



2024 ESG

INSIGHT REPORT



OVERVIEW

Third Party Verification

<ul style="list-style-type: none"> • Obtained Civil Aviation Administration Permit • "STARLUX Airlines Co., Ltd." formally established 	<p>2018</p>	
<ul style="list-style-type: none"> • Officially launched operations with inaugural flights 	<p>2020</p>	<ul style="list-style-type: none"> • ISO 27001: 2013 Information Security Management System • ISO 27701: 2019 Privacy Information Management System
<ul style="list-style-type: none"> • STARLUX [2646] listed on the Emerging Stock Board 	<p>2022</p>	<ul style="list-style-type: none"> • ISO9001:2015¹ Quality Management Systems
<ul style="list-style-type: none"> • STARLUX [2646] listed on the Taiwan Stock Exchange 	<p>2024</p>	<ul style="list-style-type: none"> • IATA Operational Safety Audit (IOSA) accreditation • ISO 14064-1: 2018² GHG Inventory verification audits • ISO 45001¹ Occupational Safety and Health Management System • ISO 50001² Energy Management System at operational sites • ISO 27001: 2022² and ISO 27701: 2019² (recertification) • CAA's CORSIA aviation fuel verification passed • Issued first Sustainability Report² • Adopted TCFD framework
	<p>2025</p>	<ul style="list-style-type: none"> • S1 and S2 alignment plan • ISO 14001¹ Environmental Management System • Issued first TCFD Report • Awarded SKYTRAX Five-Star Airline Rating 

Third party verification institution:
 1. SGS Taiwan Limited
 2. BSI Group

STARLUX Sustainability Report is published annually. The Sustainability Report is prepared in alignment with the Global Reporting Initiative (GRI) Universal Standards 2021, while also incorporating frameworks from the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-Related Financial Disclosures (TCFD). The 2024 Report was **verified by the British Standards Institution (BSI)** in accordance with the AA1000 Assurance Standard v3 at Type 1 moderate assurance level.

Scope: in alignment with STARLUX's financial reporting boundaries, with any deviations clearly noted in relevant Sections.

IFRS Sustainability Disclosure Standards S1 And S2 Alignment Plan

In March 2025, the Company reported to the Board of Directors on its plan and implementation items for alignment with the IFRS Sustainability Disclosure Standards. The Company will continue to **report quarterly to the Board** on the implementation status of the alignment plan and expects to disclose relevant information in the sustainability section of the annual report for the 2027 annual general shareholders' meeting.

ENVIRONMENTAL

Environmental Goals

Committed to 2050 Net Zero

STARLUX plans to launch the setting and verification process for the Science Based Targets initiative (SBTi) within the next three years, committing to aligning the Company's GHG emissions reduction targets with the global temperature control goal of limiting warming to no more than 1.5°C.

2024 Goals and Achievement

- ✓ All five new aircraft deliveries used at least 5% SAF.
- ✓ The office environment fully adopts ultra-slim, high-efficiency LED panel lights, saving 60% more energy compared to traditional lighting.
- ✓ Implement ISO 14064 GHG inventory and complete third-party verification.
- ✓ Annually conduct aviation fuel verification in accordance with Taiwan's Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).
- ✓ Attended the IATA World Sustainability Symposium (WSS) to proactively learn about the latest SAF information and exchange experiences on its usage in different countries.

Short-term goals (+3 years)

- **SAF:** Increase annual usage by 0.5%.
- **Digitalization of operational aircraft systems:** 30%.
- Participate annually in Airbus' SAF and Aircraft Technology Conference.



Mid-term Goals (+10 years)

- **SAF:** Achieve 5% usage by 2035.
- **Digitalization of operational aircraft systems:** 90% by 2030.
- Closely monitor international CORSIA, EU Emissions Trading System (EU ETS), and UK Emissions Trading System (UK ETS).
- Support the RE100 and EP100 initiatives by gradually increasing the proportion of green electricity usage.
- Join the Taiwan Alliance for Net Zero Emissions and the Taiwan Climate Alliance.
- Ensure **100% use of pre-conditioned air and ground power systems** for departing flights at Taoyuan International Airport.

Long-term Goals (2050)

- Align with Taiwan's 2050 Net-Zero Emissions policy to advance toward the long-term **net-zero goal**.
- Support the EV100 global initiative to electrify transportation and reduce carbon emissions from conventional fuel vehicles, facilitating a low-carbon transition in ground operations.

Reduce annual electricity consumption by 1% compared to the previous year.

GHG Management

STARLUX completed 2023 GHG inventory for the first time and obtained external third-party verification ISO 14064-1: 2018 in May 2024.

STARLUX' carbon emissions increased by 65% in 2024 compared to the previous year, mainly due to the continued expansion of flight fleet.

Category	2022		2023		2024		
	tCO ₂ e	%	tCO ₂ e	%	tCO ₂ e	%	
1	Direct Emissions from Aircraft	136,248.03	96.59	587,117.75	97.73	970,048.98	97.84
	Direct Emissions from Non-Aircraft ¹	-	-	2,739.62	0.46	3,447.14	0.35
Category 1-Subtotal		136,248.03	96.59	589,857.38	98.19	973,496.12	98.19
2	Indirect Emissions Include Externally-Purchased Power ¹	4,809.26	3.41	6,594.27	1.10	8,039.77	0.81
Category 1 and Category 2 -Subtotal		141,057.29	100.00	596,451.65	99.29	981,535.89	99.00
3	Indirect Emissions from Imported Energy ¹	-	-	899.88	0.15	4,849.04	0.49
4	Indirect Emissions from Transportation	-	-	3,390.15	0.56	5,039.15	0.51
Category 3 to Category 6 -Subtotal		-	-	4,290.04	0.71	9,888.19	1.00
Total		141,057.29		600,741.69		991,424.08	
Category 1 and Category 2 Intensity (tCO ₂ e/Millions of revenues)		41.95		26.54		27.61	

Note1: From 2022 to 2023, the GHG inventory boundary covered the Taiwan headquarters and Taiwan's main operating sites, and in 2024 the scope expanded to global operating sites, including newly added office locations in Taiwan and 10 overseas branch offices and their operating sites. Separate figures for Taiwan Headquarters and Overseas Branches are available for 2024, see 2024 Sustainability Report.

Note2: The greenhouse gas inventory scope includes seven types of greenhouse gases: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃).

Note3: The greenhouse gas inventory is conducted using operational control methods.

Note4: References for GHG emission factors: the Ministry of Environment's announcement of GHG emission factors on February 5, 2024; the Ministry of Environment's Product Carbon Footprint Information Network and others.

Note5: In 2023, STARLUX completed CORSIA-compliant verification of 2022 aviation fuel use. In 2024, it conducted its first ISO 14064-1:2018 greenhouse gas inventory for 2023. The 2022 data include CORSIA-verified aviation fuel and estimates for non-CORSIA fuel and purchased electricity.

Note6: The 2024 inventory for Categories 3-6 covers upstream emissions from purchased energy in the value chain, employee commuting, business travel, and other related greenhouse gas emissions. Category 5 and 6 emissions is zero.

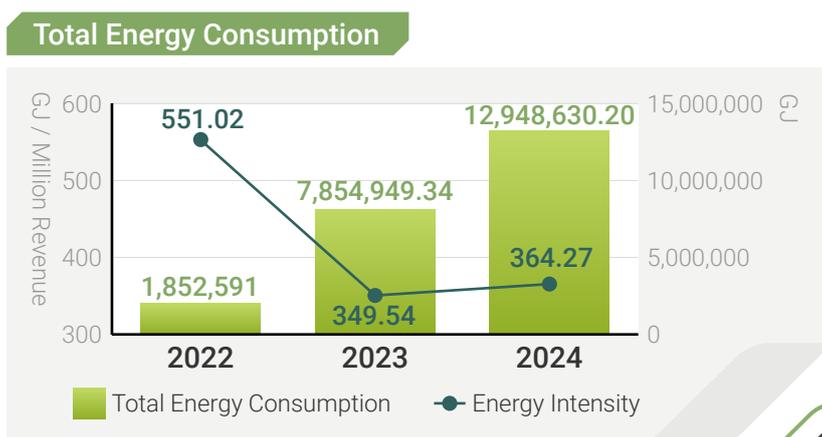
Note7: The intensity metric is calculated using STARLUX's annual net operating revenue in millions.

Aircraft GHG Intensity	Unit	2022	2023	2024
Passenger	kg CO ₂ e/RPK	0.12	0.08	0.07
Cargo	kg CO ₂ e/FTK	1.29	0.64	0.70
Total	kg CO ₂ e/RTK	1.31	0.84	0.79

Note: RPK=Revenue Passenger Kilometers; FTK=Freight Tonne Kilometers; RTK=Revenue Tonne Kilometers.

Energy Management

The primary energy consumption was in aircraft operations, accounting for approximately 99.28% of total energy consumption. The energy use intensity in 2024 increased by 4% compared to the previous year, mainly because additional operational bases and offices were continuously put into service during 2024.



Operational Sites		Unit	2022	2023	2024
Consumed Energy		GJ	47,324.40	75,640.70	93,261.81
Total Operational Sites Energy Intensity		GJ/ Million Revenue	14.08	3.37	2.62

Aircraft		Unit	2022	2023	2024
Aviation Fuel	Passenger Transport	L	33,953,850.00	199,731,420.25	318,452,566.45
		GJ	1,137,318.16	6,690,205.43	10,668,685.50
		MJ/RPK	1.58	1.05	0.97
	Cargo Transport	L	19,941,150.00	32,514,417.25	65,269,338.61
		GJ	667,948.76	1,089,103.21	2,186,682.89
		MJ/FTK	17.11	8.50	9.32
Consumed Energy		GJ	1,805,266.92	7,779,308.64	12,855,368.39
Total Aircraft Energy Intensity		MJ/RTK	17.36	11.12	10.49
		GJ/ Million Revenue	536.94	346.18	361.65
SAF		%	-	0.00%	0.02%

Aircraft Air Pollution

Estimated Aircraft Air Pollutant Emissions		2022	2023	2024
NOx	Emissions (tons)	48.788	172.738	244.217
	Overall - Emission Efficiency (g/RTK)	0.469	0.247	0.199
SOx	Emissions (tons)	4.486	14.005	19.116
	Overall - Emission Efficiency (g/RTK)	0.043	0.02	0.016
CO	Emissions (tons)	15.878	64.14	91.598
	Overall - Emission Efficiency (g/RTK)	0.153	0.092	0.075
HC	Emissions (tons)	0.205	1.537	2.339
	Overall - Emission Efficiency (g/RTK)	0.002	0.002	0.002

Note1: Emission data is calculated according to the methodology outlined in the ICAO Airport Air Quality Manual, using emission factors based on Landing Take Off Cycle (LTO) for each aircraft type.

Note2: Emission data for nitrogen oxides (NOx), hydrocarbons (HC), and carbon monoxide (CO) for each aircraft engine are sourced from the [ICAO Aircraft Engine Emissions Databank](#); sulfur oxides (SOx) emission factors are referenced from the [emission factors](#) recommended by the US Environmental Protection Agency (US EPA).

Note3: Values in 2024 increased compared to 2023, primarily due to fleet expansion and higher aircraft utilization.

Carbon Reduction Strategy

STARLUX actively promotes a range of fuel-saving and carbon-reduction initiatives, including introducing technology-driven operational optimizations, introducing energy-efficient fleets, analyzing fuel-saving benefits, and setting KPIs for fuel-saving measures by responsible units.

Operational Sites Energy Conservation Strategies

Enhancing Energy Efficiency

- Low-energy LED lighting



Optimizing Operational Modes

- Efficient air conditioning usage
- Zoned and sensor lighting



Vehicle Energy Conservation

- Vehicle electrification
- Flights use jet-bridge air and power instead of the aircraft auxiliary power unit to reduce ground fuel consumption



Sustainable Buildings

- STARLUX's new headquarters aims for *Taiwan's Green Building Silver certification*. The project incorporates ESG principles throughout its lifecycle, focusing on sustainable materials, resource recycling, waste management, smart building features, and green procurement
- Green Power Usage (solar panels)



Aircraft Energy Conservation Strategies

Aircraft Technological Advancements

- Aircraft equipped with the industry's most efficient engines (Rolls-Royce Trent XWB) can reduce carbon emissions by 25%
- Sustainable Flight Fleet (A321neo, A330neo, A350-900)



Operational Mode Optimization

- Contingency Fuel
- Reduced Vertical Separation Minima (RVSM)
- Engine Cleaning



Resulting in fuel savings of 7,572,890 kgs and a *reduction of 23,930,334 kgs of carbon emissions in 2024*

Energy and Alternative Fuels

- Gradually increase the utilization rate of SAF



Implementation of Carbon Reduction Policies



Green Loan



Climate Change Adaptation

Board of Directors: highest climate governance body

Corporate Sustainability Committee: functional committee

Integrated TCFD Working Group:

In 2024, the Working Group assessed 14 climate issues, creating a materiality climate risk and opportunity matrix based on division interviews and impact evaluations. The Company plans to analyze impacts and develop strategies for these key areas, with regular progress reports to the Corporate Sustainability Committee. Priority issues based on impact likelihood and severity were:

Priority	Opportunities	Risks
High	<ul style="list-style-type: none"> • enhancing fuel-efficient operations 	
Moderate	<ul style="list-style-type: none"> • more efficient buildings • changing consumer preferences • develop low-carbon aviation services 	<ul style="list-style-type: none"> • SAF cost increase • consumer preference for low-carbon flights

For material climate risks and opportunities potential financial impact and response strategies, see 2024 Sustainability Report "Material climate risks and opportunities and response strategies" and 2024 TCFD Report.

Waste Management System

	Unit	2022	2023	2024
General Waste	Tons	249.56	591.63	886.49
General Industrial Waste		9.20	59.48	121.18
Waste Intensity	Tons/ Million Revenue	0.08	0.03	0.03

Water Resource Management

	Unit	2022	2023	2024
Water Consumption	Megalitre	60.37	111.41	97.42
Water Intensity	Megalitre/ Million Revenue	0.02	0.006	0.004



Human Rights

STARLUX commits to adhering to international human rights conventions such as the "Universal Declaration of Human Rights", the "United Nations Global Compact", the 'International Labour Conventions, and the United Nations Guiding Principles on Business and Human Rights", upholding the spirit and fundamental principles of human rights protection, and strictly complying with labor-related laws and regulations in the locations where the Company operates.

 Prohibit child labor

 Anti-discrimination and harassment

 Promote diversity and inclusion

 No forced labor

 Prevention of sexual harassment



STARLUX Human Rights Policy

STARLUX promotes a "DEI" workplace culture, emphasizing Diversity, Equity, and Inclusion. We have established comprehensive personnel management regulations to ensure that performance evaluations and promotions are based on work performance and development potential, without any differential treatment or discrimination based on gender, sexual orientation, race, age, marital status, religious beliefs, appearance, or physical or mental disabilities.

In addition, the Company actively promotes human rights training, with a total of 4,216 participants and a total of 1,580.5 training hours.

To further strengthen human rights protection, the Company has established a dedicated grievance channel, providing an independent grievance email (wecare@starlux-airlines.com) and a dedicated personnel phone line at +886-3-260-1800 ext. 6799.

Workforce

In 2024, STARLUX had a total of 5,047 employees, with **full-time employees (indefinite-term contracts)** accounting for approximately **96.67%**, providing long-term development opportunities and security for employees. The Company is committed to safeguarding the labor rights of all workers and ensuring that its partners comply with relevant labor laws and workplace safety standards.

Turnover Rate

	2022	2023	2024
Turnover Rate (%)	8.51	7.24	6.36
Male	3.84	3.14	2.91
Female	4.67	4.10	3.45

For employees who have worked for more than three months, the Company issues an online exit questionnaire before their departure to understand the main reasons for resignation, which are mainly career planning, family factors, other personal reasons, and health conditions. Therefore, based on business development needs and employees' career development, the Company continues to provide diverse opportunities such as job rotation, overseas assignments, and promotions. It also continuously develops EAPs such as psychological counseling and legal services to offer comprehensive support and organizes various personal growth and motivational seminars to improve the retention rate of outstanding talent.

Gender Remuneration Ratio

Employee Category	Flight Crew Members	Cabin Crew Members	Domestic Ground Staff	Outstation Ground Staff
Senior Executives	-	-	1.09	1.16
Middle Managers	-	-	1.04	1.05
Frontline Supervisors	-	0.93	1.10	0.99
General Staff	1.10	1.00	1.15	1.04

Note: The remuneration ratio for female employees is set at 1.00 in this table.

Employee Compensation

We review the compensation system annually, taking into consideration factors such as annual profitability, changes in the consumer price index, individual performance evaluations, and long-term considerations for employee incentives. Adjustments to salaries and the distribution of year-end bonuses are carried out accordingly.

According to the Articles of Incorporation of STARLUX, if there is profit after covering any accumulated losses, no less than 1% shall be allocated as employee remuneration.

Labor Union and Collective Agreement



Labor Union

- In June 2018, STARLUX established the STARLUX Airline Union and holds regular quarterly labor-management meetings.
- As of 2024, 31.42% of employees have joined the labor union.



Labor-Management Meetings

- 12 meetings held at 3 locations. (Neihu Headquarters in Taipei, the Flight Operations Center, and Taoyuan International Airport)
- 87 issues discussed, including employee travel benefits, allowances, and shuttle services.



Collective Agreement

- With the support of the Chairman, on July 11, 2024, officially began collective agreement negotiations.
- 5 negotiation meetings were held, and are still ongoing.

No strikes or work stoppages occurred in 2024.

In 2024, the average salary of full-time employees at STARLUX who do not hold supervisory positions was NTD 1,094,603, with a median salary of NTD 712,911. Compared to 2023, the average salary increased by NTD 420,626 and the median salary increased by NTD 88,711.

Performance Evaluation

STARLUX uses annual performance appraisal results as the basis for promotions, salary adjustments, bonuses, and talent development. Depending on the situation, individual incentives, follow-ups, and improvement plans are implemented for evaluated employees.

To effectively assess the performance of colleagues and provide appropriate feedback, STARLUX has established the "Employee Performance Evaluation Measures", "Pilot Management Manual", and "Cabin Crew Performance Management Procedures". Tailor performance evaluation processes for ground staff (twice-yearly), flight crew (yearly), and cabin crew (yearly), accurately reflecting the performance of different job functions and providing employees with targeted development and improvement suggestions.

From 2022 to 2024, STARLUX achieved a 100% assessment execution rate.

Employee Benefits

STARLUX provides employees with rights and benefits in strict compliance with local laws and regulations at its operating locations, ensuring that employees receive their entitled basic rights, including insurance, pensions, and leave.

The Employee Welfare Committee plans diverse welfare measures and provides various benefits beyond legal requirements. Our employee discount ticket program encompasses the benefits and needs of employees who are unmarried and without spouses, implementing an equal and non-discriminatory policy.

Employee Welfare Items Taiwan



Family Care and Gifts

- Subsidies: Wedding subsidy, funeral subsidy, injury and illness consolation payment



Employee Benefits

- Employee Stock Option Plan
- Discounts: Special accommodation rates, employee home purchase benefits
- Employee E-Welfare Platform Gifts: Birthday gifts, festival gift points or vouchers
- Employee Remuneration Program



Peace of Mind Protection

- Employee Labor and Health Insurance
- Employee Emergency Assistance and Condolence Payments
- Employee Group Insurance (life insurance, accident insurance, accident medical insurance, hospitalization medical insurance, cancer medical insurance)



Mental Health Care

- Regular Health Seminars
- Diverse Welfare Facilities: Gym, employee cafeteria, blood pressure monitor, multifunctional pantry room
- Breastfeeding Room
- Employee Health Checkups



Happy Workplace

- Days off on makeup days
- Flexible work hours
- Gender equality in working conditions
- Optimizing a Safe Working Environment
- Transfer and rotation systems

Employee Stock Option Plan

STARLUX was listed on October 25, 2024 and allocated 10% to 15% shares for employees to subscribe at lower than market price.

Retirement Plan

STARLUX has formulated employee retirement-related system regulations in accordance with the Labor Standards Act and the Labor Pension Act and has established a "Labor Retirement Reserve Fund Supervision Committee" to open a special account for labor retirement reserve funds at the Bank of Taiwan.

STARLUX provides retired employees continued access to discount tickets to recognize their long-term contributions.

Parental Leave

	2023	2024
Parental Leave Application Rate (%)	7.94	18.35
Return to Work Rate (%)	90.00	96.55
Retention Rate (%)	100	88.89

Talent Development

STARLUX designs corresponding training programs for different levels and positions to enhance employees' professional skills and improve management capabilities, achieve the Company's operational goals, and strengthen corporate competitiveness.

Average Training Hours	2022	2023	2024
Managerial Level	44.90	66.43	78.43
Non-managerial Level	136.65	133.33	138.73
Total	120.34	123.52	132.95

Occupational Safety and Health

To implement and promote occupational health and safety plans, STARLUX has established an Occupational Safety and Health Committee, which convenes quarterly. Meetings are called by the Company's highest-ranking supervisor. Committee members include the heads of each unit, safety and health management personnel, medical and nursing staff, and labor representatives, with labor representatives accounting for at least one-third of the total membership.

*"ISO 45001 Occupational Safety and Health Management System"
"TOSHMS Taiwan Occupational Safety and Health Management System"
certified in 2024.*

Annual Goals	2024 Performance
Achieve a 100% Completion Rate for Annual Employee Health Checkups	100% ✓
Maintain a Total Injury Frequency Rate (FSI) below 0.50	FSI=0.45 ✓
Maintain a Disabling Injury Frequency Rate (FR) below 7.5	FR=7.3 ✓

OSH Education and Training Hours	2022	2023	2024
Average Training Hours per Employee	1.63	3.71	5.92

Contractor Management

STARLUX collaborates closely with contractors, regularly reviewing their safety procedures to ensure compliance with company standards and adheres to Contractor Safety and Health Management Regulations. There were no contractor-related occupational accidents in 2024.

Incidents and Improvement Measures

In 2024 the Company incurred monetary penalties for three incidents in violation of the Occupational Safety and Health Act, with total fines amounting to NTD 180,000.

1. Failure to complete the declaration of priority-controlled chemicals.
2. Failure to report a major occupational accident in accordance with regulations: an injury caused by a toppled signboard.
3. Non-compliance with the Regulations on Occupational Safety and Health Facilities regarding the installation of guardrails, which caused a fall from heights incident.

The Company has implemented specific improvement measures, including strengthening chemical registration, occupational accident reporting mechanisms, and facility improvements and training, and plans to add 5 more 180 ladder platforms to enhance operational safety.

Year	Total Experienced Work Hour (Note 1)	Number of Lost Day (Note 2)	Recordable Occupational Injuries		Serious Occupational Injuries		Number of Occupational Disease	Number of Work-Related Death (Note 5)
			Quantity	Ratio (Note 3)	Quantity	Ratio (Note 4)		
2022	3,024,007	3	2	0.66	0	0	0	0
2023	5,745,858	134	14	2.44	1	0.17	0	0
2024	7,785,284	495	18	2.31	2	0.26	0	0

Note1: Calculation method for the actual working hours experienced by all employees excluding the employer (including both employees and non-employee workers): Multiply the total number of working days per year by the number of working hours per day.

Note2: Lost Days: The number of days the injured person is temporarily unable to return to work. The total number of lost days does not include the day of injury or the day of return to work. However, it should include the days in between (including Sundays, holidays, or days when the business unit is closed) and any full days unable to work after returning to work due to the disaster.

Note3: Recordable Occupational Injury Ratio = [(Number of Recordable Occupational Injuries + Number of Deaths Due to Occupational Injuries) x 10^6] / Total Experienced Work Hours.

Note4: Serious Occupational Injury Ratio = [(Number of Serious Occupational Injuries (excluding deaths) x 10^6] / Total Experienced Work Hours.

Note5: Includes the number of deaths due to occupational injuries and occupational diseases.

Note6: Incidents related to commuting accidents are not included in this table as they are not hazards caused by work-related activities or operations.

Note7: The Company complies with relevant legal requirements by providing occupational accident insurance benefits for injuries and illnesses.

Flight Safety Management

"ISO9001:2015 Quality Management System" verified in 2022.

The Safety Review Committee (SRC) is the highest-level for flight safety decisions and supervision. It oversees the Safety Management System (SMS), established in compliance with civil aviation regulations of Taiwan and with reference to the International Civil Aviation Organization (ICAO) DOC. 9859. The SRC includes the CEO as Chairperson, with the Chairman attending for management insights. Committee members comprise operational division heads, ensuring comprehensive feedback when formulating safety policies. Eight SMS Safety Action Groups (SAGs) under the SRC cover various operational areas, including Flight Operations, Maintenance, and Security Management.

STARLUX has maintained a record of zero accidents and no major incidents.

In 2024, STARLUX adopted IATA's newly launched Risk-based IOSA audit approach for its certification. In March 2024 we invited an IATA instructor to STARLUX' Flight Operation Center to conduct training on IOSA Internal Auditor and SMS RBI Requirements. A total of 50 participants attended and all of them passed to obtain certification.

January 2025, STARLUX obtained the IOSA recertification by Aviation Quality Services (AQS) GmbH, the German auditing body authorized by the IATA, to maintain IATA membership status since 2023.

Safety Performance Indicators and Safe Performance Targets

STARLUX establishes annual Safety Performance Indicators (SPIs) and Safety Performance Targets (SPTs) based on the Company's safety objectives, current operations, and operating data, and by referencing regulations from civil aviation authorities and the International Civil Aviation Organization (ICAO). The SMS Action Group (SAG) regularly monitoring and tracking the effectiveness of these safety measures. During the first quarter Safety Review Committee (SRC) meeting, the SAG will review the previous year's SPI/SPT and propose revisions for the current year. If the annual SPT are not met, the SAG are required to submit improvement measures for SRC review. The 2024 SPI/SPT achievement rate was 100%.

Flight Safety and Security Training

All staff must attend initial training on the SMS and receive annual refresher training. The course content covers the SMS framework, STARLUX' safety policy and objectives, safety responsibilities, safety culture, hazard identification, risk management and human factors. 2024 achieved 100% completion rate.

Safety Culture Survey

STARLUX conducts a safety culture **survey every two years**. The survey is conducted anonymously among units related to flight operations. In the 2024 survey, a total of 2,069 questionnaires were collected, of which 1,774 were valid, yielding an effective response rate of 86%. The survey results scored an average of 107.3 points (Scores is classified into 3 levels: 93 to 125: **Proactive safety culture**, 59 to 92: Bureaucratic safety culture, 25 to 58: Poor safety culture). The survey results have been submitted to the SRC as a reference for the formulation of safety policies and the planning of safety promotion activities.

Safety Reporting Reward Program

The Safety Reporting Reward Program is an incentive mechanism, that strengthens employees' willingness to report potential risks and further promotes the establishment of a safety culture. In 2024 rewards implemented were individual commendation award, annual outstanding safety reporting award, annual division reporting award.

Customer Satisfaction Survey

Satisfaction Survey	2022	2023	2024
Passenger Customer	N/A	61	69
Freight Customer	4.32	4.44	4.34

Note1: As the passenger customer satisfaction survey was conducted for the first time in 2023, there is no relevant data for passenger customer satisfaction in 2022.

Note2: The Net Promoter Score (NPS) metric is used to objectively measure customer experience. Respondents are categorized into promoters (scoring 9-10), passives (scoring 7-8), and detractors (scoring 0-6) based on their ratings (on a scale of 0-10). The NPS score is calculated by subtracting the percentage of detractors from the percentage of promoters, resulting in a score between -100 and +100.

Note3: Freight customer satisfaction is measured using the Likert scale, a five-point rating scale.

On-Time Performance

To enhance operational efficiency and passenger experience, STARLUX regularly monitors OTP and has implemented a variety of management measures to maintain and improve performance.

Beginning in 2025, the Company will strengthen internal performance indicators by introducing more precise KPI metrics for OTP. It will also deepen cross-unit coordination with airports and relevant stakeholders, actively participating in discussions on air traffic flow management and gate allocation—such as assigning connecting flights to adjacent gates to shorten ground handling times.

Year	2022	2023	2024
Regional Routes (%)	88.78	76.02	82.02
Long-Haul Routes (%)	-	71.60	80.95
All Routes (%)	88.78	75.88	81.95

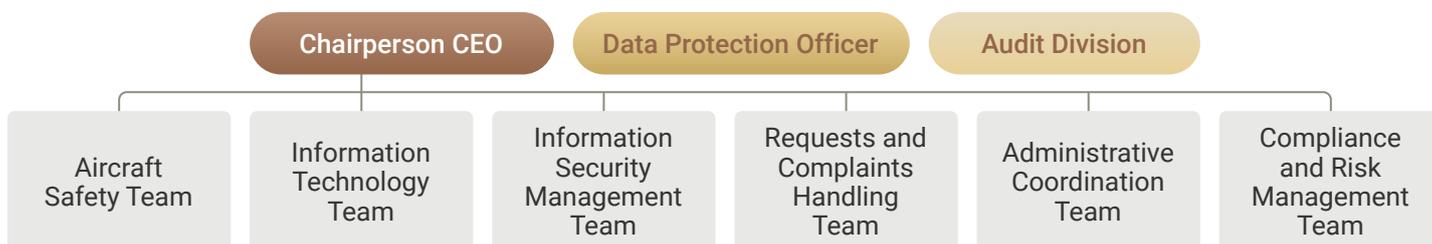
Note1: Source: Company's internal statistics. Routes in Asia are categorized as regional, and routes in North America are categorized as long-haul.

Note2: North American routes had not yet commenced operations in 2022; therefore, no data is available.

Note3: Definition of delayed flights: a flight is considered delayed if the actual off-block or taxi-out time is 15 minutes or more later than the scheduled departure time.

Information Security and Customer Privacy

Information Security and Personal Data Protection Management Committee



Information Security Management

ISO 27001: 2013 Information Security Management System
 ISO 27701: 2019 Privacy Information Management System
 recertified in 2024 and implements semi-annual tracking reviews to maintain certification validity.

We partnered with professional information security firms to provide 24/7 Security Operation Center (SOC) services. We have deployed a comprehensive suite of security systems, including Web Application Firewalls, network firewalls, Intrusion Prevention Systems, Mobile Device Management, antivirus software, and program source code detection. IT department conducts regular security updates and collaborates with information security consultants for annual vulnerability assessments and prompt remediation.

Incident Response Plan

STARLUX has established a comprehensive "Information Security Incident Management and Response Protocol" to effectively handle security breaches, delineate responsibilities, evaluate risks, mitigate damages, and implement enhancements. Quarterly reports on incident management are presented to the Information Security and Data Protection Committee. For critical events, a dedicated emergency response team is mobilized to ensure rapid containment, recovery, and thorough investigation.

As of now, STARLUX has not encountered any major security breaches resulting in significant harm, regulatory action, or penalties exceeding NTD1 million. In 2024, the Company did not receive any internal reports or external complaints concerning information security or personal data leakage incidents.

Privacy Policy

The policy outlines the responsibility in relation to the collection, process and use of personal data, for details see STARLUX Privacy Policy website.



STARLUX Privacy Policy website

Reporting Mechanism

 **Website:** "Passenger Support" and complete the "Feedback" form.

 **Direct email:** dpo@starlux-airlines.com

1. The investigation process begins within 48 hours of incident discovery, following notification from the Information Security Management Team.
2. For general personal data incidents, the team completes a "Personal Data Breach Incident Report and Record Form" within 72 hours and notifies the competent authority.
3. Significant personal data incidents prompt immediate reporting to the Director Committee by the Aircraft Safety Team, who then forms a small-scale emergency response team.
4. Relevant units conduct self-assessments and implement corrective action plans, with the Information Security Team tracking progress to ensure closure.

Training

- General employees (on-duty staff at the headquarters and outstations): receive at least one hour of information security and personal data protection training each year.
- Specific units that directly handle employee or passenger personal data must receive at least two hours of information security and personal data protection training annually.

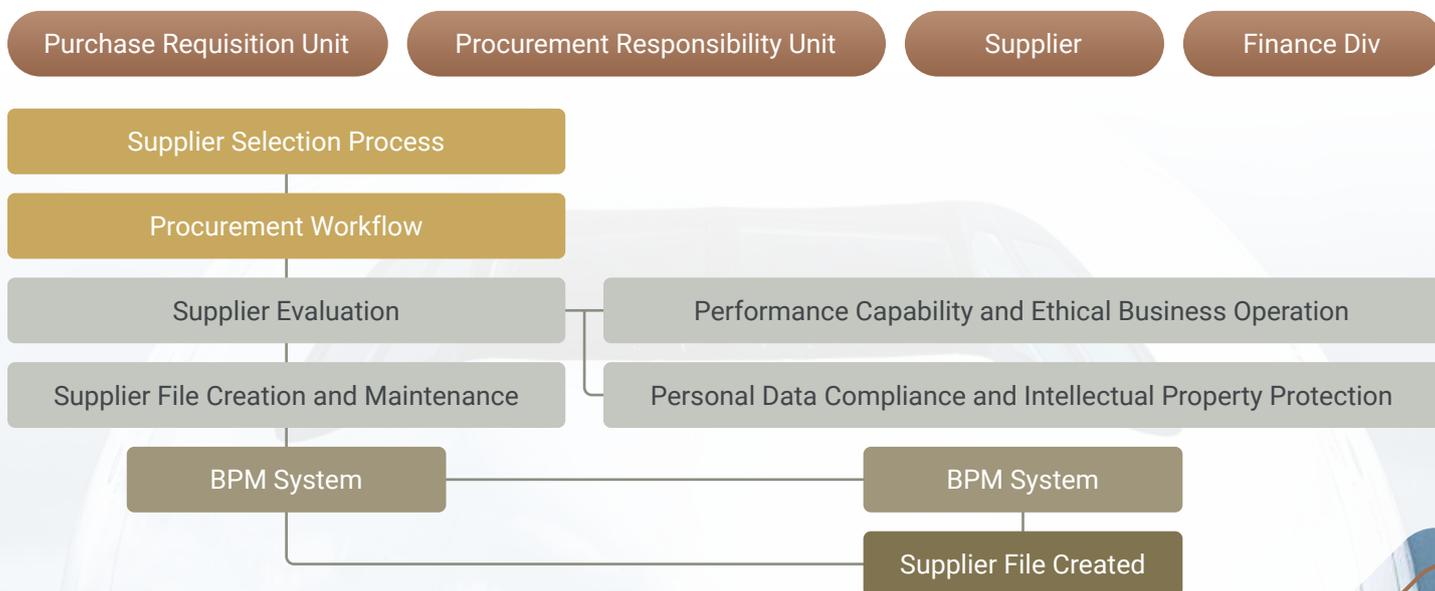
In addition, the Company conducts an annual social engineering phishing email exercise and, upon completion of each phishing exercise, provides social engineering awareness and training; the information systems also carry out annual business continuity planning and drills, personal data incident emergency response drills, and aircraft information system emergency response drills, among others, to enhance all employees' capabilities in responding to information security and personal data incidents.

Supply Chain Management

The Company is currently planning and organizing a supplier conference, continuing to foster cooperation and communication with suppliers to jointly pursue sustainable development goals.

Supplier Selection

STARLUX begins procurement with rigorous supplier selection. The Company evaluates suppliers' production capacity, quality control, delivery capability, price competitiveness, commitment to safety and sustainability, ethical business operation, personal data compliance and intellectual property protection.

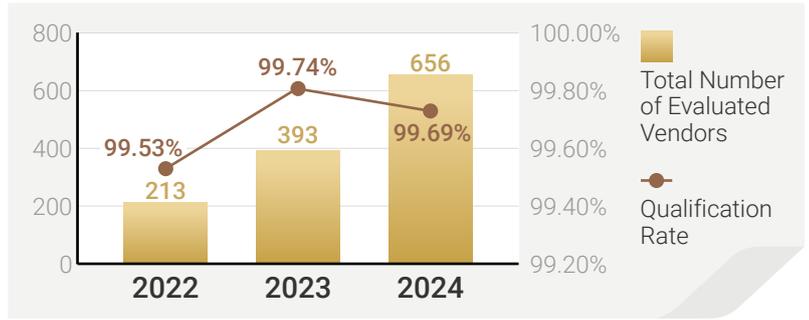


Supplier Evaluation

STARLUX employs a comprehensive supplier evaluation system, assessing quality, delivery, pricing, and sustainability practices. Supplier evaluations are conducted at least once a year.

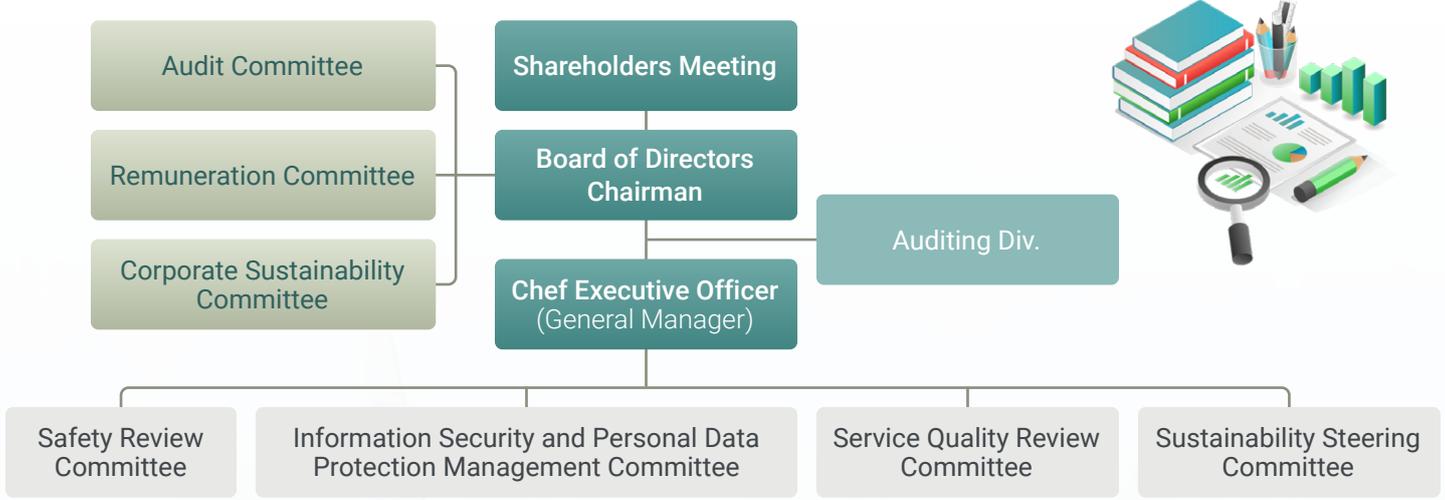
The total number of supplier evaluations has increased year by year, the supplier evaluation pass rate at STARLUX has remained steadily above 99.5%.

STARLUX Supplier Evaluation Pass Rate



GOVERNANCE

Organizational Chart



Board of Directors

- 43%** independent board
- 14%** female board representation
- 7** board meetings in 2024
- Corporate Sustainability Committee established

Title	Director/ Representative	Gender	Age	2024 Board Attendance	Previous Term (2022/8/29 – 2025/8/28)	Current Term (elected 2025/6/13)
Chairman	STARLUX Investments Limited Representative: Chang, Kuo-Wei	M	51-60	85.71%	■	■
Director	STARLUX Investments Limited Representative: Chai, Chien-Hua	M	51-60	85.71%	■	■
Director	STARWAY Developing Investments Limited Representative: Yeh, Shu-Wen	F	41-50	100%	■	■
Director	ABICO AVY Co., Ltd. Representative: Tong, Chun-Yi	M	51-60	100%	■	■
Public Welfare Independent Director	Tsai, Duei	M	71-80	100%	■	■
Independent Director	Wang, Te-Ho	M	71-80	100%	■	■
Independent Director	Hung, Ching-Shan	M	61-70	-	-	■
	Huang, Chih-Chen	M	51-60	100%	■	-

Qualifications and experiences of directors, see Corporate Governance on STARLUX website.

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.



Corporate
Governance

Functional Committees

Board Title	Name	Audit Committee	Remuneration Committee	Corporate Sustainability Committee
Number of Meetings in 2024		7	5	1
Chairman	Chang, Kuo-Wei			■ (100%)
Director	Chai, Chien-Hua			■ (100%)
Independent Director	Tsai, Duei	■ (100%)	■ (100%)	■ (100%)
	Wang, Te-Ho	■ (100%)	■ (100%)	■ (100%)
	Hung, Ching-Shan Note	■	■	■
	Huang, Chih-Chen	(100%)	(100%)	(100%)

Note: The functional committee members were renominated in 2025. Hung Ching-Shan is nominated for the current term.





Remuneration Policy

Director's remuneration is based on "Directors and Managers Remuneration Regulations" to ensure the reasonableness and transparency of the remuneration.

Executive remuneration structure includes fixed compensation, variable compensation, retirement benefits and equity incentives.

Sustainability Performance

The Company has appointed senior management to serve as members of the Corporate Sustainability Committee, and plans to link remuneration with climate-related performance to ensure the effective implementation of climate risk and opportunity response actions within the organization.

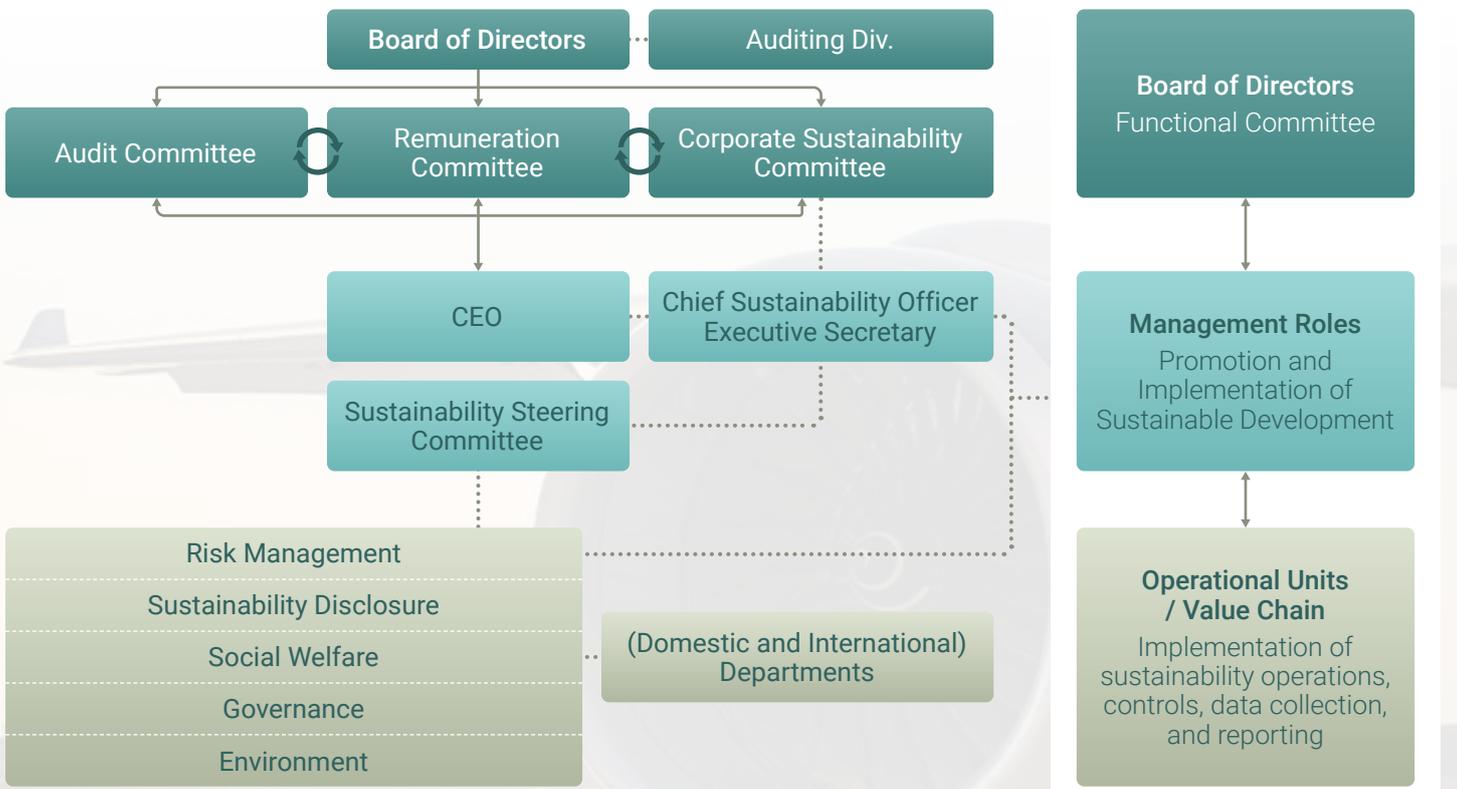
Goals

- Include the outcomes of corporate sustainability implementation in performance evaluations.
- Future discussions on issues and mechanisms related to remuneration for directors and senior management concerning climate risks and opportunities.

Corporate Sustainability Committee

In November 2024, the Board of Directors approved the establishment of the "Corporate Sustainability Committee". The committee convenes at least once a year and regularly reports to the board. The first meeting was held in December 2024.

Under the Corporate Sustainability Committee, the Sustainability Steering Committee serves as the sustainability implementation body. It holds meetings at least every six months to discuss implementation plans and coordinate cross-unit collaboration, and it reports to the Corporate Sustainability Committee at least every eight months on the execution status of climate change response topics such as SAF and carbon emissions.



Risk Management

STARLUX integrates an "ESG-driven enterprise risk management" mindset into operational activities and daily management processes.

The Board of Directors is designated as the highest governance body for risk management. The "Risk Management Policies and Procedures" was approved by the Board on 27 December 2024. The Corporate Sustainability Committee oversees overall risk management effectiveness and has appointed the Risk Management Task Force to drive and implement risk management operations.

The Audit Div. assists the Board and management in examining and reviewing the effectiveness of the risk management mechanism's operations and provides timely recommendations for improvement to ensure that the mechanism is continuously and effectively implemented.

Ethical Corporate Management

The Company has established an effective governance structure and relevant ethical standards by adopting internal regulations below." These policies strengthen corporate governance and set behavioral standards to ensure that employees' conduct aligns with business ethics and societal expectations.

The Human Resources Department serves as the dedicated unit responsible for developing and supervising the implementation of those procedures and guidelines, and reports annually to the Board of Directors on ethical corporate management matters.

Ethical Corporate Management Internal Regulations

Ethical Corporate Management Best Practice Principles

Procedures for Ethical Management and Guidelines for Conduct

Sustainable Development Best Practice Principles

Code of Ethical Conduct

Antitrust Compliance Guidelines

During the year of 2024, there were

- No reports or lawsuits concerning violations of ethical conduct received;
- No incidents involving corruption, fraud, insider trading, money laundering, conflicts of interest, anticompetitive behavior, antitrust violations, or monopolistic practices;
- No improper political contributions or charitable donations;
- No breaches of code of conduct identified.

Anti-corruption and Anti-bribery Related Articles

Code of Ethical Conduct	Article 3	• Prohibition of bribery and seeking personal gain.
Procedures for Ethical Management and Guidelines for Conduct	Article 6	• Prohibition of Providing or Receiving Improper Benefits such as bribery, including money, gifts, commissions, rebates, facilitation payments, and hospitality.
	Article 7	• Procedures for Handling the Receipt of Improper Benefits.
	Article 8	• Prohibition of Facilitation Payments and Handling Procedures.
	Article 9	• Procedures for Political Donations.
	Article 10	• Procedures for Handling Charitable Donations or Sponsorships.



Procedures for Ethical Management and Guidelines for Conduct	Article 17	<ul style="list-style-type: none"> Integrity Management Evaluation before Establishing Business Relationships. <ul style="list-style-type: none"> Assessment of bribery, corruption risk, due diligence of bribery record.
	Article 18	<ul style="list-style-type: none"> Explain Integrity Management Policy to Business Counterparties.
	Article 20	<ul style="list-style-type: none"> Explicitly Defining Integrity Management in Contracts.

Ethical Corporate Management Training

As of December 31, 2024, all 5,047 active employees have completed ethical corporate management training, achieving a training coverage rate of 100%.

Category	2024 Implementation Status
New Employees	<ul style="list-style-type: none"> Digital online course (5 minutes) on the "Ethical Corporate Management Best Practice Principles", "Code of Ethical Conduct" and "Procedures for Ethical Management and Guidelines for Conduct" Digital online course (50 minutes) on Antitrust Law and Personal Data
All Employees	<ul style="list-style-type: none"> Digital online course (1 hour) on the Antitrust Compliance Guidelines In-person course on U.S. Antitrust Overview (2 hours)

Whistleblower System

STARLUX's public whistleblowing system, outlined in the ethical management procedures, has a dedicated email accessible via website and intranet. The whistleblower's identity and the contents of the report confidential and commits to protecting whistleblowers from any adverse treatment arising from their report.

✉ integrity@starlux-airlines.com

No reports were received in year 2024.

