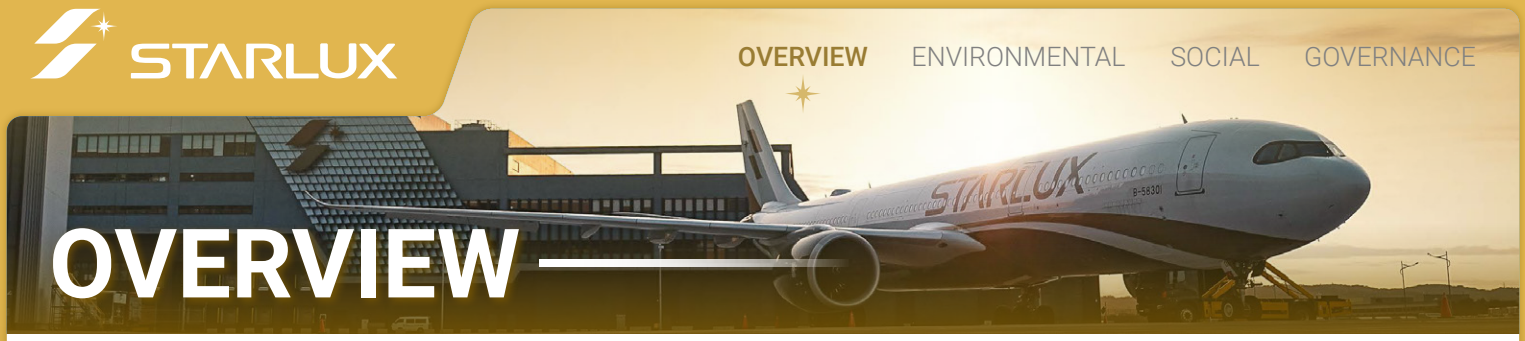
STARLUX

2025 ESG INSIGHT REPORT





OVERVIEW

STARLUX Airlines position ourselves as a "boutique airline," focusing on flight safety, service quality, and steady operational growth. The Company continues to strengthen its internal governance, route network strategy and service systems. STARLUX is committed to fully aligning with the national net-zero emissions roadmap and strategies.

RECOGNITIONS AND THIRD-PARTY VERIFICATIONS

Five-Star Airline Rating 2025-2026

The World's Best Full-Service Airlines for 2026 Ranked No. 5

Five Star Global Airline 2026

World's Safest Full-Service Airlines for 2026 Ranked No. 11

World Air Cargo Awards: Airlines of the Year – Asia 2026

Sustainability Report 2025	BSI in accordance with the AA1000 Assurance Standard v3 at Type 1 moderate assurance level
Financial Data	Independent Auditor's Report [Ernst & Young Global Limited]
Quality Management	ISO 9001: 2015 [SGS Taiwan Limited]
Information Security	ISO 27001: 2022 [BSI Group]
Privacy Information Management	ISO 27701: 2019 [BSI Group]
GHG Management	ISO 14064-1: 2018 [BSI Group]
Energy Management System	ISO 50001: 2018 [BSI Group]
Environmental Management System	ISO 14001: 2015 [SGS Taiwan Limited]
Occupational Health and Safety Management	ISO 45001: 2018 [SGS Taiwan Limited]
Safety Management	IATA Operational Safety Audit accreditation IATA Safety Audit for Ground Operations certification
Cargo Management	Four IATA CEIV qualifications – CEIV Lithium Batteries, CEIV Pharma, CEIV Fresh, and CEIV Live Animals

SUSTAINABILITY DISCLOSURE

STARLUX Sustainability Report is published annually, in alignment with the GRI Universal Standards 2021, and incorporating frameworks from the SASB and TCFD. Scope is 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

Plan and implementation items for alignment with the IFRS Sustainability Disclosure Standards *reported quarterly to the Board. Phase 2 – design and implement were completed by 2025Q4.* Trial run and implementation is schedules for 2026 and public disclosure and reporting of the annual report's sustainability section in 2027.



ENVIRONMENTAL

ENVIRONMENTAL GOALS AND ACHIEVEMENTS

STARLUX Airlines has committed to adopting the Science Based Targets initiative (SBTi) in 2026 and plans to recalibrate the baseline year in 2028 to align our carbon reduction targets with SBTi requirements.

Committed to 2050 Net Zero

2025 Achievement

- ✓ 14 flights of new aircraft completed used at least 5% SAF
- ✓ Launched TNFD framework.
- ✓ The office lighting fixture upgrades saving 60% more energy
- ✓ Electrification rate: ground vehicles reached 10% and on the airside of Taoyuan Airport reached 44%.
- ✓ Obtained ISO 14064-1:2018 external third-party verification for 2025 GHG inventory.
- ✓ Participated in the IATA World Sustainability Symposium in Hong Kong and officially joined the IATA CO_2 Connect program.

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

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.

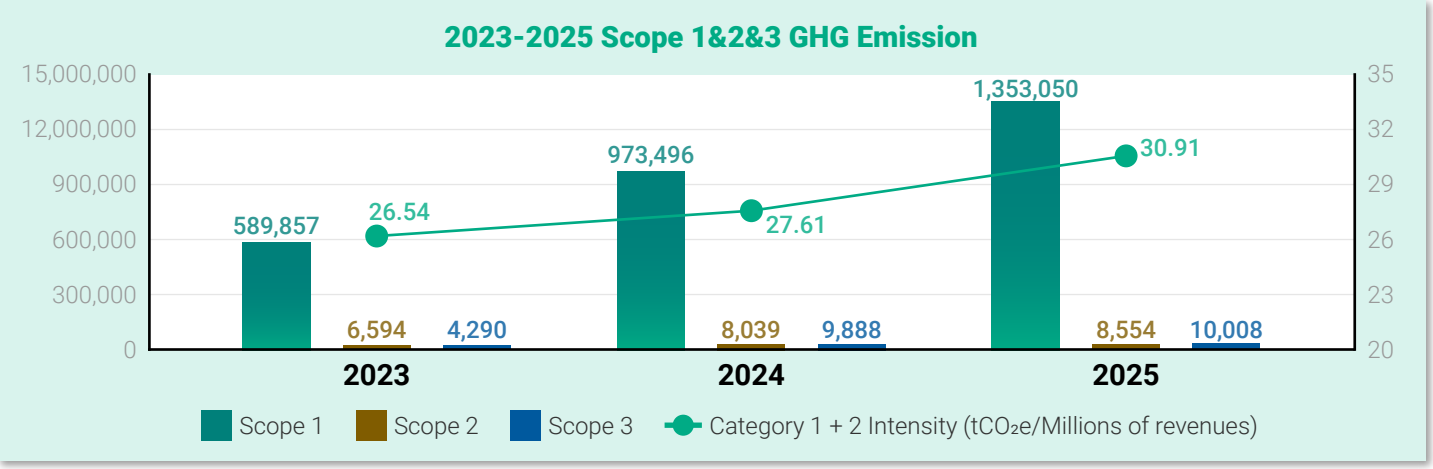
GHG MANAGEMENT

STARLUX obtained certifications in 2025
ISO 14001: 2015 Environmental Management System
ISO 50001:2018 Energy Management System

GHG Emissions Category	2023		2024		2025	
	tCO_2e	%	tCO_2e	%	tCO_2e	%
1 Direct Emissions from Aircraft	587,118	97.73	970,049	97.84	1,349,556	98.39
Direct Emissions from Non-Aircraft	2,739	0.46	3,447	0.35	3,494	0.25
Category 1-Subtotal	**589,857**	**98.19**	**973,496**	**98.19**	**1,353,050**	**98.65**
2 Indirect Emissions include Externally-Purchased Power	6,594	1.10	8,039	0.81	8,554	0.62
Category 1 and Category 2 -Subtotal	**596,451**	**99.29**	**981,535**	**99.00**	**1,361,604**	**99.27**
3-6 Indirect Emissions upstream emissions	4,290	0.71	9,888	1.00	10,008	0.73
Total (Categories 1-6)	**600,742**		**991,424**		**1,371,613**	
Category 1 + 2 Intensity (tCO_2e/Millions of revenues)	26.54		27.61		30.91	

Note 1: 2023 GHG inventory covered the Taiwan headquarters and its main operational sites. In 2024 onwards, the scope expanded to include global operational sites, including newly added offices in Taiwan and 10 overseas subsidiaries and their operational locations.

Note 2: The Categories 3-6 covers upstream emissions. Category 5 and 6 emissions is zero.



Aircraft GHG Intensity	Unit	2023	2024	2025
Passenger	kg CO_2e/RPK	0.08	0.08	0.08
Cargo	kg CO_2e/FTK	0.64	0.52	0.59
Total	**kg CO_2e/RTK**	**0.84**	**0.79**	**0.81**

Note 1: RPK=Revenue Passenger Kilometers; FTK=Freight Tonne Kilometers; RTK=Revenue Tonne Kilometers.

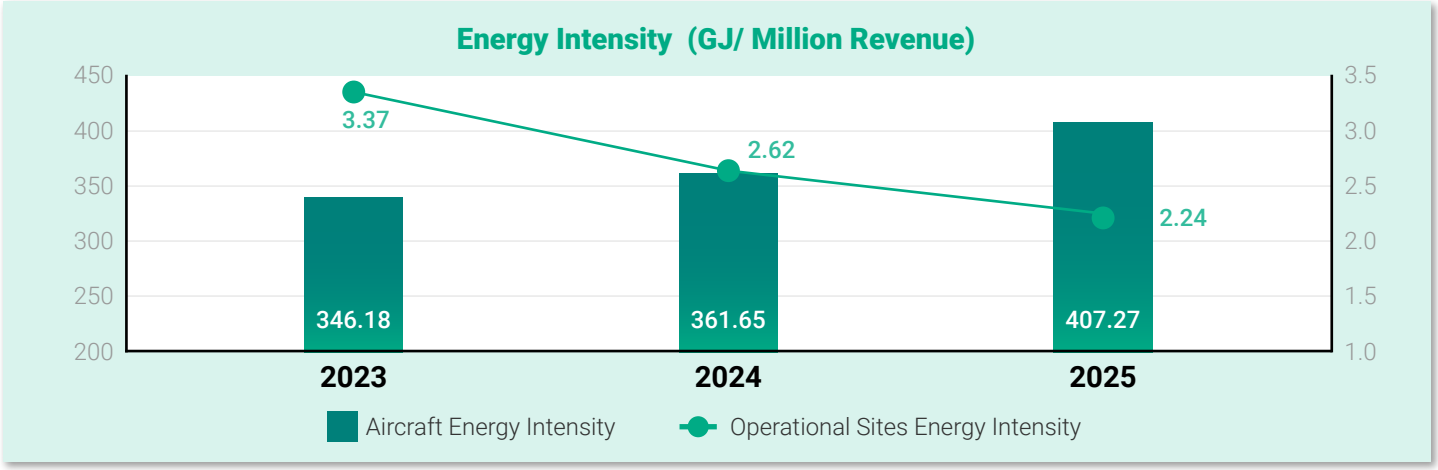
Note 2: GHG inventory data for aircrafts only covers verified aviation fuel under CORSIA and estimated aviation fuel consumption for non-CORSIA aircrafts.

ENERGY MANAGEMENT

Energy Consumption

Operational Sites	Unit	2023	2024	2025
Consumed Energy	GJ	75,641	91,354	98,866
Operational Sites Energy Intensity	**GJ/ Million Revenue**	**3.37**	**2.57**	**2.24**

Aircraft		Unit	2023		2024		2025	
Aviation Fuel	Passenger Transport	GJ	6,690,205	86%	10,668,685	83%	14,891,376	83%
		MJ/RPK	**1.05**		**0.97**		**1.049**	
	Cargo Transport	GJ	1,089,103	14%	2,186,683	17%	3,050,041	17%
		MJ/FTK	**8.50**		**9.32**		**7.88**	
Consumed Energy		GJ	7,779,309		12,855,369		17,941,416	
Aircraft Energy Intensity		**MJ/RTK**	**11.12**		**10.49**		**10.78**	
		GJ/ Million Revenue	**346.18**		**361.65**		**407.27**	
SAF		%	-		0.02%		-	



AIRCRAFT AIR POLLUTION

Estimated Aircraft Air Pollutant Emissions		2023	2024	2025
NOx	Emissions (tons)	172.738	244.217	246.019
	Overall - Emission efficiency (g/RTK)	0.247	0.199	0.148
SOx	Emissions (tons)	14.005	19.116	19.24
	Overall - Emission efficiency (g/RTK)	0.02	0.016	0.012
CO	Emissions (tons)	64.14	91.598	92.239
	Overall - Emission efficiency (g/RTK)	0.092	0.075	0.055
HC	Emissions (tons)	1.537	2.339	2.356
	Overall - Emission efficiency (g/RTK)	0.002	0.002	0.001

Note 1: 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.

Note 2: 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).

ICAO Aircraft Engine Emissions Databank

emission factors

CARBON REDUCTION STRATEGY

Direct GHG emissions (category 1) accounted for 98.65% of total emissions, primarily arising from aircraft operations, making it the core focus of STARLUX's carbon reduction strategy. Our carbon emissions increased by 38.35% compared with the previous year, mainly due to continued fleet expansion and increased flight operations.

STARLUX is introducing Airbus's next-generation, highly efficient aircraft enhancing aircraft performance and reducing CO_2 emissions through extensive use of lightweight, durable carbon-fiber and titanium-alloy composite materials.

STARLUX actively promotes a range of fuel-saving and carbon-reduction initiatives, resulting in fuel savings of 7,626,576.18 kgs and a reduction of 24,099.98 metric tons of carbon emissions in 2025.

Operational Sites Energy Conservation Strategies

Enhancing Energy Efficiency
- Low-energy LED lighting

Vehicle Energy Conservation
- Vehicle electrification, install solar panels on ground vehicles
- Flights use jet-bridge air and power instead of the aircraft auxiliary power unit to reduce ground fuel consumption

Optimizing Operational Modes
- Efficient air conditioning usage
- Zoned and sensor lighting

Sustainable Buildings
- STARLUX's new buildings in the Aerotropolis campus shall meet at least the *Taiwan's Green Building Silver certification.*
- Green Power Usage (solar panels)

Aircraft Energy Conservation Strategies

Operational Mode Optimization
- Contingency Fuel adjustment
- Reduced Vertical Separation Minima (RVSM) - to enable flights to operate at higher flight levels, thereby reducing fuel consumption.
- Accurately manage and predict preflight fuel quantities
- Engine Cleaning
- Rolling fuel adjustment policy

Aircraft Technological Advancements and Equipment
- **A321neo:** fuel-saving sharklets constructed from composite materials. *Fuel savings approx. 15%*
- **A330neo:** adopt Rolls-Royce Trent 7000 engines, fuselage design adopts winglets and an extended wingspan. *Fuel savings approx. 14% per seat at 4,000 nautical mile range*
- **A350-900:** 70% of fuselage made of new composite materials, reducing aircraft weight. *Fuel savings approx. 25%*
- **A350-1000:** fuselage features special coating integrated with carbon fiber composites, next-generation Rolls-Royce Trent XWB engines. *Fuel savings approx. 25%*

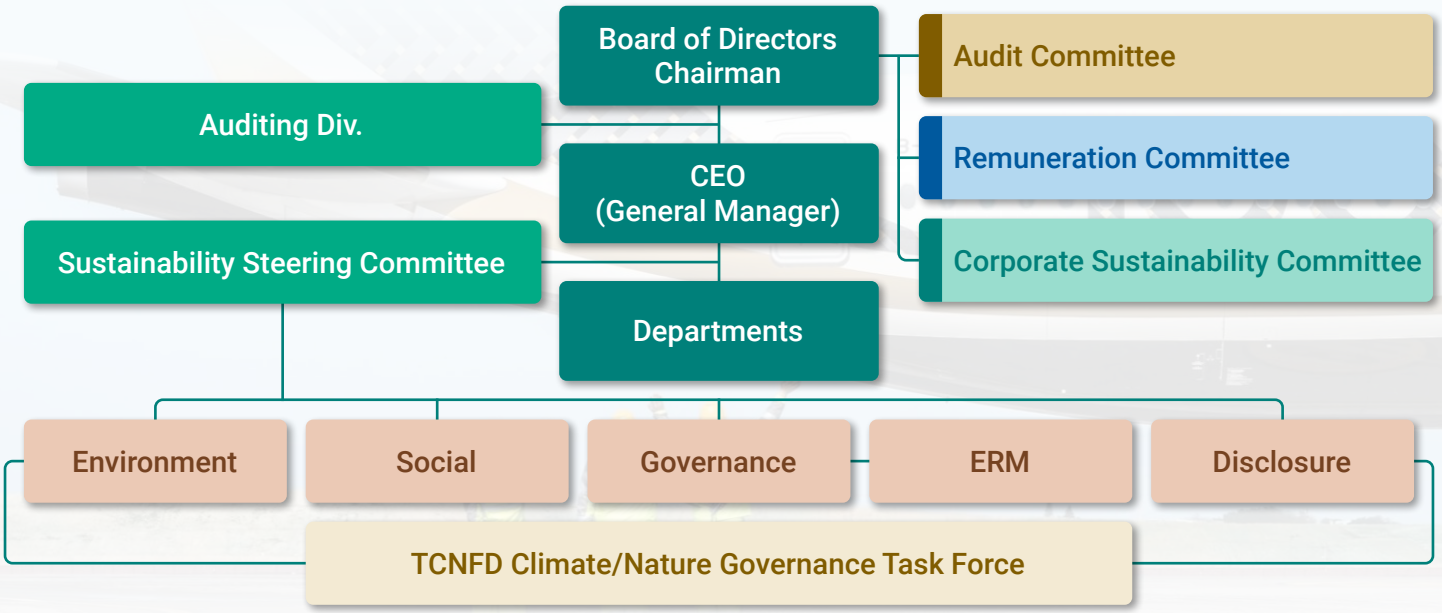
Energy and Alternative Fuels: increase SAF utilization rate

Green Loan

Implementation of Carbon Reduction Policies



CLIMATE CHANGE AND NATURE RELATED SUSTAINABILITY



Board of Directors: highest climate governance body

Corporate Sustainability Committee: functional committee

The Sustainability Steering Committee: serves as the executive body and a Taskforce for TCNFD is formed, comprising members from the procurement, finance, and corporate security departments. Meetings are held regularly (at least semi-annually) and reports are submitted to the Corporate Sustainability Committee on a regular basis (at least every 8 months) regarding the implementation status of climate change, nature, and biodiversity-related issues, such as sustainable aviation fuel (SAF) and carbon emissions.

In 2025, STARLUX continued to build on the identification results from the previous year, maintaining focus on 14 climate-related risks and opportunities. Top 3 Climate Risks and Opportunities are listed in table below, for response strategies details, see 2025 Sustainability Report "Climate Change Response Strategy" section.

Category		Risk or Opportunity Issues	Potential Financial Impact
Resource Efficiency Enhancement	O	Fuel-Saving Operations	↓ operating costs ↑ operating revenue
	O	Efficient Building Trends	↑ capital expenditures ↓ operating costs
Consumer Preferences	O	Shifting Consumer Tastes	↑ operating revenue
	TR	Demand for Greener Flights	↓ operating revenue
Low Carbon Aviation Products and Services	TR	SAF Price Hike	↑ operating costs
	O	Growth of Green Aviation Services	↓ operating costs

O: Opportunities TR: Transformation Risks

BIODIVERSITY IMPACT MANAGEMENT

STARLUX launched TNFD framework this year to integrate nature and biodiversity issues into its operations and key supplier assessments. Nature-related dependencies, impacts, risks, and opportunities identified by the TNFD are also incorporated into the Taoyuan Aerotropolis Park development planning.

Following LEAP methodology recommended by the TNFD for our analysis, which comprises four stages: Locate, Evaluate, Assess and Prepare. STARLUX conducted the "Locate" and "Evaluate" stages for our operations.

Ecologically Sensitive Areas

Operating region	Within ecologically sensitive area	Proximity to ecologically sensitive area (15 km)	Water stress area (medium-high risk and above)
Taiwan	1	9	0
Japan	1	26	0
Hong Kong, Macau	5	3	2
North America	0	5	6
Southeast Asia	1	11	16

Nature Dependency and Impact Assessment Results

STARLUX utilizes the ENCORE tool to conduct an analysis of ecosystem dependency and impact across the operating locations. The results indicate that the air transportation industry maintains a very high dependency on “visual amenity services” and “rainfall pattern regulation services.” Regarding the impact dimension, “disturbances” and the “introduction of invasive species” are identified as having a very high level of impact.

Impact of Invasive Alien Species

The results from RouteRisk (a global wildlife trafficking risk analysis) indicated that most of STARLUX’s flight routes do not show medium-to-high risk signals. STARLUX has established clear management regulations for the transportation of live animals as a key control measure, in order to mitigate illegal wildlife trafficking risks.

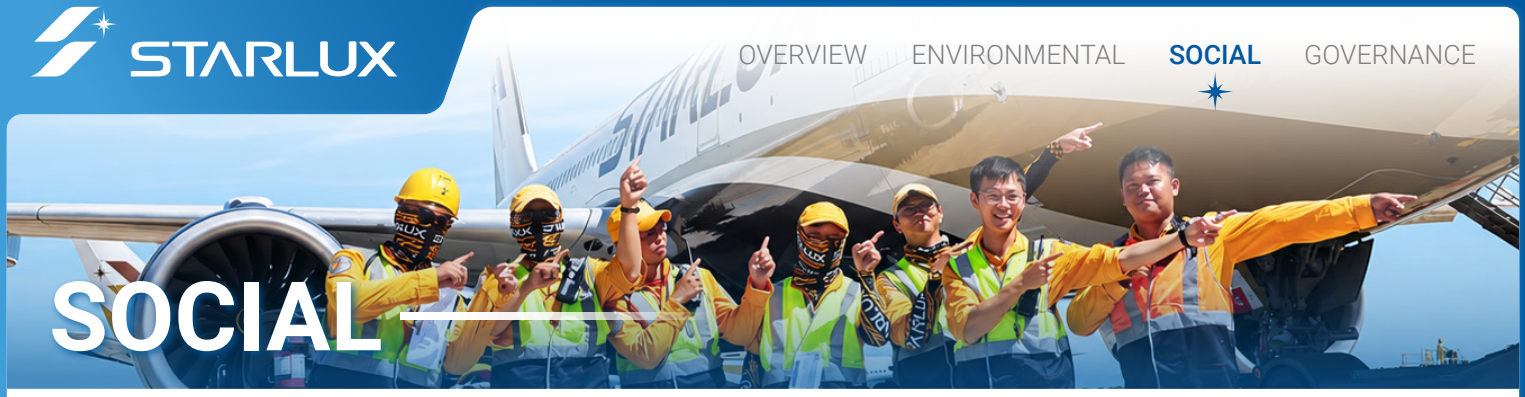
WASTE MANAGEMENT SYSTEM

	Unit	2023	2024	2025
Total Waste	Tons	651	1,008	1,327
Waste Intensity	Tons/ Million Revenue	0.04	0.03	0.03

WATER RESOURCE MANAGEMENT

	Unit	2023	2024	2025
Water Consumption	Megalitre	111.42	96.33	111.99
Water Intensity	Megalitre/ Million Revenue	0.005	0.003	0.003





SOCIAL

SOCIAL GOALS AND ACHIEVEMENTS

2025 Achievement	Short-term goals (+3 years)	Mid -term Goals (+10 years)	Long-term Goals (2050)
✓ 4.38 points	Freight customer satisfaction ≥ **4.45** points (out of 5 points)	Freight customer satisfaction ≥ **4.65** points (out of 5 points)	
✓ achieved 71.6%	Passenger's Net Promoter Score (NPS) goal of **69%**	Passenger's Net Promoter Score (NPS) goal of **70%**	
✓ achieved 100%	Annual employee health checkup execution rate of **100%**		
✓ achieved 0.46	Frequency-Severity Indicator (FSI) of employees below **0.50**		
✓ achieved 4.77	Disabling Frequency Rate (FR) below **7.5**		
✓	Annual major flight accidents = **0**		
✓	Annual major incidents = **0**		

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.

Human Rights Policy

STARLUX Human Rights Policy

Human rights policy applies to all employees and requires suppliers, contractors, and business partners to comply with such policy jointly.

- Prohibit child labor
- No forced labor
- Anti-discrimination and harassment
- Prevention of sexual harassment
- Promote diversity and Inclusion

Diversity, Equity, and Inclusion

STARLUX promotes DEI workplace culture to ensure that employees receive fair treatment and respect throughout the recruitment, hiring, promotion and operational processes.

We ensure 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. Employee support workshop and workplace seminars were held to understand diverse needs of employees with disabilities.

Human Rights and Workplace Diversity Training

In 2025, STARLUX focused on strengthening human rights protection mechanisms, achieving a 100% signing rate of the "STARLUX Human Rights Declaration". A total of 15,051 participants and a total of *training hours of 3,638.4 hours.*

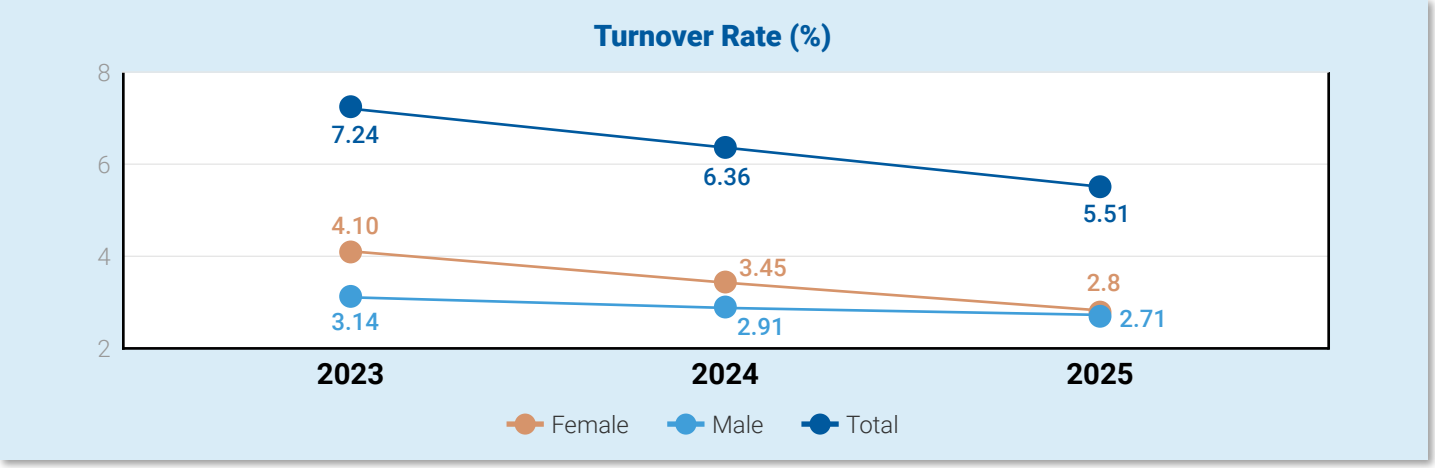
Independent Grievance Channel

"Complaint Filing Responsible Unit" provides an independent complaint filing mailbox *(wecare@starlux-airlines.com)* and a dedicated personnel phone line at *+886-3-260-1800 Ext. #7101 or #7103.*

WORKFORCE

In 2025, STARLUX had a total of 5,896 employees, *with full-time employees (indefinite-term contracts)* accounting for approximately *94.40%.*

TURNOVER RATE



For employees with a tenure exceeding three months, online resignation questionnaires were distributed prior to their departure, and root cause analysis was conducted; the results indicated that career planning, family factors, and health conditions were the main reasons for resignation. Development of EAPs such as psychological counseling and legal services to provide comprehensive support for employees and plans for various personal growth and motivational seminars to improve the retention rate of outstanding talent.

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 2025, 32.34% 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)

Collective Agreement

- With the support of the Chairman, on July 11, 2024, officially began collective agreement negotiations.
- 5 negotiation meetings were held. Since July 2025, negotiations have been suspended at the request of the union.

No strikes or work stoppages occurred in 2025.

GENDER REMUNERATION RATIO

	Flight Crew Members	Cabin Crew Members	Domestic Ground Staff	Outstation Ground Staff
Senior Executives	-	-	1.11	1.11
Middle Managers	-	-	1.02	1.03
Frontline Supervisors	-	0.95	1.00	1.01
General Employees	1.22	0.97	1.17	1.05

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

EMPLOYEE COMPENSATION

The compensation system is reviewed 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.

2025 Salary for Full-time non-supervisory employees

- Average salary NTD 1,115,004 (↑ of $20,401 yoy)
- Median salary NTD 721,884 (↑ of $8,973 yoy)

Performance Evaluation

STARLUX uses annual performance appraisal results as the basis for promotions, salary adjustments, bonuses, and talent development. To effectively assess the performance of colleagues with different roles, 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.

In the past three years, STARLUX has achieved a 100% assessment execution rate for ground staff, flight crew, and cabin crew.

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

Happy Workplace
- Flexible work hours
- Gender equality in working conditions
- Optimizing a Safe Working Environment
- Transfer and rotation systems

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

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 retirement system is in accordance with the Labor Standards Act and the Labor Pension Act and "Labor Retirement Reserve Fund Supervision Committee" opened a special account for labor retirement reserve funds at the Bank of Taiwan. The contribution rate is 6% for the new system and for 2% for the old system. Adequate allocation has been completed. In 2025, the recorded pension expense amounted to TWD281,365,781.

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

PARENTAL LEAVE

	2023	2024	2025
Parental Leave Application Rate (%)	7.94	18.35	21.51
Return to Work Rate (%)	90.00	96.55	77.59
Retention Rate (%)	100	88.89	100

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	2023	2024	2025
Managerial Level	66.43	78.43	156.26
Non-managerial Level	133.33	138.73	120.55
Total	**123.52**	**132.95**	**123.43**

Employee Development Representative Programs

Talent Development Stage	Name	Project Benefit
Foundation Stage	New Employee Basic Cultivation	New Hire Training: New employees can understand STARLUX' values, aviation expertise, enhance safety awareness and legal knowledge, fostering team cohesion, maintaining a positive work attitude, building company culture, and creating self-worth.
Growth Stage	Entry-Level Supervisor Development and Mid-Level Manager Advanced Training	Newly appointed supervisors can strengthen their team leadership abilities, goal management skills, effective subordinate development skills, and communication effectiveness to fulfill their managerial responsibilities; mid-level managers can enhance and master department-wide leadership and management skills so that team objectives align with organizational goals and develop effectively.

Succession Planning and Operations for Key Management Personnel

Employees at the Vice President level (including and above) are designated as Key Management Personnel. The HR Department has established a systematic talent development framework for these positions, periodically identifies potential successors and develops succession plans aligned with the Company's operational strategies and development objectives.

To cultivate cross-functional perspectives, the Company conducts job rotations and overseas assignment programs, enabling future Key Management Personnel to gain diverse operational experience and global aviation management expertise.

Additionally, the Company provides ongoing leadership development programs and courses covering aviation safety management, leadership, legal compliance, risk control, cross-departmental collaboration, labor relations, and communication skills—aimed at fostering adaptable, insightful, and decisive management talent that supports long-term sustainability and strategic execution.

HR maintains and continuously updates an "Executive Talent Pool" based on business strategies and organizational needs, reporting progress to senior executives at least annually. Evaluation criteria include:

• **Professional Competence and Performance**	• **Aviation Expertise and Cross-Departmental Experience**
• **Leadership Qualities and Interpersonal Communication**	• **Alignment with Corporate Strategy and Core Values**

OCCUPATIONAL SAFETY AND HEALTH

The scope of the Company's occupational safety and health management system covers all internal employees and also extends to suppliers, contractors and all personnel entering the plant premises, in order to ensure that all operational activities comply with safety regulations and risk control requirements.

"ISO 45001 Occupational Safety and Health Management System"
"CNS 45001:2018 and TOSHMS Taiwan Occupational Safety and Health Management System"
certified in 2024 with coverage rate of 91%

STARLUX's Occupational Safety and Health Committee convenes quarterly. Committee members include the heads of each unit, safety and health management personnel, medical and nursing staff, and with labor representatives accounting for 35% participation.

In 2025, 1,343 hazard identifications were completed with results showing all risks were within the acceptable category. Unit evaluations indicated that certain risks still had room for optimization, therefore 4 safety optimization and improvement plans were proposed to further enhance workplace safety and risk management effectiveness.

OSH Education and Training Hours	2023	2024	2025
Average Training Hours per Employee	1.63	38.00	0.90

The fluctuation in training hours was within reasonable expectations, because training in 2024 included more specialized courses (such as initial training for aerial work platforms). Whereas in 2025 primarily focusing on on-the-job retraining and statutory training.

Contractor Management

In 2025, STARLUX further strengthened the risk control mechanisms for contractor operations by establishing more explicit management procedures and review mechanisms for hazardous operations, including pre-application, work permits, and on-site supervision measures for high-risk tasks. In addition, the contractor management mechanism has incorporated the requirements of the ISO 14001:2015 Environmental Management System and ISO 50001:2018 Energy Management System.

There were no contractor-related occupational accidents in 2025.

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, includes the CEO as Chairperson. 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.

"Safety is Our Attitude"
STARLUX has maintained a record of zero accidents and no major incidents

External Verification

Flight Operations:

- Jan 2025: passed the International Air Transport Association (IATA)'s latest Risk-based IOSA (IATA Operational Safety Audit)(RBI) audit
- Feb 2025: completed the IOSA registration renewal

Ground Operations:

- Dec 2025: obtained the ISAGO (IATA Safety Audit for Ground Operations) certification

Safety Performance Indicators and Safe Performance Targets

STARLUX establishes annual Safety Performance Indicators (SPIs) and Safety Performance Targets (SPTs). The effectiveness of the implementation is regularly tracked. Performance and proposed revisions are reviewed by the SRC. If the annual target value (SPT) is not met, the SMS Safety Implementation Team is required to submit improvement measures.

Flight Safety and Security Training

All staff must attend initial training on the SMS and receive annual refresher training. The course content covers the Company's safety policy, safety responsibilities, risk management, and human factors. In addition, members of the eight Safety Implementation Teams must undergo advanced SMS training. Managerial personnel and those performing critical safety management functions can acquire more in-depth safety management knowledge, enhance their leadership and risk response capabilities, and jointly foster a safety culture.

2025 training completion rates for all employees and members of the Safety Implementation Teams reached 100%.

STARLUX provides a comprehensive professional flight training system to ensure that flight crew and cabin crew possess high-level skills and professionalism in all aspects. Please refer to 2025 Professional Flight Training Data for details.

Safety Culture Survey

STARLUX conducts a safety culture *survey every two years.* The survey is conducted anonymously among units related to flight operations. *2024 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 were 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 2025 rewards implemented were individual commendation award, annual outstanding safety reporting award.

Flight Crew Fatigue Management

STARLUX is committed to promoting Employee Assistance Programs (EAP) to provide psychological care and ensuring that all employees have sufficient knowledge and skills to address and effectively manage fatigue-related risks. Regular comprehensive training programs are scheduled to ensure that team members have a deep understanding and competence in fatigue management requirements.

CUSTOMER SATISFACTION SURVEY

Satisfaction Survey	2023	2024	2025
Passenger Customer (NPS score)	61	69	71.6
Freight Customer	4.44	4.34	4.38

Note 1: The Net Promoter Score (NPS) The NPS score is calculated by subtracting the percentage of detractors from the percentage of promoters, resulting in a score between -100 and +100.

Note 2: Freight customer satisfaction is measured using the Likert scale, a five-point rating scale.

ON-TIME PERFORMANCE

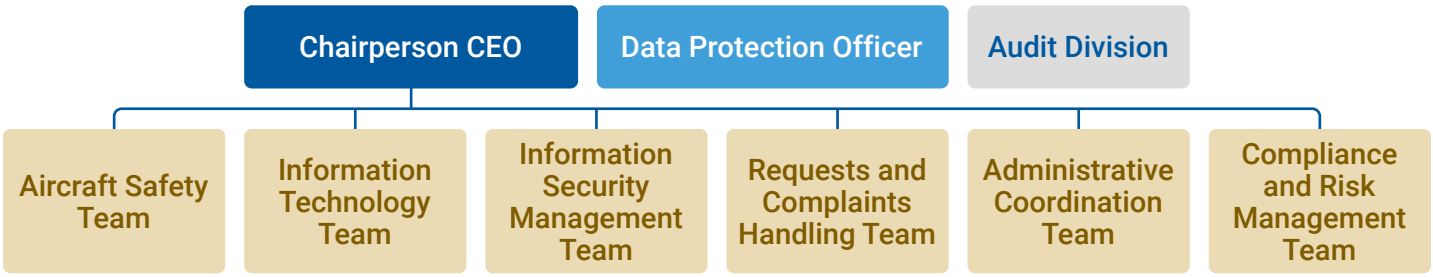
Year	2023	2024	2025
Regional Routes (%)	76.02	82.02	87.38
Long-Haul Routes (%)	71.60	80.95	90.33
All Routes (%)	75.88	81.95	87.69

Note 1: The data is based on the company's internal statistics. Routes within Asia are classified as regional routes, while routes to North America are classified as long-haul routes.

Note 2: Delayed flights are defined by the departure flight's "aircraft pushback" time. A flight is considered delayed if that time occurs more than 15 minutes after its scheduled departure time.

INFORMATION SECURITY AND CUSTOMER PRIVACY

Organizational Chart: Information Security and Personal Data Protection Management Committee



Information Security Management

ISO 27001: 2022 Information Security Management System
ISO 27701: 2019 Privacy Information Management System
recertified in 2024 with semi-annual external tracking reviews

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 and IT department conducts regular security updates and collaborates with information security consultants for annual vulnerability assessments and prompt remediation.

Annual penetration test for core business systems, the Company's website, and internal management platforms.

- Verified by a third-party professional cyber security contractor.
- External Risks: no critical or high-risk vulnerabilities identified in the primary external systems.
- Internal Systems: certain risks identified with over 50% of high-risk items remediated and remaining items included in the risk tracking list, with continuous improvements implemented in accordance with the risk mitigation plan. All retesting and case closures are expected to be completed by the end of 2026.

Personal Data Privacy Protection

Internal

- Policies in accordance with ISO 27701:2019 privacy management system and the Regulations Governing the Security Maintenance Plan and Processing of Personal Data Files for Civil Aviation Enterprises.
- Applies to all STARLUX personnel, as well as all third parties and their personnel involved in the collection, processing or use of personal data by the Company.
- Education, training, and drills related to personal data protection.

External

- Two-factor authentication for member logins, and related systems utilize encryption or de-identification technologies.
- Supplier Personal Data Protection Management Regulations.
- Audits and supervision implemented to maintain standards.
- *STARLUX Privacy Policy* : outlines the responsibility in relation to the collection, process and use of personal data.

Reporting Mechanism

- **Website:** "Passenger Support" and complete the "Feedback" form.
- **Direct email:** *DPO@starlux-airlines.com*



STARLUX
Privacy Policy

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.

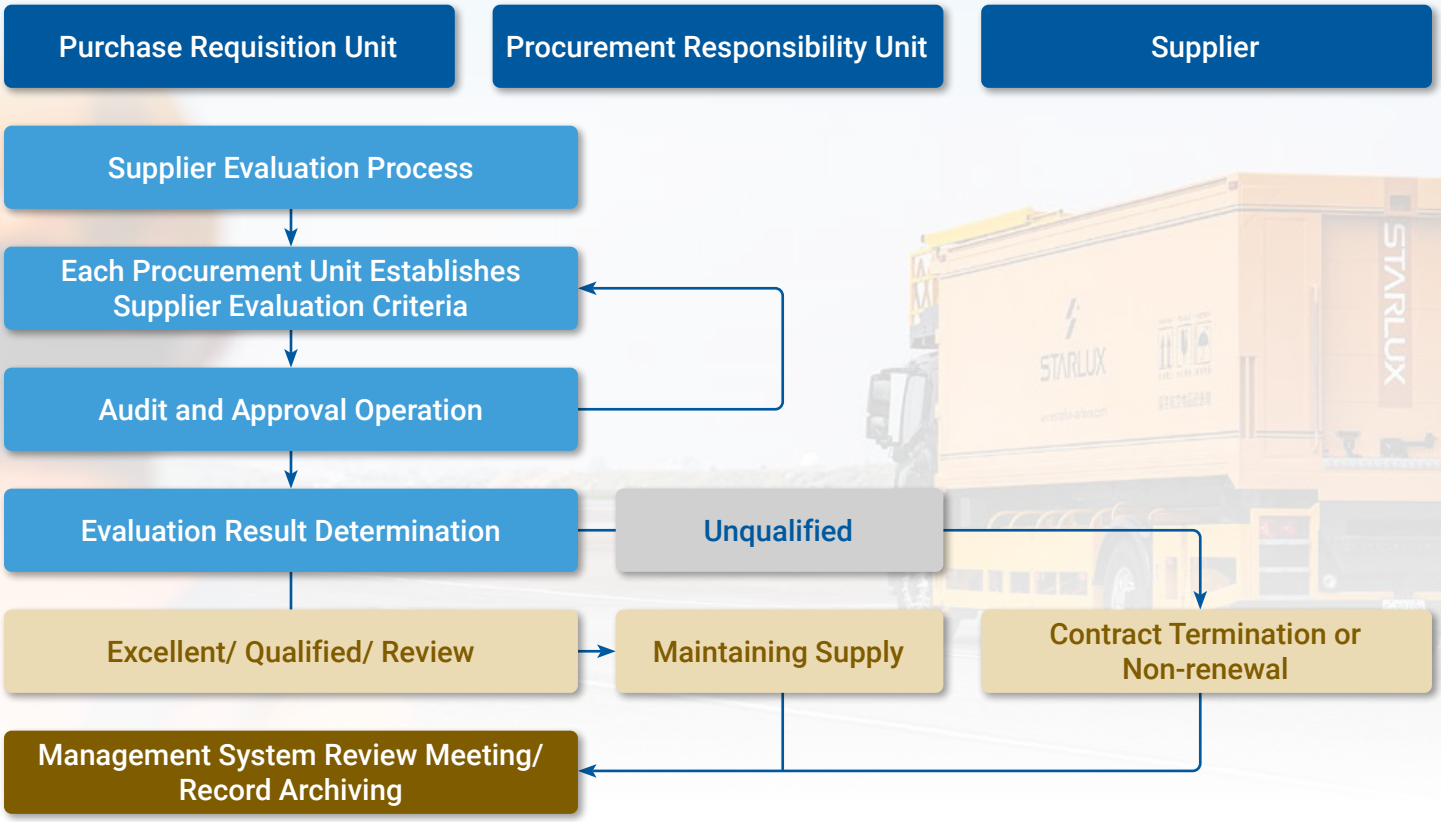
In 2025, the Company experienced no major information security incidents that met any of the following criteria: incidents resulting in significant damage or impact to the Company; orders by relevant authorities to suspend operations, cease business, or revoke pollution-related permits; or cumulative fines for a single incident amounting to TWD1 million or more.

Annual Information Security and Personal Data Protection Training

- General employees (on-duty staff at the headquarters and outstations): at least *1 hour*
- Specific units that directly handle employee or passenger personal data: at least *2 hours*
- Conducted one time of annual penetration test.
- Conducted two annual social engineering drills, and provided 1.5 hours of education and training to personnel who failed to pass the drills.



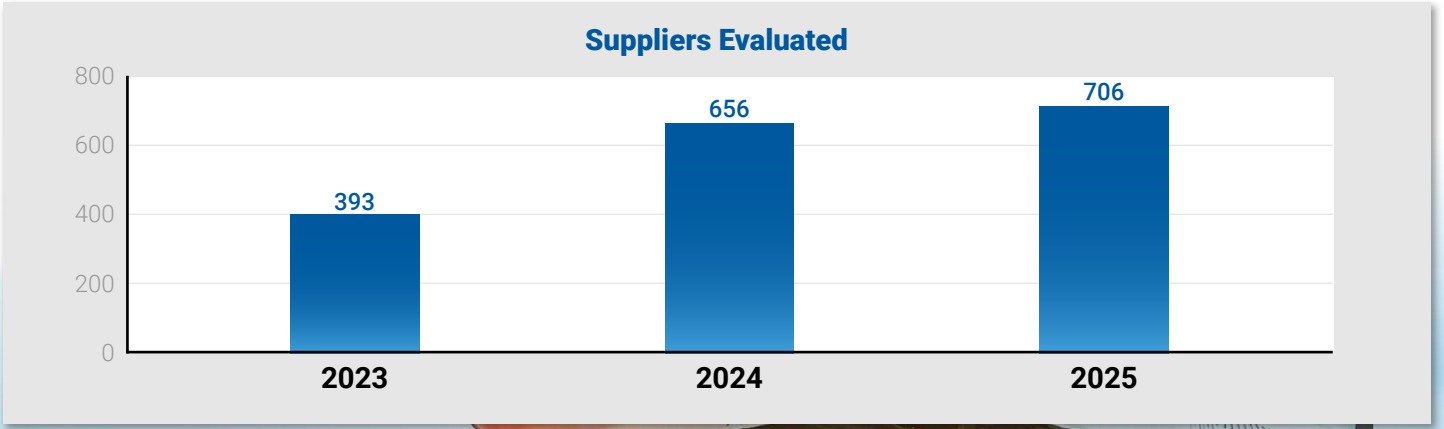
SUPPLIER EVALUATION



STARLUX employs a comprehensive supplier evaluation system, assessing quality, delivery, pricing, and sustainability (including environmental conservation, occupational health and safety, labor rights, information security and privacy protection). *Supplier evaluations are conducted at least once a year.*

In 2025, one supplier was disqualified due to its ground handling agency services failing to meet expectations. For suppliers failing to meet evaluation standards, the Company has completed follow-up improvement or replacement procedures in accordance with existing management protocols, in order to mitigate supply chain disruption risks and to ensure operational stability and service quality.

Although the total number of supplier evaluations has increased year by year, the supplier evaluation pass rate at STARLUX has remained steadily above 99.8%.







GOVERNANCE

GOVERNANCE GOALS AND ACHIEVEMENTS

2025 Achievement	Short-term goals (+3 years)	Mid -term Goals (+10 years)	Long-term Goals (2050)
Ethical Corporate Management Training			
✓ Achieved	• Directors' ≥ 6 hours per year. • Employees at least twice a year. • Overseas branches at least once a year.	• Continue to offer continuing education courses for directors and ethical corporate management training for employees, and handle and report whistleblowing, consultation, and communication cases as necessary. • Promote the expansion of ethical corporate management practices to overseas operational locations.	
Information Security and Personal Data Protection Training			
✓ Achieved	• ≥ 1 hour all employees • ≥ 2 hours for specific units that have direct contact with employees' or passengers' personal data • Expand penetration testing coverage and depth through external partnerships. • Improve social engineering resilience by increasing adaptability and staff awareness training	• Continuously maintain the validity of the ISO 27001:2022 Information Security Management System and the ISO27701: 2019 Privacy Information Management System certifications. • Continuously enhance advocacy and training on information security trends and education, cultivating a culture of strong information security awareness among all employees. • Establish risk and performance indicators for multi-layered defense mechanisms to enhance the visibility of defensive capabilities.	

ORGANIZATIONAL CHART



BOARD OF DIRECTORS

Title	Director/ Representative	Gender	Age	2025 Board Attendance	Previous Term (2022/8/29 – 2025/6/13)	Current Term (elected 2025/6/13)
Chairman	**STARLUX Investments Limited** Representative: Chang, Kuo-Wei	M	51-60	100%	■	■
Director	**STARLUX Investments Limited** Representative: Chai, Chien-Hua	M	51-60	85.71%	■	■
Director	**STARWAY Developing Investments Limited** Representative: Yeh, Shu-Wen	F	51-60	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	71-80	100%		■
	Huang, Chih-Chen Note	M	51-60	100%	■	

Note: Released from duty after the expiration of the term of office on 2025/6/13.

43% independent board

14% female board representation

7 board meetings in 2025

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

Corporate Governance

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.

Functional Committees

C Convener M Member

Board Title	Name	Audit Committee	Remuneration Committee	Corporate Sustainability Committee
Number of Meetings in 2025		6	2	4
Chairman	**Chang, Kuo-Wei**			C 100%
Director	**Chai, Chien-Hua**			M 100%
Independent Director	**Tsai, Duei**	C 100%	C 100%	M 100%
	Wang, Te-Ho	M 100%	M 100%	M 100%
	Hung, Ching-Shan Note	M 100%	M 100%	M 100%
	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

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

Managerial officers' remuneration structure includes fixed compensation, variable compensation, retirement benefits and equity incentives.

Sustainability Performance

The performance indicators of senior managers include corporate sustainability (ESG) related items, in order to ensure the link between remuneration and the Company's long-term development.

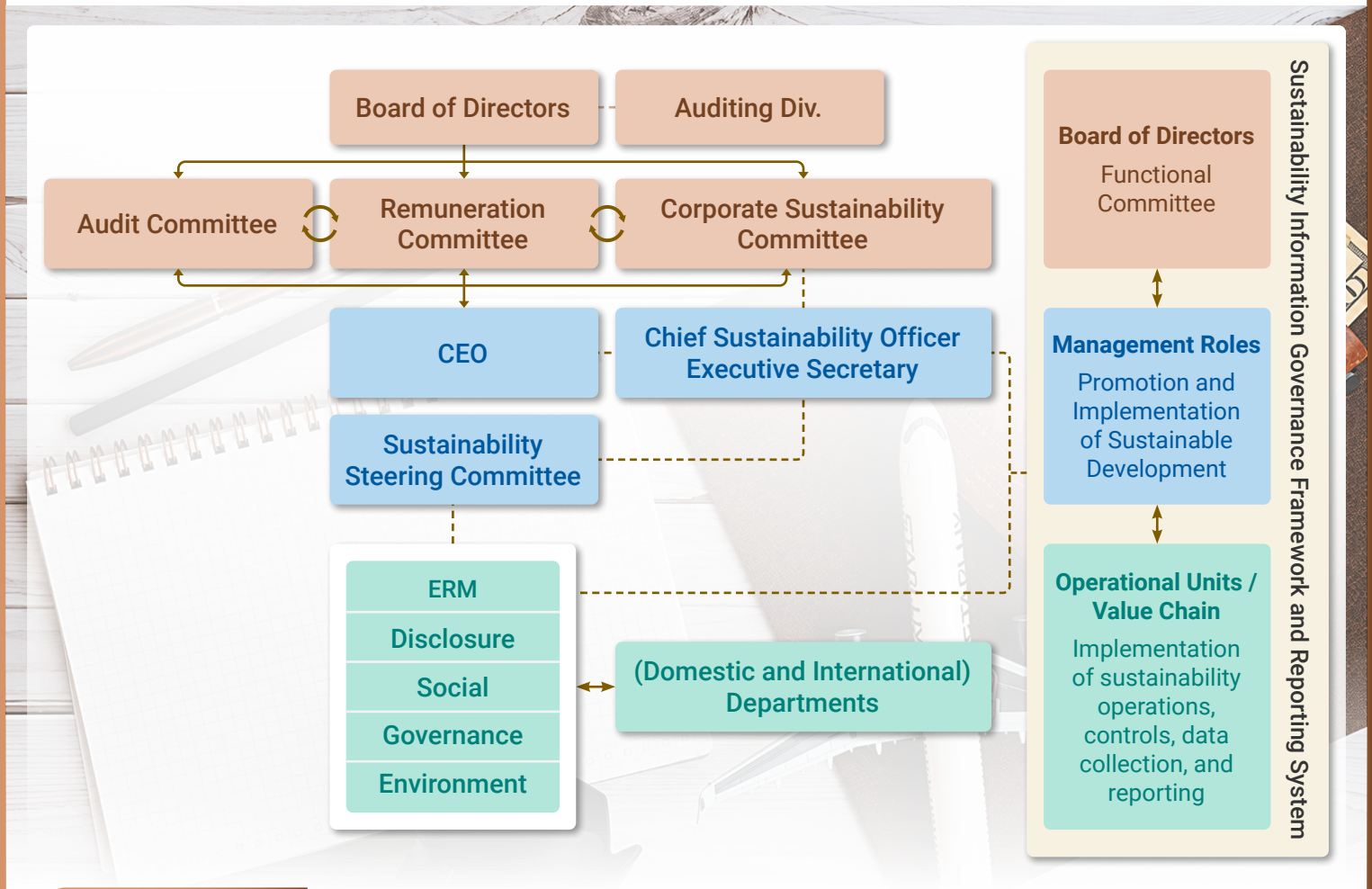
Job Rank	Performance Indicators (weigh 20% each)	ESG Indicator includes
CEO	• Leadership • Strategy planning • Decision making capability • *Sustainable development promotion (ESG)* • Operational and financial performance management	Environmental Aspect: • Ensure sustainable resource circulation and green procurement to balance the positive benefits of corporate growth with environmental protection, while reducing negative environmental impacts. • Improve resource utilization efficiency. Social Aspect: • Committed to establishing a safe, inclusive, and diverse work environment. • Emphasis on human rights protection, employee welfare, and social influence. • Encourage talent development and innovative thinking. • Strengthen brand strategy while balancing customer satisfaction and service quality. Governance Aspect: • Maintain the soundness and transparency of the corporate governance framework, uphold the principles of ethical management in executive decision-making, and ensure transparency and compliance in organizational operations. • Strengthen internal communication and enhance risk awareness.
Vice President	• Leadership • Strategy planning • Decision making capability • Talent selection and development • *Corporate sustainability (ESG)*	Environmental Aspect: • Assist the promotion of carbon reduction goals and energy-saving strategies. Social Aspect: • Create positive organizational atmosphere and establish safety culture awareness. • Department employee satisfaction exceeds 80%. • Achieve zero major labor safety accidents. Governance Aspect: • Implement ethical management principles and risk governance mechanism. • Enhance Regulatory Compliance management.



Corporate Sustainability Committee

The Board of Directors is the highest decision-making body for sustainable development. Sustainability progress and material topics are summarized and reported to the Corporate Sustainability Committee and the Board of Directors on a quarterly basis. The contents reported in 2025 were:

- Greenhouse gas (GHG) inventory status
- Stakeholder communication status
- Implementation results of sustainability initiatives
- SAF pilot program
- Risk Management Review Operation



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 Corporate Sustainability Committee oversees overall risk management effectiveness and has appointed the Risk Management Task Force to drive and implement risk management operations.

In 2025, risks identified included 125 risks related to operational management, talent management, supplier management, customer management, flight safety, equipment/systems/technology, merchandise price management, occupational health and safety, regulatory compliance, intellectual property rights, market conditions, strategy, and others (environment, energy, and carbon reduction, governance). Please refer to 2025 Sustainability Report “Critical Risks and Countermeasures” for details of countermeasures and improvement measures for major risks.

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

STARLUX has implemented several policies as part of the Company's ethical framework to uphold ethical management and effective risk control while protecting the rights and interests of stakeholders.

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 Policies

- Code of Ethical Conduct
- Ethical Corporate Management Best Practice Principles
- Procedures for Ethical Management and Guidelines for Conduct
- Sustainable Development Best Practice Principles
- Antitrust Compliance Guidelines

2025 Anti-Corruption:

Assessment: 100% completed across all operational sites in Taiwan (including external sites)

Result: no occurrences

2025 Ethical Management

- 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.
	Article 17	• Integrity Management Evaluation before Establishing Business Relationships. ◦ Assessment of bribery, corruption risk, due diligence of bribery record.
	Article 18	• Explain Integrity Management Policy to Business Counterparties.
	Article 20	• Explicitly Defining Integrity Management in Contracts.
Antitrust Compliance Guidelines	Specify the maximum amount of fines in order to communicate and reinforce the consequences of non-compliance.	
	Establish the reporting and handling mechanisms when the Company becomes aware of involvement in antitrust violations or is subject to an investigation by the competent authority.	

Ethical Corporate Management Training

2025 ethical corporate management training coverage rate of 100%.

Category	2025 Implementation Status
New Employees	• "Ethical Corporate Management Best Practice Principles", "Code of Ethical Conduct" and "Procedures for Ethical Management and Guidelines for Conduct" (10 mins) Note • Antitrust Law Workplace sexual harassment prevention (12 mins) Note • Antitrust Law and Personal Data (20 mins) Note
All Employees	• Antitrust Compliance Guidelines (1 hr) Note • “Ethical Corporate Management Best Practice Principles”, “Code of Ethical Conduct” (10 mins) • STARLUX Human Rights Policy (15 mins) • Workplace sexual harassment prevention (15 mins) • Workplace illegal infringement (90 mins)

Note: Digital Online Course.

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 2025.



LUXURY BEYOND HORIZONS