environmental performance and effectively control energy use efficiency. This demonstrates the Company's commitment and actions towards environmental sustainability, energy conservation, and carbon reduction.

b. The Company actively promotes energy-saving and environmental protection measures. A heat pump system is used for the training pool and shower rooms, which supplies hot water through heat exchange technology. In terms of waste management, we have established waste sorting and storage areas according to legal requirements and commissioned waste disposal service providers approved by the Environmental Protection Administration. Meanwhile, a dedicated unit conducts regular audits and monitoring to ensure that the disposal process adheres to legal requirements and the principle of environmental sustainability.

C. Airport noise control

STARLUX Airlines has introduced high-performance new-generation short-, medium-, and long-haul A321neo, A330neo, and A350-900 aircraft since our flights commenced. Our entire fleet complies with the regulations of the rigorous Stage 4 aircraft noise standards of the International Civil Aviation Organization (ICA) and the Federal Aviation Regulations (FA). The noise value from the original manufacturer has been reduced by 16 to 22 dB compared to the previous-generation aircraft models, and the noise footprint has been significantly reduced by 50%. STARLUX Airlines also abides by the noise control measures specified by each airport during take-off and landing to maintain the comfortable environment around the airport and for passengers.

D. Air pollution prevention

STARLUX Airlines has strategically introduced new-generation aircraft models, including the A321neo, A330neo, A350-900, A350-1000, and A350F. These aircraft utilize innovative technologies like carbon fiber composite materials and Sharklet wingtips, resulting in a 12-25% improvement in fuel efficiency compared to previous generation aircraft. At the same time, we are promoting environmental measures such as the electrification of ground handling equipment, optimization of flight procedures, and participation in the CORSIA carbon offsetting scheme, aiming to fulfill our commitment to sustainable aviation operations and development.

STARLUX Airlines is vigorously implementing numerous energy-saving and carbon reduction measures, including the adoption of electric baggage tractors, optimization of flight procedures, utilizing Ground Power Units (GPU) instead of the aircraft's Auxiliary Power Unit (APU) for ground operations, and participating in the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). These efforts demonstrate the Company's commitment to striking a balance between operational development and environmental sustainability.

E. Enhancement of the Company's image and corporate responsibility, and creation of an excellent workplace

To enhance our corporate image and social responsibility, STARLUX Airlines is committed to environmental sustainability management. Through measures such as water conservation, waste recycling and disposal, and the installation of variable frequency chiller units, we strive to create a

safe and healthy workplace. We also utilize eco-friendly refrigerants to minimize environmental impact.

To enhance energy use efficiency, STARLUX Airlines is planning to implement a smart energy management system. This system will monitor and analyze the building's energy consumption in real-time and, through intelligent integrated control of the air conditioning and power systems, effectively lower energy consumption. These measures are designed to fulfill our corporate commitment to sustainable environmental protection.

- F. STARLUX Airlines has published annual sustainability reports, disclosing ESG-related issues and performance. Furthermore, we have established a dedicated sustainability website to provide real-time updates on our environmental initiatives. These efforts showcase the Company's commitment and responsibility to stakeholders while continuously reinforcing the concept of sustainable development.

### (3) Environmental protection expenditure in the current and future years

Unit: NTD thousand

Item/Year	2024	2025 (estimated)
Installation of sewage treatment equipment	—	—
Maintenance of sewage treatment equipment	4,000	3,631
Annual sewage treatment expenses	702	1,530
Waste clearance and treatment fees	888	1,944
Other expenses	66	72

## 5. Labor Relations

- (1) List the Company's measures for labor-management harmony and mutual benefits, such as employee welfare measures, education and training courses, workplace creation, implementation of a retirement system, communication channels between labor and management, and protection of labor rights.**

### A. Labor Relations

On June 27, 2018, the STARLUX-Airlines Corporate Union was established, which still remains active to this day.

### B. Labor-Management Communication

#### a. Employee Communication

To ensure direct communication of employee complaints and suggestions, we have established diverse channels and platforms, such as employee suggestion email and dedicated hotline, adhering to principles of confidentiality and avoiding conflict of interests. We handle the opinions of each employee promptly and cautiously.

#### b. Union Communication

Starting from July 11, 2024, the Company has been engaging in collective bargaining negotiations with the corporate union. As of now, eight negotiation meetings have been held, and discussions are still ongoing.

### C. Welfare Measures

#### a. Employee benefits

STARLUX Airlines officially established its Employee Welfare Committee in accordance in February 2022. Stipulated and in accordance with the law, STARLUX Airlines and employees allocate welfare funds, including the disbursement of birthday bonuses, holiday bonuses (gifts), various welfare projects, educational scholarships, leisure and recreational subsidies, and other annual subsidies.

b. Profit sharing

According to the Articles of Incorporation of STARLUX Airlines, if STARLUX Airlines records a profit in a fiscal year, no less than 1% thereof shall be allocated as the remuneration of employees.

c. Employee care

Statutory pension contribution, employee labor and health insurance, employer liability insurance, employee group insurance, and employee health examination.

d. Employee leisure

Incentive tickets for existing employees and retirees.

e. Happy workplace

No attendance required on make-up days, flexible working hours, free employee lunch, comfortable corporate office space and equipment, and flexible transfer system.

D. Competence Training

To achieve our strategic goal of premium aviation and provide employees with guidance on the development of competencies, STARLUX Airlines continues to implement professional training courses according to job grade and professional skills, set up various talent cultivation systems, and promote education and training, moving toward a learning organization with personnel value-added development, corporate knowledge management, and the development of human resource to realize the vision of common good management. In this direction, STARLUX Airlines will continue to organize internal and external training, including orientation for new employees, hierarchical management competency training, professional competency training for each job grade, common competency training, corporate culture education, and various safety-first training courses. Various education and training programs are described as follows:

a. Orientation for new employees

STARLUX Airlines arranges "STARLUX Airlines New Hire Education Training" courses, covering our brand philosophy, future prospects organizational introduction, management rules, workplace etiquette, professional aviation knowledge, information security, occupational safety and health, etc., to help newcomers to familiarize with our relevant rules and culture.

b. Management competencies:

Training for junior, mid-level, and senior managers is implemented.

c. Professional competencies:

Professional vocational training, recurrent training, qualification training, certification training, etc. for each unit.

d. Common competencies:

Knowledge and lecture services, online education courses for all employees, and continuing education courses on information provision services.

e. Corporate culture:

Orientation for new employees, professional training for cabin crew, and advocacy in internal meetings.

f. Safety first:

Personal information security education, flight safety education, disaster prevention and safety education, and occupational safety education.

g. Gender equality and compliance:

Workplace sexual harassment prevention training course and employment discrimination prevention training course.



#### h. Human rights and ethics:

Ethical Corporate Management Best Practice Principles, Training Course on Operating Procedures, Behavioral Guidelines, and Code of Ethical Conduct, STARLUX Airlines Human Rights Policy.

A total of 3,215 sessions of the above training and education courses were organized in 2024, with a total of 80,425 participants.

#### E. Retirement system

Employees may request retirement in accordance with the Labor Standards Act and apply for receiving labor pension according to the law. The pension reserve fund is broken down as follows:

##### a. Labor Retirement Reserve Fund under the Labor Standards Act

On March 9, 2021, STARLUX Airlines established the Labor Retirement Reserve Fund Supervisory Committee in accordance with the Labor Standards Act, and opened a labor retirement reserve fund account with the Bank of Taiwan. For employees who are eligible for the old pension system, a pension contribution is made to the dedicated account on a monthly basis. When employees are eligible for retirement, they may apply to STARLUX Airlines for their pension.

##### b. Labor Pension Fund under the Labor Pension Act

According to the Labor Pension Act, for employees who are eligible for the new pension system, STARLUX Airlines makes a contribution of 6% of the employee's salary on a monthly basis to his/her labor pension fund account established by the Bureau of Labor Insurance. When employees are eligible for retirement, they may apply to STARLUX Airlines for their pension.

#### (2) Losses resulting from labor disputes in the most recent year and up to the publication date of the annual report, and the estimated amount that may be incurred in the present or in the future, and countermeasures: None

Penalty totaling NT\$530 thousand imposed by the competent labor authority after a labor inspection is detailed as follows:

Date of penalty imposition	Penalty document number	Legal provision violated	Content of the legal provision violated
2024.01.24	Fu-Lao-Jian Zi No. 1130017555	Article 6, Paragraph 1 of the Occupational Safety and Health Act	Employers must make sure that aisles, floors, stairs, ramps, work platforms, or other areas in the workplace where employees walk or stand are maintained in a safe condition to prevent employees from falling, slipping, being stepped on and injured, or rolling down. Necessary preventive measures should also be implemented.
2024.06.20	Fu-Lao-Jian Zi No. 11301668091	Article 14, Paragraph 2 of the Occupational Safety and Health Act	Operators shall, in accordance with Article 14, Paragraph 2 of this Act, report the priority management chemicals subject to investigation, as follows: 1. Operation of priority management chemicals defined in Article 2, Paragraph 1. Two..... According to Article 14, Paragraph 2 of this Act: Manufacturers, importers, suppliers, or employers shall report relevant handling information of Priority Management Chemicals specified by the Central Competent Authority to the Central Competent Authority for reference.

Date of penalty imposition	Penalty document number	Legal provision violated	Content of the legal provision violated
2024.07.09	Fu-Lao-Tiao Zi No. 1130183074	Article 12, Paragraph 1 of the Middle-aged and Elderly Employment Promotion Act	The employer shall not impose differential treatment on middle-aged and senior persons and elderly persons who are applying for jobs or under employment because of their age. The term “differential treatment” used in the preceding paragraph shall refer to the direct or indirect unfavorable treatments of the following matters imposed by the employer on the Job applicants or the employees because of their age: 1.Recruitment, screening test, employment, assignment, staffing, performance evaluation or promotion, etc. 2.Education, training or other similar activities. 3.Payment of wages or welfare of all kinds. 4.Retirement, leave with severance pay, employment termination and discharge.
2024.07.11	Bei-Shi-Lao-Dong Zi No. 1130066981	Article 32, Paragraph 2 of the Labor Standards Act	If it is necessary for the employer to make workers work outside the normal working hours, the employer may extend the working hours with the consent of the trade union. If there is no trade union, the working hours may be extended with the consent of a labor-management meeting. The above-mentioned working hour extension and normal working hours shall not exceed 12 hours a day. Working hour extensions in one month shall not exceed 46 hours. However, working hour extensions for which consent has been obtained from the trade union (or from a labor-management meeting if there is no trade union) shall not exceed 54 hours in one month and 138 hours in every three months.
2024.07.11	Fu-Lao-Tiao Zi No. 1130192646	Article 37, Paragraph 2 of the Occupational Safety and Health Act	Employers shall notify a labor inspection agency within 8 hours of the occurrence of one of the following types of occupational accidents at the place of duty of business entities: 1..... 3.Accidents causing injuries to one person or more that require hospitalization. 4.....

## 6. Information and Communication Security Management

### (1) Information and communication security risk management framework, information and communication security policies, specific management plans, and resources invested in information and communication security management.

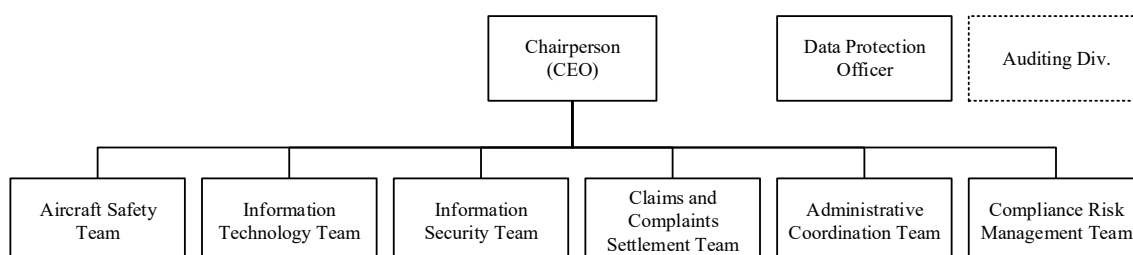
#### A. Information security management structure

STARLUX Airlines is committed to the establishment of an information security system, compliance with laws and regulations, and maintenance of customers' trust in order to achieve the goal of safe, high-quality, and comfortable flight services. Information security and privacy protection are our commitments to our customers, shareholders, and partners. In order to implement an information security management system, STARLUX Airlines has established the "Information Security Management Policy" and the "Information Security Management Manual" to improve and promote the management objectives of information security and privacy protection. STARLUX Airlines established the "Information Security and Personal Data Protection Management Committee" to oversee and manage the effectiveness of information security and personal information protection, ensure the confidentiality, integrity, and availability of our infrastructure and environment, information system software and hardware, aircraft information software and hardware, and the data, information and services provided, and meet our requirements for continuing operations.

#### a. Information Security and Personal Data Protection Management Committee

In response to the global digitization trend and information security governance requirements, STARLUX Airlines established the "Information Security and Personal Data Protection Management Committee" (Figure 1) upon the foundation of STARLUX Airlines in order to shape our information security awareness and corporate culture. The CEO serves as the chairperson of the committee, and STARLUX Airlines has appointed a Data Protection Officer and set up an Auditing Division, and six functional teams, including the Aircraft Safety Team, Information Technology Team, Information Security Team, Claims and Complaints Settlement Team, Administrative Coordination Team, and Compliance Risk Management Team. They actively participate in the crucial decision-making processes during meetings. A meeting is convened on a quarterly basis to review and resolve information security and personal data protection policies, development plans, and implementation results to ensure the achievement of our information security governance resilience and corporate sustainability goals.

Figure 1 Organizational Chart of the Information Security and Personal Data Protection Management Committee



#### b. Information Security Div.

STARLUX Airlines set up the Information Security Department in January 2024, responsible for planning, formulating and implementing our information security system and continuously promoting information security governance.

#### B. Information security management policy and practice

In order to establish a complete information security and privacy protection management mechanism, STARLUX Airlines has formulated the "Information Security Management Policy," "Information Security Management Manual," and operating procedures related to information security management in order to strengthen the information security management system and assessment and implement comprehensive risk control. We passed reviews by international standard certification organizations in June 2021 to obtain "ISO 27001:2013 Information Security Management System" and "ISO 27701:2019 Privacy Information Management System" certifications. Furthermore, we passed the re-evaluation by the international standard verification organization in March 2024 and obtained the "ISO 27001:2022 Information Security Management System" certification. STARLUX Airlines regularly conducts information security risk assessment, and based on the severity, type, and probability of risk impacts, comprehensively assesses the cost required for the mitigation or reduction of risks in accordance with the ISO 27001 Information Security Management Framework, sets priorities to implement the Plan-Do-Check-Act (PDCA) methodology, and constructs a multi-layered information security defense system to ensure the comprehensiveness and resilience of our information security system.

#### C. Resources invested and protection mechanisms for information security

In response to the information security threats faced by the aviation industry, STARLUX Airlines has commissioned professional information security companies to provide Security Operation Center (SOC) services and deployed various types of information security systems such as web application firewalls (WAFs), internal and external network firewalls, intrusion prevention system (IPSs), mobile device management (MDM), anti-virus software, and source code testing for 24-hour uninterrupted monitoring of the safe operation of information systems. In addition, our information technology division have performed security updates of various information systems on schedule. At the same time, we work with professional information security consulting firms to carry out system

vulnerability scan every year, patch the vulnerabilities found, and perform re-scan. Nowadays, aircraft operations have adopted information technology, such as electronic flight bags (EFBs) used by pilots, and information systems related to aircraft operation safety. When introducing information technology for a new type of aircraft operations, STARLUX Airlines joined hands with the aircraft manufacturer Airbus to establish a management system and process that prioritizes safety in compliance with the safety requirements of the competent authorities.

#### D. Information security management and maintenance programs

##### a. Information security and personal data protection training

All employees of STARLUX Airlines are required to receive at least one hour of information security and personal data protection training each year, and in 2024, there were more than 4,000 trainees. Certain units that have direct contact with employees or passengers' personal data shall receive at least two hours of information security and personal data protection training each year, and there were more than 3,000 trainees in 2024.

##### b. Information security and personal data protection drills

In 2024, STARLUX Airlines conducted social engineering phishing email drills, and more than 14,000 people participated in the drills. After each phishing email drill, STARLUX Airlines provides social engineering education and training. In addition, in 2024, we formulated business continuity plans for information systems and conducted more than 100 exercises, and also organized emergency response drills for personal data incidents to improve information security and personal data incident response capabilities.

##### c. Reporting of information security incidents

STARLUX Airlines has established the " Incident Response and Handling Procedures " to specify the procedure for the reporting of information security incidents, the roles of responsible personnel, risk assessment, damage control and improvement measures to ensure that information security incidents do not cause a significant impact on our finance, business operations or sensitive data. We report the handling results to the Information Security and Personal Data Protection Management Committee on a quarterly basis. In case of a major information security incident, an emergency response team will be established for timely damage control, damage recovery, and incident investigation. As of the publication of the annual report, STARLUX Airlines has not experienced any of following major information and communication security incidents:

- Where the company incurs a material loss or impact ;
- Where a relevant authority orders suspension of work, suspension of business, termination of business, or revokes or voids a permit pertaining to pollution ;
- Where the administrative fines for one single event have accumulated to NT\$1 million or more.

#### **(2) Losses due to major information and communication security incidents in the most recent year and up to the publication date of the annual report, the possible impact, and countermeasures: There were no major information and communication security incidents.**

### 7. Important Contracts

#### **(1) Licensing, lease, procurement, maintenance, and engineering contracts**

April 15, 2025

Nature of contract	Contracting party	Start/end date of contract	Main content	Restrictive covenants
Licensing	STARLUX Investments Limited	From the trademark registration date.	Trademark	—
Lease	ACG ACQUISITION 10064586 LLC	2019.12 - 146 months from the delivery date	A321 aircraft	—
	ACG ACQUISITION 10064587 LLC	2019.12 - 146 months from the delivery date	A321 aircraft	—
	ACG ACQUISITION 10064589 LLC	2019.12 - 146 months from the delivery date	A321 aircraft	—
	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	2018.02 - 144 months from the delivery date	A321 aircraft	—

Nature of contract	Contracting party	Start/end date of contract	Main content	Restrictive covenants
	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	2018.02 - 144 months from the delivery date	A321 aircraft	—
	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	2018.02 - 144 months from the delivery date	A321 aircraft	—
	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	2018.02 - 144 months from the delivery date	A321 aircraft	—
	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	2018.02 - 144 months from the delivery date	A321 aircraft	—
	CELESTIAL AVIATION TRADING 23 LIMITED	2019.03 - 144 months from the delivery date	A321 aircraft	—
	CELESTIAL AVIATION TRADING 23 LIMITED	2019.03 - 144 months from the delivery date	A321 aircraft	—
	CELESTIAL AVIATION TRADING 38 LIMITED	2019.03 - 144 months from the delivery date	A321 aircraft	—
	Archerfish Aviation Designated Activity Company	2019.03 - 144 months from the delivery date	A321 aircraft	—
	Archerfish Aviation Designated Activity Company	2019.03 - 144 months from the delivery date	A321 aircraft	—
	GY AVIATION LEASE 2405 CO., LIMITED	2024.08 - 144 months from the delivery date	A321 aircraft	—
	GY AVIATION LEASE 2405 CO., LIMITED	2024.08 - 144 months from the delivery date	A321 aircraft	—
	GY AVIATION LEASE 2405 CO., LIMITED	2024.08 - 144 months from the delivery date	A321 aircraft	—
	Avolon Leasing Ireland 3 Limited	2024.09 - 144 months from the delivery date	A321 aircraft	—
	Avolon Leasing Ireland 3 Limited	2024.09 - 144 months from the delivery date	A321 aircraft	—
	Avolon Leasing Ireland 3 Limited	2024.09 - 144 months from the delivery date	A321 aircraft	—
	ALC A339 92021A, LLC	2020.05 - 144 months from the delivery date	A330 aircraft	—
	ALC A339 112021, LLC	2020.05 - 144 months from the delivery date	A330 aircraft	—
	ALC A339 22022A, LLC	2020.05 - 144 months from the delivery date	A330 aircraft	—
	ALC A339 52022, LLC	2020.05 - 144 months from the delivery date	A330 aircraft	—
	ALC CLOVER IRELAND LIMITED	2020.05 - 144 months from the delivery date	A330 aircraft	—
	ALC CLOVER IRELAND LIMITED	2020.08 - 144 months from the delivery date	A350 aircraft	—
	Avolon Leasing Ireland 3 Limited	2024.01 - 144 months from the delivery date	A330 aircraft	—
	Avolon Leasing Ireland 3 Limited	2024.01 - 144 months from the delivery date	A330 aircraft	—
	Avolon Leasing Ireland 3 Limited	2024.01 - 144 months from the delivery date	A330 aircraft	—
	Farglory Free Trade Zone Co., Ltd.	2018.09 - 20years from the actual excavation date	Real estate	—
	Shangyang Asset Management Co., Ltd.	2022.06 - 2027.05	Real estate	—
Procurement	AIRBUS S.A.S.	Executed in 2019.03	A350 aircraft	—
	AIRBUS S.A.S.	Executed in 2024.02	A330 aircraft	—
	AIRBUS S.A.S.	Executed in 2025.01	A350F aircraft	—
	Taoyuan City Government	Executed on 2022.09.19	Real estate	—
	Civil Aviation Administration, MOTC			—
	CPC Corporation, Taiwan	2023.01-2025.12	Fuel	—
	CPC Corporation, Taiwan	2023.01-2025.12	Fuel	—

Nature of contract	Contracting party	Start/end date of contract	Main content	Restrictive covenants
Maintenance	CFM International, Inc.	From 2018.06 until the full performance of the contractual	Engine maintenance	—
	Rolls-Royces PLC	From 2019.03 until the full performance of the contractual	Engine maintenance	—
	Rolls-Royces PLC	From 2020.05 until the full performance of contractual	Engine maintenance	—
	Rolls-Royces PLC	From 2024.02 until the full performance of contractual	Engine maintenance	—
Engineering	Lee Ming Construction Co., Ltd.	From 2019.11 until the end of the warranty	Plant construction project	—
	Lee Ming Construction Co., Ltd.	From 2020.01 until the end of the warranty	Plant construction project	—
	Te Chang Construction Co., Ltd.	Form 2024.12 until the full performance of warranty obligations	Foundation construction for owner-commissioned project on self-owned land	—

## (2) Loan contracts

April 15, 2025

Nature of contract	Contracting party	Start/end date of contract	Main content	Restrictive covenants
Loan contracts	Union Bank of Taiwan	2022.07~2027.07	Medium to long-term unsecured loan	—
	Taichung Commercial Bank	2022.12~2025.12		—
	Land Bank of Taiwan	2022.12~2027.12		—
	E.SUN Bank	2023.12~2027.11		—
	Taishin International Bank	2023.12~2026.12		—
	Agricultural Bank of Taiwan	2023.12~2026.12		—
	Union Bank of Taiwan	2024.03~2027.03		—
	Land Bank of Taiwan	2024.05~2026.05		—
	Yuanta Bank	2024.06~2027.06		—
	Land Bank of Taiwan	2024.08~2029.08		—
	Taiwan Cooperative Bank	2024.09~2031.09		—
	First Commercial Bank	2024.09~2027.09		—
	First Commercial Bank	2024.12~2027.12		—
	Far Eastern Int'l Bank	2024.12~2026.12		—
	Shin Kong Bank	2024.12~2026.12		—
	EnTie Bank	2025.01~2027.01		—
	Taipei Fubon Bank	2025.02~2027.02		—
	Banking consortium including Bank of Taiwan and Land Bank of Taiwan	2024.03~2029.03	Unsecured syndicated loan	—
	Banking consortium including Taiwan Cooperative Bank	2022.10~2034.10	Syndicated mortgage loan- A350 aircraft	—
	Banking consortium including Taiwan Cooperative Bank	2023.03~2035.03		—
	Banking consortium including Chang Hwa Bank	2023.10~2035.10		—
	Banking consortium including Chang Hwa Bank	2024.03~2036.03		—
	Taiwan Business Bank	2024.08~2036.08		—
	Mega Bank	2024.12~2036.12		—



Nature of contract	Contracting party	Start/end date of contract	Main content	Restrictive covenants
	Banking consortium including Bank of Taiwan and Land Bank of Taiwan	2024.12~2036.12		—
	Banking consortium including Bank of Taiwan and Land Bank of Taiwan	2025.03~2037.03		—
	Yuanta Bank	2021.10~2026.10	Mortgage loan - mechanical equipment	—
	Union Bank of Taiwan	2022.07~2027.07		—
	Yuanta Bank	2023.03~2028.03		—
	Union Bank of Taiwan	2023.04~2028.04		—
	Yuanta Bank	2023.12~2028.12		—
	Shin Kong Bank	2024.06~2029.06		—
	Yuanta Bank	2024.09~2029.09		—
	Union Bank of Taiwan	2024.09~2029.09		—

## V. Review and Analysis of Financial Position and Financial Performance, and Risks

### 1. Analysis of Financial Position

The main reasons and impact of any material changes in assets, liabilities, and equity over the most recent two years. Where the impact is of material significance, the measures to be taken in response shall be described:

Unit: NTD thousand

Item \ Year	2023	2024	Difference	
			Amount	%
Current assets	9,470,074	20,602,126	11,132,052	118
Property, plant and equipment	24,169,871	45,993,511	21,823,640	90
Intangible assets	264,731	177,434	(87,297)	(33)
Other assets	45,170,763	52,291,730	7,120,967	16
Total assets	79,075,439	119,064,801	39,989,362	51
Current liabilities	17,539,239	18,179,698	640,459	4
Non-current liabilities	50,468,068	71,046,652	20,578,584	41
Total liabilities	68,007,307	89,226,350	21,219,043	31
Share capital	20,887,350	30,087,350	9,200,000	44
Capital surplus	2,451,220	9,775,179	7,323,959	299
Retained earnings	(11,506,152)	(7,730,494)	3,775,658	33
Other equity	(764,286)	(2,293,584)	(1,529,298)	(200)
Total equity	11,068,132	29,838,451	18,770,319	170
<p>1. Reasons and Impact of Changes: (10% or more changes in the amount, amounting to 1% of the total assets for the year)</p> <p>(1) Current assets: Mainly due to the capital increase in cash and increase in operating revenue in 2024, resulting in a significant increase in cash year-over-year.</p> <p>(2) Property, plant and equipment: Mainly due to the increase in the number of owned aircraft in 2024.</p> <p>(3) Other assets: Mainly due to the Company's prepayment for the purchase of flight equipment in 2024 under the contract, resulting in an increase in prepayment for equipment.</p> <p>(4) Non-current liabilities: Mainly due to the Company's purchase of new machines in 2024, resulting in a significant increase in long-term borrowings from the same period of last year.</p> <p>(5) Share capital: Mainly due to the issuance of new shares for cash capital increase in 2024 by the Company to increase share capital.</p> <p>(6) Capital surplus: Mainly due to the Company's issuance of shares at a premium for cash capital increase in 2024.</p> <p>2. Response Plan: The above changes had no significant impact on the Company.</p>				

## 2. Analysis of Financial Performance

### (1) Comparative Analysis of Financial Performance in the Most Recent Two Years

Unit: NTD thousand

Item \ Year	2023	2022	Increase (decrease) amount	Percentage of change (%)
Operating revenue	22,472,128	35,546,851	13,074,723	58
Operating cost	(18,550,979)	(28,355,417)	(9,804,438)	(53)
Gross profit (loss)	3,921,149	7,191,434	3,270,285	83
Operating expense	(3,441,651)	(4,821,672)	(1,380,021)	(40)
Net operating profit (loss)	479,498	2,369,762	1,890,264	394
Non-operating revenue and expenses	(594,713)	(1,076,261)	(481,548)	(81)
Pre-tax net profit (loss)	(115,215)	1,293,501	1,408,716	1,223
Income tax benefits	264,411	30,937	(233,474)	(88)
Current net profit (loss)	149,196	1,324,438	1,175,242	788
Other comprehensive income in the current period (net amount after tax)	(208,283)	(1,529,298)	(1,321,015)	(634)
Total comprehensive income in the current period	(59,087)	(204,860)	(145,773)	(247)
Earnings per share	0.08	0.53	0.45	563
<p>1. Description of Material Changes (10% or more changes in the amount, amounting to 1% of the total assets for the year):  In 2024, with the continuous expansion of our fleet, the Company recorded a significantly increased turnover and experienced an increase in the overall gross profit. Thanks to the revenue-generating and cost-saving measures adopted, the Company's net profit for the current period has grown significantly.</p> <p>2. Response Plan: The Company will review the profit and loss status on a rolling basis to maintain the Company's steady development.</p>				

### (2) Estimated Sales and Its Basis, Possible Impact on the Company's Future Finance and Business, and Response Plan:

The Company does not disclose future financial forecasts, and thus is not intended to disclose the expected sales.

### 3. Cash Flow

#### (1) Analysis of Cash Flow Changes in the Most Recent Year:

Unit: NTD thousand

Item	Year	2023	2024	Increase (decrease) amount
Net cash inflow (outflow) from operating activities		8,189,037	10,965,481	33.90%
Net cash inflow (outflow) from investing activities		(16,334,146)	(30,003,339)	(83.68%)
Net cash inflow (outflow) from financing activities		12,513,653	29,391,392	134.87%
Analysis of Changes Reaching 20% or More: 1. The increase in net cash inflow from operating activities is mainly due to the increase in the number of flights resulting from the expansion of the aircraft fleet in 2024, which resulted in the increase in cash inflow from the operating activities for passenger and cargo transportation. 2. Increase in the net cash outflow from investing activities: Mainly due to the increase in the Company's aviation equipment purchases in 2024. 3. Increase in the net cash inflow from financing activities: Primarily attributed to the higher amounts of bank loans by the Company in 2024.				

#### (2) Improvement Plan for Lack of Liquidity: The Company does not experience a cash deficit, and thus, there is no impending lack of liquidity.

#### (3) Cash Liquidity Analysis for the Coming Year

Unit: NTD thousand

Beginning cash balance	Net cash flow from operating activities for the year	Cash inflow (outflow) from investing activities for the year	Cash inflow (outflow) from financing activities for the year	Cash surplus (deficit) amount	Remedial measures for cash deficiency	
					Investment plan	Financial plan
16,041,913	11,287,217	(30,462,863)	18,420,563	15,286,830	—	—
1. Analysis of Cash Flow Changes in the Coming Fiscal Year: (1) Operating Activities: Mainly involved the net cash inflow from the Company's operating revenue net of labor costs and related operating expenses. (2) Investing Activities: Primarily involved the cash outflow due to the purchase of aviation equipment. (3) Financing activities: mainly due to the increase in loans from purchase of aircrafts, resulting in cash inflow. 2. Remedial Measures for Anticipated Cash Deficiency and Liquidity Analysis: There is no anticipated cash deficiency, so this does not apply.						

### 4. Impact of Major Capital Expenditure in the Most Recent Year on Finance and Business:

- As of December 31, 2024, the Company entered into lease contracts to rent 28 planes with aircraft lease companies, 19 of which had been delivered to the Company. The remaining 9 planes will be successively delivered to the Company starting from 2025 and the related rent expenses will be paid by the Company once delivered.
- The Company entered into airplane purchase contracts of 17 A350 planes with Airbus on March 20, 2019. The total consideration of list prices was US\$5,858,727 thousand. As of December 31, 2024, 7 planes had been delivered to the Company, and the remaining 10 planes will be successively delivered to the Company starting from 2025. The Company has partially prepaid the price of NT\$6,156,361 thousand.
- As of December 31, 2024, the Company obtained guarantees of SG\$2,237 thousand, US\$39,990 thousand, JPY192,178 thousand, HK\$6,720 and NT\$618,400 thousand from financial institutions for issuing stand-by letter of credit and guarantees.

- (4) The Company contracted for Taoyuan Aerotropolis Priority Industrial Zone Land Tendering Project with Taoyuan City Government and Civil Aeronautics Administration, MOTC on September 19, 2022. The total contract price is NT\$8,957,230 thousand. As of December 31, 2024, the Company had paid NT\$2,687,169 thousand with NT\$6,270,061 thousand remained.
- (5) The Company purchased 3 A330-900 passenger aircraft and 5 A350F freighters from Airbus on February 21, 2024. The total consideration of list prices was US\$3,284,268 thousand. As of December 31, 2024, the Company has partially prepaid the price of NT\$2,883,524 thousand.
- (6) The Company purchased one Trent 7000 and one Trent XWB-97 spare engine from Rolls-Royce PLC on February 21, 2024. The total consideration of prices was no more than US\$80,250 thousand. As of December 31, 2024, the Company has partially prepaid the price of NT\$195,273 thousand.
- (7) The Company purchased 5 A350F freighters from Airbus on December 27, 2024. The total consideration of list prices was US\$2,234,055 thousand.
- (8) The Company purchased one Trent XWB-97 spare engine from Rolls-Royce PLC on December 27, 2024. The total consideration of prices was no more than US\$50,000 thousand.

In summary, the Company's major capital expenditure is mainly for operating aviation equipment and the land for the Taoyuan Aerotropolis project, which have been mainly financed with the Company's own funds or bank financing, and there should be no significant impact on the Company's finances and business.

**5. The investment policy for the most recent year, the main reason for the gain or loss, the improvement plan, and the investment plan for the coming year:**

- (1) Investment policy: None.
- (2) The main reason for the investment gain or loss in the most recent year and the improvement plan: None.
- (3) Investment plan for the coming year: None.

**6. Risk analysis and assessment items in the most recent year and up to the publication date of this annual report:**

**(1) Impacts of interest rate and exchange rate changes and inflation on the Company's profit and loss and future countermeasures:**

**A. Interest rate changes**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt instrument investment with floating interest rates and bank borrowings with variable interest rates. To prevent interest rate changes from causing impacts on the Company's profit and loss, the Company assesses financing interest rates regularly and as appropriate, pays attention to economic environment changes at home and abroad, and takes necessary actions, if needed, in order to reduce the risk to the Company's profit or loss caused by changes in interest rates. When interest rates increase/decrease by 10 base points, the Company's income will increase/decrease by NT\$(38,850) thousand and NT\$(24,436) thousand, respectively, in 2024 and 2023.

**B. Exchange rate changes**

The Company's exchange rate risk is mainly related to operating activities (when revenues or expenses are denominated in a currency other than the Company's functional currency). In order to prevent exchange rate changes from affecting the Company's profit or loss, the Company evaluates the status of foreign currency income and expenditure regularly and, as appropriate, continuously maintains close contact with various financial institutions, and asks them to provide professional consulting services, so as to keep abreast of international exchange rate trends and adjust foreign currency positions in a timely manner, with the hope of minimizing the impact of exchange rate changes on the Company's profit or loss. Sensitivity analysis for exchange rate risks focuses on the

main foreign currency monetary items at the end of a financial reporting period, and the impact of the appreciation/devaluation of related foreign currencies on the Company's profit and loss and equity. The Company's exchange rate risk is subject to fluctuations in the US dollar exchange rate. When the New Taiwan dollar strengthens/depreciates by 1% against the US dollar, the Company's project or loss in 2023 and 2024 would increase/decrease by NT\$17,211 thousand and NT\$(11,261) thousand, respectively.

#### C. Inflation

Due to the characteristics of the industry, operating revenue may be adjusted to reflect the changes if appropriate for changes in some operating costs. In order to avoid the impact of inflation, the Company pays timely attention to inflation to reduce or avoid the impact of price changes on the Company's operations.

### **(2) Policies for engaging in high-risk and high-leverage investment, lending of funds to others, making endorsements or providing guarantees, and derivative transactions, the main reason for the gain or loss, and future countermeasures:**

- A. The Company concentrates on our own business and does not engage in high-risk and high-leverage investment.
- B. The Company currently does not lend funds to others or make endorsements/provide guarantees for others. If there is a need for lending funds to others or making endorsements/providing guarantees for others in the future, the relevant procedures shall follow the Company's "Operating Procedures for Lending Funds to Others" and "Operating Procedures for Endorsements/Guarantees."
- C. The Company's hedging strategy for derivative transactions focuses mainly on avoiding market risks. The Company chooses derivatives that can help avoid the risks of interest rate, exchange rate and oil price fluctuation generated by the Company's business operations. The relevant procedures shall follow the Company's "Procedures for Handling Derivative Transactions" to achieve the ultimate goal of risk control.

### **(3) Future R&D plans and expected R&D expenses:**

- A. Continue to strengthen the cooperation among the business operators in the same industry
- B. Continue to upgrade the ticketing website and App functions (optimization of online DIY service).
- C. Evaluate AI algorithm and technical analysis smart customer service.

The expected R&D expenses for the above-mentioned are about NT\$80.25 million.

### **(4) Impacts of major domestic and international policies and legal changes on the Company's finance and business, and countermeasures:**

The relevant divisions of the Company promptly acquire and comply with the major domestic and international policy and legal developments, and proactively adopt appropriate countermeasures when necessary. As of the publication date of this annual report, there is no any material event arising from such changes that have had an impact on the Company's financial or business operations.

### **(5) Impacts of technological and industrial changes on the Company's finance and business, and countermeasures:**

The industry of the Company is mature and stable, and the Company will continue to pay attention to changes in the industry at all times in order to quickly grasp the dynamics of the industry. At present, a management mechanism for information security has been established to reduce internal and external deliberate or accidental threats. For personal information, we have set up a dedicated management organization to protect the rights of the parties concerned and mitigate the possible impact of personal information infringement incidents on the Company. As of the publication date of this annual report, there have been no technological and industrial changes with a significant impact on the Company's finances and business. Information and Communication Security Risk please refer to pages 91~93.



**(6) Impacts of changes in corporate image on corporate crisis management and countermeasures:**

The Company operates with a steady and pragmatic spirit and has a good image. There has been no change in our corporate image that would lead to a crisis requiring management. In case of false negative news, the Company will quickly initiate contingency measures, and the Public Relations Office will make an external public statement to maintain the Company's image.

**(7) Expected benefits and possible risks of mergers and acquisitions, and countermeasures: None.**

**(8) Expected benefits and possible risks of plant expansion, and countermeasures: None.**

**(9) Risks associated with any concentration of purchases or sales, and countermeasures:**

**A. Purchase concentration risk assessment and countermeasures**

The Company mainly provides civil air transportation services. The purchase items include fuel, aircraft materials, maintenance, etc. As of the publication date of this annual report, there has been no concern about any abnormal supply or purchase concentration.

**B. Sales concentration risk assessment and countermeasures**

The Company's international passenger and freight transport businesses mainly target the general public and travel agencies. As of the publication date of this annual report, there has been no risk of sales concentration.

**(10) Impacts on and risks to the Company if a major quantity of shares belonging to a director or supervisor, or a shareholder holding greater than a 10% stake in the Company has been transferred or has otherwise changed hands, and countermeasures:**

A. Large transfer of shares by directors, supervisors, or major shareholders holding more than a 10% stake in the Company: None.

B. Change of directors and supervisors: None.

**(11) Impacts on and risks to the Company in the event of changes in management rights, and countermeasures: None.**

**(12) Litigation or non-litigation matters :**

A. Any litigation, non-litigation matters or administrative disputes that have a final judgment or are currently pending, and the result thereof may have a significant impact on shareholders' equity or securities prices, the facts in dispute, the claimed amount, commencement dates, principal parties involved, and current status shall be disclosed: None.

B. The Company's directors, supervisors, General Manager, de facto person in charge, and major shareholders holding more than a 10% stake in the Company and the affiliates who have been involved in litigation, non-litigation or administrative disputes that have a final judgment or are currently pending, and the result thereof may have a significant impact on shareholders' equity or securities prices:

a. Lawsuit filed by Mr. Chang, Kuo-Cheng against Chairman Chang, Kuo-Wei regarding the validity of a will: Chang, Kuo-Cheng (the "plaintiff") filed a lawsuit to confirm the invalidity of the will of Mr. Chang, Yung-Fa, the father of Chairman Chang, Kuo-Wei (the "defendant"). The Taiwan Taipei District Court dismissed the plaintiff's claims and ruled in favor of the defendant in March 2020, and the Taiwan High Court upheld the lower court's decision and dismissed the plaintiff's appeal in April 2023. The Supreme Court dismissed the final appeal of the plaintiff in August 2024. This case is the personal matter of Chairman Kuo-Wei Chang, and is unrelated to the Company. The result of this case does not have any significant impact on the shareholders' equity or securities prices.

b. Defamation complaint filed by the China Airlines Employees Union (the "CAEU") against Chairman Chang, Kuo-Wei: CAEU filed a defamation complaint against Chairman Chang, Kuo-Wei regarding the comments he made for "One Terminal, One Alliance" policy during a media interview. The Taiwan Taipei District Prosecutors Office ("TTDPO") determined that such comments were related to the public interest in the fair allocation of public transportation

resources, constituting to a matter of public concern, and should be protected under the right to freedom of speech. TTDPO issued a non-prosecution ruling in January 2024.

- C. The Company's directors, supervisors, managers, and major shareholders holding more than a 10% stake in the Company who have been involved in any violations of Article 157 of the Securities and Exchange Act in the most recent fiscal years and up to the publication date of this annual report, and the Company's current handling status: None.

### **(13) Other important risks and countermeasures:**

#### **A. Market risk assessment and response strategies**

- a. The aviation transportation and tourism industry has been severely affected by the COVID-19 pandemic since 2020. As the relevant bans in various countries have been lifted successively, the epidemic era has come to an end. In order to strengthen the Company's ability to respond to the contingency about public health in the future, the Company has formulated the "Business Continuity Plan for Responding to International Public Health Incidents" in 2024 for compliance, so that in the event of a public health incident, the Company can continue its business and operations, and adjust its operational planning and business promotion subject to the circumstances.
- b. In the event of other market changes, such as severe political and economic situations in countries and drastic fluctuations in oil prices, the Company will immediately implement contingency measures. The Planning Office will adjust the flight schedule; the Public Relations Office will explain to the public; and the Corporate Security Office will initiate the emergency contingency plan.

#### **B. Credit risk assessment and response strategies**

- a. The Company's counterparties for bank deposits and other financial instruments and contract performing parties are financial institutions with good credit ratings, and there is no significant performance concern. Moreover, the Company's cash is deposited in different financial institutions, so there is no significant credit risk.
- b. As the Company has a broad customer base, does not conduct transactions with a single customer significantly, and has dispersed sales territories, there is no concern about the significant concentration of credit risk in accounts receivable. In order to mitigate credit risk, the Company also continuously evaluates customers' financial status on a regular basis, and usually requires customers to provide collateral.

#### **C. Information security risk assessment and response strategies**

- a. In response to the information security threats faced by the aviation industry, the Company has commissioned professional information security companies to provide security operations center services, and has deployed various types of information security systems such as firewalls, intrusion prevention systems, mobile device management, anti-virus software, and source code testing for 24-hour uninterrupted monitoring of the safe operation of information systems. Nowadays, aircraft operations have adopted information technology, such as electronic flight bags used by pilots, and information systems related to aircraft operation safety. When introducing new aircraft operation information technology, the Company joined hands with the aircraft manufacturer Airbus to establish a management system and process that prioritizes safety in compliance with the safety requirements of the competent authorities.
- b. The Company passed a "Payment Card Industry Data Security Standard (PCI DSS)" review in December 2019 to ensure the security of payment card use. Subsequently, we passed reviews by international standard certification organizations to obtain "ISO 27001:2013 Information Security Management System" and "ISO 27701:2019 Privacy Information Management System" certifications. Furthermore, the company passed the re-evaluation by the international standard verification organization in March 2024 and obtained the "ISO 27001:2022 Information Security Management System" certification. In terms of information security and personal data protection, the Company complies with the competent authority's laws and regulations governing information security and personal data and follows the international standards

established by the International Air Transport Association (IATA) and the International Civil Aviation Organization (ICAO) while continuously building resources necessary for information security and personal data protection.

- c. In order to strengthen information security and personal data protection operations, an "Information Security and Personal Data Protection Management Committee" has been established to review the structure of the information security and personal data protection organization, monitor regulatory updates, implement an information security and personal data protection system, perform information security system establishment and evaluation, manage indicators, making reports on training and exercise results, etc., improving the operation of information security management.
- d. The Company has established a reporting mechanism for information security incidents and personal data infringement incidents. Employees may enter the security reporting system to report any suspected information security incident or personal data leakage incident. Upon the receipt of a report by the dedicated unit in charge of security, the Company's has professional units and personnel to determine the risk level and assign a unit for handling in order to reduce the risk and impact that information security incidents and personal data infringement incidents may bring.

#### D. Operational risk assessment and response strategies

- a. In compliance with Taiwan CAA's "Aircraft Flight Operation Regulations" and following guidance from the International Civil Aviation Organization (ICAO) Document 9859, as well as related regulations and standards from the IOSA Standard Manual (ISM) of the International Air Transport Association (IATA), the Company has established and implemented a Safety Management System (SMS). With safety risk management as a core of the system, we consistently identify hazards and conduct risk analysis to implement effective risk control and monitoring measures. This proactive approach enables us to respond with flexibility to both internal and external changes, thereby maintaining operational risk at reasonable and acceptable levels while ensuring the safety of the company.
- b. To achieve comprehensive safety risk management, the Company has built a structured safety organization and cultivates a positive safety culture, ensuring every employee is dedicated to maintaining the highest level of operational safety. In our Safety Management Manual, we clearly define the safety accountabilities and responsibilities of all personnel at every level. To enhance all employees' ability to identify hazards and assess risks, we provide comprehensive SMS training covering fundamental safety concepts, our Safety Policy, Safety Objectives, Safety Culture and the Safety Reporting System. All newly hired employees are required to complete SMS initial training, while all employees shall take annual SMS recurrent training. Additionally, members of our Safety Action Group across eight key operational areas—Organization and Management System, Flight Operations, Operation Control and Flight Dispatch, Aircraft Engineering and Maintenance, Cabin Operations, Ground Handling Operations, Cargo Operations, and Security—are required to complete Advanced SMS course. This initiative fosters a strong safety commitment, empowering individuals and teams to proactively identify latent operational risks and implement preventive or mitigative actions.
- c. At the individual level, our safety reporting system, iQSMS, provides user-friendly web and app interfaces that are accessible on both computers and mobile devices. This system enables our employees to promptly and efficiently report identified risks, promoting a proactive approach to risk management across our organization. To further support open communication, our safety reporting system includes an anonymous reporting option, allowing personnel to confidentially report potential hazards or errors without fear of blame or punishment. Rooted in our just culture, this approach creates a learning environment and continuously enhances our operational safety. Beyond this, the Company has established a reporting recognition program to encourage and reward proactive reporting of safety events or potential risks. Upon receiving a report, relevant divisions work collaboratively with operational partners to review the information, assess risks, and implement corrective actions to mitigate or control those risks to an acceptable level.

- d. At the divisional level, each operational division sets annual safety performance indicators (SPI) and safety performance targets (SPT) in accordance with the requirements of the Taiwan Civil Aviation Administration (CAA) and our Safety Policy, taking into account operational performance and relevant data. Divisions then develop safety action plans that align with these indicators. Monthly departmental safety meetings are held to review and monitor the indicators and action plans, and to adjust risk control measures as necessary, ensuring effective risk control across all departments.
- e. At the company level, STARLUX has established a Safety Review Committee to ensure flight safety aligns with our Safety Policy. The committee convenes quarterly meetings to review the achievement of SPIs/SPTs at both the departmental and corporate levels as well as safety risk controls. This process not only provides an overview of the company's safety status, but also allows prompt reviews and develops implementation guidelines to aid adjustments in relevant department's safety action plans. In the event that any safety performance indicators fall below the minimum acceptable level, the responsible division is required to conduct a root-cause analysis, implement corrective action, and develop a follow-up plan. For risks related to cross-unit operations, senior management may provide guidance during Safety Review Committee meetings, thereby enhancing operational efficiency.
- f. Since 2023, our company has been implementing the IATA Operational Safety Audit (IOSA). This comprehensive certification audit covers eight key operational areas: Organization and Management System, Flight Operations, Operation Control and Flight Dispatch, Aircraft Engineering and Maintenance, Cabin Operations, Ground Handling Operations, Cargo Operations, and Security. In November 2023, we successfully passed our initial IOSA audit, conducted by Aviation Quality Services GmbH (AQS), an IATA-authorized German auditing organization. In compliance with IATA regulations, our company undergoes an IOSA renewal audit every two years. In 2024, we adopted IATA's newly launched Risk-Based IOSA (RBI) methodology. In March, we invited IATA instructors to train our internal auditors on RBI requirements. The official audit, conducted by an IATA-appointed audit team from September 30th to October 3rd, 2024, assessed both standard safety operations and, critically, the maturity of the organization's overall risk management. Our strong performance on the Safety Maturity Index resulted in our successful recertification in January 2025, confirming our continued adherence to IATA safety standards.

**7. Other important matters:** None.

## **VI. Special Disclosures**

- 1. Information on Affiliates:** None.
- 2. Private placement of securities in the most recent year and up to the publication date of this annual report:** None.
- 3. Other supplementary information:** None.
- 4. Matters that may materially affect shareholders' equity or securities prices as defined by Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act in the most recent year and up to the publication date of this annual report:** None.

**STARLUX Airlines Co., Ltd.**

**Chairman: Chang, Kuo-Wei**



