

# 2023 Promote Sustainable Development and the Difference Situation and Reason to Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies

Evaluation items	Operation situation			The Difference Situation and Reason to Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies								
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i. Has the Company established a governance structure and a designated (part time) unit for promoting sustainable development? Is the Board of Directors authorizing the senior management to handle and report the supervising situation to the Board of Directors?	V		<p>This Company has promulgated “Sustainable Development Best Practice Principles”, the designated (part-time) unit to promote corporate social responsibility is the Chairman’s Office in 2018. In 2021, it was repurposed as the designated (part-time) unit for promoting sustainable development, and a Sustainability Implementation Committee has been established in 2023, which is responsible for the presentation and implementation of sustainable development policies, systems or related management policies and specific promotion plans. In 2023, a group meeting has been held in accordance with the drawn up work plan schedule, with the Chairman of the Board serving as the chairperson, and working with each group member to implement sustainability issues in the Company’s operations. A total of 7 meetings (including coaching meetings) were held in 2023, during which the Company’s operations and stakeholders’ ESG management goals and plans, the management of potential risks, and other issues were discussed.</p> <p>On Feb. 29, 2024, the Company has reported to the Board of Director about the implementation result and future goals. The Board of Director will hear the report of the administrative team each year to understand management measures and give advice when necessary.</p>	No significant difference								
ii. Does the Company execute risk assessment of environment, society and company management related to company operation and set up related policies or strategies based on the principle of materiality?	V		<p>1. In 2023, the Company mainly disclosed the performance in terms of sustainability in major plant areas. The risk evaluation was made for Songshang Plant, Taichung Plant, Tainan Plant (including Gue-Jen station), Pingtung Plant, 3 NASC out-stations (Kaohsiung, Hualien, Taitung Airport) and Line Maintenance (Taoyuan, Taichung, Tainan, Kaohsiung Airport).</p> <p>2. The Company’s Sustainability Implementation Committee investigates internal and external stakeholders in accordance with the materiality principle of the sustainability report, conducts risk assessments on important ESG issues on the information, and formulates relevant risk management based on the assessed risks. The policy or strategy is as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Major Issue</th> <th style="width: 35%;">Item of Risk Assessment</th> <th style="width: 50%;">Management Strategies</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Environment</td> <td>Increased waste and decreased recycling rates</td> <td>Promote waste reduction work, allocate qualified waste professionals to perform waste management work, and consider factors such as the industry characteristics of the entire company and environmental interaction, and in the spirit of from cradle to grave, purchase raw materials from the aircraft maintenance process until the final delivery of the aircraft, all business waste can be perfectly managed, removed, processed, and reused, effectively preventing negative impacts on the environment.</td> </tr> <tr> <td>Greenhouse gas emissions continue to increase</td> <td>Promote energy conservation and carbon reduction strategies to effectively reduce greenhouse gas emissions, and set improvement target tracking. Specific measures such as replacing energy-saving lamps and replacing old air-conditioners with energy-saving models. When replacing old facilities with new ones, prioritize energy-saving measures. Taking safety into consideration and installing solar green energy power generation equipment and other measures.</td> </tr> </tbody> </table>	Major Issue	Item of Risk Assessment	Management Strategies	Environment	Increased waste and decreased recycling rates	Promote waste reduction work, allocate qualified waste professionals to perform waste management work, and consider factors such as the industry characteristics of the entire company and environmental interaction, and in the spirit of from cradle to grave, purchase raw materials from the aircraft maintenance process until the final delivery of the aircraft, all business waste can be perfectly managed, removed, processed, and reused, effectively preventing negative impacts on the environment.	Greenhouse gas emissions continue to increase	Promote energy conservation and carbon reduction strategies to effectively reduce greenhouse gas emissions, and set improvement target tracking. Specific measures such as replacing energy-saving lamps and replacing old air-conditioners with energy-saving models. When replacing old facilities with new ones, prioritize energy-saving measures. Taking safety into consideration and installing solar green energy power generation equipment and other measures.	No significant difference
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			<p>Unable to effectively save energy</p> <p>Wastewater discharge continues to increase</p>	<p>1. Promote energy conservation and manage from three aspects: developing new energy sources, saving energy, and strengthening energy use.</p> <p>2. Year by year, lighting, power, electric heating, air conditioners, refrigerators or other energy-consuming electrical appliances and equipment in the factory are replaced with energy-saving products to save energy at the source and then improve energy efficiency.</p> <p>3. Equipment that requires maintenance and replacement of filter materials should be maintained regularly and cleaned frequently to maintain its performance and avoid abnormal loads.</p> <p>Promote domestic water conservation to employees, and reduce wastewater discharge from three aspects: developing new energy, saving energy, and strengthening energy management through facility improvement and operation process optimization.</p>
		Society	<p>Employee turnover rate is too high (faced with shortage of workers)</p> <p>An occupational disaster occurs (including the impact of the COVID-19 epidemic)</p> <p>Overwork (long working hours)</p>	<p>1. Adopt a localized employment policy and recruit local graduates from Tainan through industry-university cooperation to reduce transportation and rental factors and increase the willingness to stay. In addition, through the Veterans Service, we recruit experienced maintenance personnel from Hualien and Taitung areas to join NASC Hualien and Taitung Outstations have increased their willingness to stay. Due to the emergence of companies competing for manpower at the NASC Taitung Outstation, the Company has specially provided dormitories to increase its competitiveness.</p> <p>2. The Company continues to organize training courses for maintenance students and cooperates with industry and academia, recruits experienced people, replenishes retiring positions, and rewards employees who improve their functions according to the original plan. We also offer aircraft model training courses to improve maintenance quality.</p> <p>1. Implement independent management of occupational safety and health, strengthen preventive measures, establish safe working methods and prepare safety equipment and necessary handling measures to prevent disasters in advance to prevent disasters and effectively reduce the incidence of occupational disasters.</p> <p>2. In response to various emerging epidemics in recent years, there are still many uncertainties that need to prevent from the future. The Company has established various operating procedures, integrated contingency measures of relevant units, and reminded employees to be more vigilant. The Company's response mechanism will be activated at any time based on the scale of the epidemic outbreak, and response measures will be adjusted on a rolling basis.</p> <p>3. For employees with higher exposure risk levels, we will implement COVID-19 and influenza vaccines, rapid screening mechanisms to prevent the spread of the epidemic, adjust office or business trip methods, and strengthen various epidemic prevention publicity and other preventive measures.</p> <p>1. Limit overtime hours to no more than 46 hours per month.</p> <p>2. Appropriate manpower replenishment will be provided according to the needs of each unit.</p>

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			<p>Corporate Governance</p> <p>Information disclosure is insufficiently transparent</p> <p>An information security incident occurred</p>	<p>The Company has a spokesperson and agent system. The spokesperson's contact number is disclosed on MOPS and the Company website. It also has smooth communication channels for employees. It also discloses relevant information on the stock exchange website in accordance with regulations to provide stakeholders with sufficient information. Make judgments based on the information to safeguard their rights and interests.</p> <p>The Company will promptly announce relevant information on the MOPS website in accordance with relevant regulations; the Company also has spokespersons, acting spokespersons and stock management personnel to answer investors' questions about the company at any time to maintain a good relationship with investors.</p> <p>The Company has established the [Information Security Committee], with the Vice President of President's Office serving as the Director. Regularly formulate/review various information security management measures and indicators, and supervise the implementation of information security. The performance of the previous year will be reported regularly to the Board of Directors at the beginning of each year.</p> <p>The Company obtained ISO27001 certification in 2021, and the certification is valid until November 2024. It will complete this year's ISO27001 renewal work in November 2022 and 2023 respectively, and continues to strengthen information security management.</p> <p>The Company performs information security risk assessment and management review every year, and carries out risk improvement plans for high-risk information security projects.</p> <p>Arrange ongoing operation drills and system backup drills every year, and carry out backup plans in accordance with regulations.</p> <p>Arrange information security inspections, vulnerability scans and penetration tests every year to continue to strengthen information security defense capabilities.</p> <p>Regularly conduct personnel information security promotions, and arrange annual education and training, coupled with social drill projects, to enhance colleagues' good information security awareness.</p>
<p>iii. Developing a sustainable environment</p> <p>(i) Does the Company establish a suitable environmental management system based on its industrial characteristics?</p> <p>(ii) Is the Company committed to improving the efficiency of the use of energy and using recycled materials that have a low impact on the environmental load?</p>	<p>Y</p> <p>Y</p>		<p>(i) In order to achieve actual eco-friendly performance with meeting requirements of regulations and environmental policy of the Company and improving at the same time, the Company establishes the environment management system based on Specs in ISO14001 EMS.</p> <p>(ii) In the spirit of "cherishing natural resources", we combine the core business of environmental protection with the trust of our customers to create the concept of "sustainable operation" and "reward the society", continue to implement energy reduction measures. We have adopted energy-efficient equipment and renewable energy to optimize the energy efficiency.</p> <p>The Company's inventory shows that the electricity intensity in 2022 is 1,766.5715 kWh/million turnover, and the electricity intensity in 2023 is 1,409.7627 kWh/million turnover; the electricity intensity in 2023 is 356.8088 kWh less than in 2022/million turnover (-20.20%); the electricity intensity target in the future (2024~2028) is to be reduced by 0.5% (2028) compared with 2023. In addition, a solar plant for renewable power generation system has been established in Tainan Plant; it has provided 1,910.01 kW-h of electricity in 2023 and reduced</p>	<p>No significant difference</p> <p>No significant difference</p>

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(iii) Does the Company assess the potential risks and opportunities of climate change for companies now and in the future, and take measures to address climate-related issues?	V		<p>945,453 metric tons of carbon emission. Compared with 2022, the amount of power generation is slightly reduced by 0.08 k-W-h (-0.0042%) and the amount of energy saving and carbon reduction is 26,784 metric tons (-2.75%). The Company will continue to improve the efficiency of renewable energy use.</p> <p>Concerning the project of administration building under the plan of the Company, the design and planning will abide by nine indicators of green building: energy savings, water conservation, water soil content, biodiversity, indoor environmental quality, CO<sub>2</sub> emissions reduction; construction waste reduction, garbage and sewage improvements, all things considered, conduct adaptive design, construct environment-friendly building and put the spirit of sustainable development into practice.</p> <p>(iii) The Company has been evaluating the potential risks and opportunities that climate change could bring to the Company and had considered such factors when making our operation strategies and relevant decisions. We have established climate change risk management procedure and mechanism by incorporating overall risk management policies and actively promoting eco-friendly and energy-conserving measures. We devote to reducing greenhouse gas emission and promoting eco-friendly services to mitigate the impact from climate change on our operation. We keep ourselves informed with international policies related to climate change to improve our eco-friendly practices. We have been disclosing information related climate change and improving relevant strategies and management measures in response to changes in the surroundings. The core of our reactive measures to climate change is to figure out risk management strategies according to our analysis on the current situation and to evaluate the cost of management and its impact on our finance accordingly. With the above mentioned information, we could effectively improve our governance measures related to climate change and systematically evaluate our finance to reduce risk and enhance business: Our measure are as below:</p>	No significant difference												
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			<p>The impact of climate-related risks and opportunities on business, strategy and financial planning</p> <p>Scenario analysis (including 2°C or more severe scenarios)</p>	<p>Extreme weather events: situations that may lead to supply chain disruptions Transformation response actions: develop new suppliers/require customers to supply materials/adjust material preparation in a timely manner</p> <p>Affected by climate change, the frequency of extreme weather is increasing, and equipment may be flooded due to heavy rains and typhoons, which will affect the delivery schedule of aircraft and cause property losses Considering the probability of future flooding and assessing the risk of flooding, various flood control measures will be planned, waterproof gates have been installed, and water pumps have been purchased to prevent asset losses caused by flooding</p>
			<p>Risk Management Processes for identifying and assessing climate-related risks</p>	<p>The Company has assessed the possible risks and opportunities that climate change may bring to the enterprise. Incorporate climate change factors into the operational strategy planning and decision-making process, incorporate them into the overall risk management policy, and actively promote various environmental protection, energy saving and carbon reduction measures, reduce greenhouse gas emissions, and promote green services. In order to mitigate and adapt to the operational impacts caused by climate change, we are more in line with the international climate change framework, continue to improve climate change management, disclose climate-related information, and continue to improve climate-related strategies and management to respond to changes in the general environment. Based on the analysis results, a risk management strategy plan is established as the core of climate change actions to estimate management costs and financial impacts. Through the collection of the aforementioned data, we can strengthen the Company's climate change governance and systematically evaluate financial relationships to reduce risks and seize business opportunities</p>
			<p>Processes for managing climate-related risks</p>	<p>Incorporate climate-related risks into the existing emerging risk management mechanism, identify and measure the possible losses caused by climate risks, and incorporate control of emerging risk management situations for comprehensive management</p>
			<p>Explain how the above-mentioned risk identification and management process is integrated into the Company's overall risk management system</p>	<p>The Company's risk management mechanism is based on the "PDCA" framework, effectively exerting risk management and promoting the diversification of aircraft maintenance</p>
			<p>Metrics and Targets Assess whether the indicators are consistent with the Company's strategy and risk management</p>	<p>Using greenhouse gas emissions, water consumption and waste generation as management indicators, set various reduction targets and increase the amount of green purchases. In addition, in order to achieve the goal of a sustainable environment, through various energy-saving and carbon-reduction actions, regular review of environmental protection issues, and continuous promotion of improvement measures to achieve the goal of greenhouse gas reduction</p>
			<p>Disclose Scope 1, Scope 2 and Scope 3 (if applicable) GHG emissions and associated risks</p>	<p>The Company has carried out greenhouse gas inventory for many years, through the changes in greenhouse gas emissions over the years, to confirm the effectiveness of energy saving and carbon reduction, and actively seek opportunities for reduction</p>
			<p>Management objectives and related performance</p>	<p>The estimated installation capacity of the solar photovoltaic system is approximately 1,910.01 kWh Electricity intensity: 1,409.7627 kWh/million turnover Water intensity 9.1879 metric tons/million turnover Waste intensity 0.0570 metric tons/million turnover Greenhouse gas emission intensity: 1.8766 metric tons CO<sub>2</sub>e/million turnover</p>

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(iv) Does the Company make statistics on the greenhouse gas emission, water usage and total weight of waste in the past 2 years and set up policies for energy saving and carbon reduction, decreasing of greenhouse gas emission and usage of water and other waste management?	V		<p>(iv) The Company's inventory of greenhouse gas emission intensity in 2022 is 0.9482 metric tons of carbon dioxide equivalent (CO<sub>2</sub>e)/million turnover (Total emissions are 3,858.600 metric tons of carbon dioxide, including 199.611 metric tons of carbon dioxide equivalent (CO<sub>2</sub>e) in Scope 1 and 3,658.989 metric tons of carbon dioxide equivalent (CO<sub>2</sub>e) in Scope 2); the greenhouse gas emission intensity in 2023 is 1.8766 metric tons of carbon dioxide equivalent (CO<sub>2</sub>e)/million turnover (Total emissions of 9,127.059 metric tons of carbon dioxide, including 333.196 metric tons of carbon dioxide equivalent (CO<sub>2</sub>e) in scope one, 3,403.617 metric tons of carbon dioxide equivalent (CO<sub>2</sub>e) in scope two, and 5,390.246 metric tons of carbon dioxide equivalent (CO<sub>2</sub>e) in scope three (category three)); The water intensity in 2022 is 13.3052 metric tons/million turnover, and the water intensity in 2023 is 9.1879 metric tons/million turnover; The waste intensity in 2022 is 0.0828 metric tons/million turnover (The total amount of waste is 336.800 metric tons, including 286.347 metric tons of general industrial waste and 50.453 metric tons of hazardous industrial waste), and the waste intensity in 2023 is 0.0570 metric tons/million turnover (The total amount of waste is 277.316 metric tons, including 254.897 metric tons of general industrial waste and 22.419 metric tons of hazardous industrial waste).</p> <p>The greenhouse gas emission intensity in 2023 has increased by 0.9284 metric tons of carbon dioxide equivalent (CO<sub>2</sub>e)/million turnover (97.90%) compared with 2022. The reason for the increase in 2023 is to cooperate with the new category 3 greenhouse gas emission statistics in the ESG report. Category 3 has a total increase 5,390.246 metric tons of carbon dioxide equivalent (CO<sub>2</sub>e), and the greenhouse gas emission intensity target in the future (2024~2028) will be reduced by 1% compared with 2023 (2028). The execution results are as follows:</p> <table border="1"> <thead> <tr> <th>Item \ Year</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Electricity consumption (kWh)</td> <td>7,400,186</td> <td>7,188,584</td> <td>6,856,638</td> </tr> <tr> <td>Water consumption (metric tons)</td> <td>53,252</td> <td>54,142</td> <td>44,687</td> </tr> <tr> <td>Waste volume (metric tons)</td> <td>304.408</td> <td>336.800</td> <td>277.316</td> </tr> <tr> <td>Greenhouse gas emissions (metric tons CO<sub>2</sub>e)</td> <td>3,957.570</td> <td>3,858.600</td> <td>9,127.059</td> </tr> </tbody> </table> <p>The water intensity in 2023 is 4.1173 metric tons/million turnover (-30.95%) lower than that in 2022, In the future (2024~2028), the water intensity target is to be reduced by 1% (2028) compared with 2023.</p> <p>The annual waste intensity in 2023 is 0.0258 metric tons/million turnover less than in 2022 (-31.11%), the future (2024~2028) waste intensity target is to be reduced by 1% (2028) compared with 2023.</p> <p>As for the ratio of emission contribution, the purchased electricity is primary with 91.27%. In order to lower environmental impact caused by greenhouse gas emitted because of the Company operation, we keep promoting energy saving and carbon reduction strategies to effectively reduce the emission of greenhouse gas and regulating objectives for improvement and tracking. Actual measures such as install energy-saving lighting, replace old air-conditioners with energy-saving types, install solar power generator devices.</p> <p>And allocate qualified personnel to perform waste management work. Taking into account the factors such as the interaction between the Company's industrial characteristics and the environment, in the spirit of cradle to grave, in the process of aircraft maintenance from the procurement of raw materials to the final aircraft delivery, the business waste can be fully managed, cleaned, treated and reused to effectively in order to prevent negative environmental impacts.</p> <p>In addition, we have encouraging our employees to conserve water in daily life, and we require manufacturing units to recycle and reuse chilled water. In terms of managing quality of emitted water, we reduce the water consumed during maintenance practices and reduce daily life water consumption of employees. We've hired qualified personnel to operate and maintain sewage water treatment equipment in the waste water treatment station in each of our factories. We entrusted water inspection institute that are recognized by EPA to examine the</p>	Item \ Year	2021	2022	2023	Electricity consumption (kWh)	7,400,186	7,188,584	6,856,638	Water consumption (metric tons)	53,252	54,142	44,687	Waste volume (metric tons)	304.408	336.800	277.316	Greenhouse gas emissions (metric tons CO <sub>2</sub> e)	3,957.570	3,858.600	9,127.059	No significant difference
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			waste water in the factory and the emitted water to monitor our emitted water quality and keep normal functioning of our treatment equipment. Each of our factories has obtained the permission of water emission to fulfill the requirement of laws.	
iv. Maintain social welfare (i) Does the Company formulate relevant management policies and procedures in accordance with relevant regulations and international human rights conventions?	V		(i) The Company follows “The United Nation Global Compact, UNGC,” “Universal Declaration of Human Right,” “ILO Declaration on Fundamental Principles and Rights at Work,” and relevant international human right principles to realize fair treatment and respect for all employees. We care for human right policies and guidelines for practice and has established working rules and related personnel management regulations in accordance with the labor law regulations as the basis for company management. Relevant human right policies and practices have been disclosed on the Company’s official website. In order to establish a gender equality workplace, the Company implements a system of parental leave without payment, and also provide family care leave and menstrual leave. The Company complies with all national regulations and international labor human rights norms, including international labor conventions, the UN Universal Declaration of Human Rights and other norms. In 2023, the Company was elected as a good institution for labor-management harmony in Tainan City.	No significant difference
(ii) Does the Company regulate or implement reasonable employee welfare policy (including remuneration, leaves and other welfares) and properly reflect managerial performance or results on employee’s remuneration?	V		(ii) The Company has provided several welfare policies for employees, besides labor insurance, health insurance, retirement pension contribution and parental leave, which are regulated by law, yearly health examination, bonus and coupons for 3 national holidays, wedding subsidy and condolence and group insurance are also included. In order to truly take care of the living guarantee of employees after they leave the workplace, the Company has established a Labor Retirement Reserve Supervision Committee in accordance with the relevant provisions of the Labor Standards Act to coordinate and manage related businesses. The employees’ pension seniority has been settled. From Dec. 18, 2018 to Jan. 31, 2020, a total of 259 people were fully settled in three stages, and the total settlement amount was NT\$330,424,742 (Taiwan Bank special account paid NT\$208,048,781; the Company paid NT\$122,375,961). The Tainan City Government issued a letter on Mar. 8, 2023 (Letter No. 1120285446 of Nanshi Labor Reeducation Code) to our Company, allowing the Labor Retirement Reserve Supervisory Committee to close its accounts. All employees of the Company are subject to the Labor Pension Act, the Company also complies with the regulations and contributes monthly pensions. The Company has the policy of hiring diverse employees to increase job opportunities for local workers. We have a fair “guideline for regulating promotion channels” and we try to attract and keep talents by public recruitment channels and fair employment opportunities. We also have measures to help specific subjects who need assistance, such as providing unemployed workers chances to get back the workplace. We have been hiring physically-impaired workers, retired soldiers, unemployed, aboriginal and interns; we have reached 100% of the expected number for the aborigines and physically-impaired employees. Due to the special features of our industry, the gender distribution of our employees is as below: by the end of 2023, males take up 85.44%, and females take up 14.56% of all employees in our Company. We have 242 male managers and 19 female managers; females only take up about 7.28% of all managers. Female managers take up 11.52% of all female employees, while male managers take up 25% of all male employees. The Company follows labor laws and has established intact occupational safety and health management measures. We provide secure and hygiene workplace and we care for employees’ health at workplace. We build great working environment and take care of physical and mental health for workers with different backgrounds. The Company allocates 1%~3% as remuneration for employees. In 2023, we have offered an overall pay rise to a total of 807 employees, and we have signed a group contract with the labor union for better labor relation.	No significant difference

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(iii) Does the Company provide a safe and healthy working environment for employees and regularly implement safety and health education for employees?	V		<p>(iii) The Company's occupational safety and health policy:</p> <p>In order to implement safety, prevent occupational disasters, protect the safety and health of employees, reduce the damage caused by accidents and human negligence, and improve the productivity of the Company, we will be committed to protecting employees and property from disaster losses. The Company will provide and maintain a safety and health management system and working environment in line with the aviation industry practice and legal requirements, and try to reduce any danger from foreseeable fire, safety loss, property loss, personal injury or disease, etc. Our safety and hygiene policy is:</p> <p><b>「Respect the value of life, Fulfill social responsibilities, Continuously improve the environment, and Pursue zero disasters」</b></p> <p>Worker participation, consultation, and communication:</p> <p>A Safety and Health Committee has been established in accordance with the "Occupational Safety and Health Act". The Committee has 22 members in 2023. The Labor Union has elected labor representatives to participate in the meeting to expand labor participation. The 7 labor representatives have exceeded 1/3 of the Committee seats.</p> <p>Meetings are held every March, June, September and December. Its power and responsibility are to discuss and make decisions. The Company's safety and health strategies and proposals, including safety and health-related regulations, education implementation plans, prevention of hazards of machinery, equipment or raw materials, measures to be taken based on work environment measurement results, health management and other matters, and regular review of safety and health business performance; The Safety and Health Committee also reviews abnormal safety and environmental accidents or occupational accidents of employees and contractors, analyzes the causes, and finds improvement measures to prevent similar accidents from happening again.</p> <p>Safety and health performance:</p> <p>The Company gives priority to "Staff Safety", aiming at zero disaster in the workplace, arrange security team members to perform a variety of safety and health inspection regularly, e.g. inspection and maintenance of fire-fighting equipment, factory visit, control of special operation areas, qualification review of special operation personnel, control of smoking areas, security check on buildings, in order to ensure staff safety on work. In addition, regarding 1 occupational accidents and 12 commuting accidents of 2023 safety and health indicators, a total of 13 employees (The comprehensive injury index in 2023 is 0.08), each case was investigated and analyzed, and publishing "An Warning of Occupational Safety" to avoid similar accidents.</p> <p>Health promotion and employee care:</p> <p>The Company has set up a medical office with 3 part-time doctors and 2 full-time nurses to provide on-site medical services. Annual health examinations are carried out. Periodic examination items are superior to regulations. A total of 979 people have been examined. Analyze health examination results and evaluate employee health examination records, provide care based on risk attributes, provide necessary on-site services, arrange interviews with doctors and employees, and provide health guidance and care. It includes general health examinations and special job health examinations. The types are divided into new employees, employees who remain on the job without pay, personnel who transfer to departments, and current employees. We also investigated those at high risk of diseases caused by abnormal workloads, identified 64 high-risk cases and arranged interviews with doctors, and worked with the human resources department and unit supervisors to select workers and make appropriate job adjustments. Assist employees to solve possible difficulties in work, workplace adaptation, work pressure adjustment, etc., establish a warm and caring work environment, and create an organizational culture with good interaction to improve work efficiency, and has been recognized by the Ministry of Health and Welfare with the "Health Promotion" badge. In order to ensure the safety of epidemic</p>	No significant difference



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			<p>prevention personnel performing epidemic prevention and control work, N95 masks, surgical masks, isolation gowns, gloves, shoe covers, face shields and other epidemic prevention materials are provided, and the required quantity of related epidemic prevention equipment is maintained.</p> <p>In order to prevent possible hazards caused by middle-aged and elderly workers working in the workplace, the Company uses physical fitness testing to promote employee health, prevent diseases, and calmly cope with work and the physical fitness pursued by daily life. This year, a total of 39 people were tested. For participating in public welfare activities, the Chairman not only called on colleagues in the Company to participate in this meaningful activity, but also personally rolled up his sleeves to donate blood. This year, a total of 632 bags of blood were raised.</p> <p>Safety and health education training and advocacy: The Company's computer system sets up a safety and health education and training system for employees or supervisors to inquire about personal training records, and conducts publicity through the Company's bulletin board, intranet safety and health column and e-Learning system, in active and passive ways, including environmental safety and health regulations, various safety and health course materials and specifications. In 2023, the Company followed the "Occupational Safety and Health Education and Training Rules" training including stationary crane, organic solvent line manager, hypoxia line manager, specified chemical substances line manager, dust line manager, first-aid personnel training, in-service staff education training, regarding dangerous and harmful materials, confined space, and other trainings, a total 1,756 person. As well as production of poster, warning of occupational safety, worksite safety and health announcement, in total 9 times the entire year.</p> <p>Working environment monitoring: In order to grasp the actual conditions of the labor working environment and assess the labor exposure status, we worked out a monitoring plan together with the Labor Union and on-site operators, and conducted monitoring of the working environment every six months. The monitoring results were announced to employees and reported to the Occupational Safety and Health Committee. A total of 212 monitoring points were monitored in the year, and the results were in compliance with regulations.</p> <p>Fire management: There was no fire incident or casualty this year. In order to prevent fires, a "Fire Protection Plan" was formulated, self-defense firefighting groups were organized and drills were conducted. Through disaster prevention education and training, all employees' disaster prevention knowledge and adaptability will be improved. In order to implement the maintenance and management of fire safety equipment, a fire maintenance agency is entrusted to perform maintenance of fire safety equipment every year and reported to the fire authority for review.</p> <p>Safety and health audit: Safety and health audits are carried out from time to time, and the audit results are provided to the deficient units for improvement, and the implementation results of the audit deficiencies are reviewed at the Occupational Safety and Health Committee meeting. The internal audit ratio reaches 100%.</p>
(iv) Does the Company establish efficient training program of career competency for employees?	V		<p>(iv) In order to cultivate good talents, the Company is working on improving maintenance capability; increasing numbers of aircraft maintenance certifications, regulating training for employees and holding both domestic and overseas training to enhance professional skills and employees are able to provide competitiveness and long-term development in return for the Company. On the other hand, in cooperation with the demand for corporate business development, give priority to train current employees to repair various types of models in the light of company competitiveness and long-term development. In addition, the Company is in industry-academia cooperation and intern training program with many universities and colleges, assisting trainees in quickly</p>

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(v) Does the Company follow related rules and international principles on products, health, safety, and privacy of the served customers and marketing and labeling and set up related policies and complaint process for protecting consumers or customers right?	V		<p>adapting to the work environment during the internship, effectively inheriting the healthy corporate culture, selecting enterprising individuals to extend and renew the contract with the Company.</p> <p>The Company also provides employees with language proficiency improvement courses, accepts management-related courses such as business strategy, corporate governance, and business-related personnel participate in financial and other professional training courses to enhance the work functions of employees at all levels. The total number of education and training hours and number of participants in 2023 were 68,845.8 hours and 1,133 people respectively.</p> <p>(v) The Company cooperates to maintain secrecy due to the involvement with national defense confidentiality. In addition to satisfying quality and lead time, the Company also implements satisfaction survey of customers regularly following the ISO qualification manual to maintain good relationships with customers. Aircraft repaired at the Company go through customs inspection, license inspection, quarantine of personnel, animal and plant, safety check and aviation security in accordance with aviation policy. The Company also provides health care for overseas technical representatives. The Company's maintenance services are subject to the relevant domestic civil aviation regulations and regulations and the provisions of the International Civil Aviation Administration. The Company was awarded the "AS9110" and "AS9100" certification representing a certain quality management system standard to ensure flight safety and reliability. And to contract with customers with a warranty and insurance terms to ensure consumer rights.</p>	No significant difference						
(vi) Does the Company regulate supplier management policy to demand suppliers to obey related standard on environment, job safety and sanitation or labor rights and tracking execution status?	V		<p>(vi) The Company has "Regulations for Supplier Management" and "Suppliers, Repair Agencies, and Subcontractors Evaluation Procedure" to ensure the stability of material. Supplier evaluation takes place annually as well as random training for environment protection and job safety and sanitation to assist suppliers to obey regulations and company rules and improve public safety and sanitation performance. If the supplier involves violating CSR, environmental protection policies and integrity business activities have not improved, and the Company will terminate or stop the contract at any time.</p> <p>In 2023, the Company requests its suppliers to fulfill the following requirements:</p> <table border="1"> <tr> <td>Evaluation of Suppliers</td> <td>All suppliers should pass the censorship of the Company, fill in required checklist tables, and provide relevant inspection certificates recognized in the industry. In 2023, a total of 266 supplier audits have been performed. The aviation materials and service suppliers should obtain third party quality certification, including international standards ISO9001, AS9100, ASA-100, FAA AC 00-56, or ISO/SAE, or they should obtain manufacturing permits from Civil Aeronautics Administrations, including TC, PC, PMA or TSOA. They should obtain the maintenance service provider certificate of Part 145, including FAA, EASA, or TCCA. For suppliers outside the aviation business field, they should obtain valid registration certificate for their factory / plant issued by the government.</td> </tr> <tr> <td>Audit of Suppliers</td> <td>The Company follows the procedures for evaluating and managing suppliers to censor documents of aviation material and service providers and those of secondary contractors, or arrange on-site audit with audit team from department of quality assurance according to relevant laws. We request suppliers to improve quality of their components and service to fulfill requirements on the components and services. This year, 266 suppliers were audited.</td> </tr> <tr> <td>Training of suppliers</td> <td>The Company emphasizes laborers' rights and workplace safety and hygiene. We devoted to building a partnership with stakeholders to realize mutually beneficial collaboration, to pursue profit and value for all parties, and to ensure sustainable operation. We have established "Air</td> </tr> </table>	Evaluation of Suppliers	All suppliers should pass the censorship of the Company, fill in required checklist tables, and provide relevant inspection certificates recognized in the industry. In 2023, a total of 266 supplier audits have been performed. The aviation materials and service suppliers should obtain third party quality certification, including international standards ISO9001, AS9100, ASA-100, FAA AC 00-56, or ISO/SAE, or they should obtain manufacturing permits from Civil Aeronautics Administrations, including TC, PC, PMA or TSOA. They should obtain the maintenance service provider certificate of Part 145, including FAA, EASA, or TCCA. For suppliers outside the aviation business field, they should obtain valid registration certificate for their factory / plant issued by the government.	Audit of Suppliers	The Company follows the procedures for evaluating and managing suppliers to censor documents of aviation material and service providers and those of secondary contractors, or arrange on-site audit with audit team from department of quality assurance according to relevant laws. We request suppliers to improve quality of their components and service to fulfill requirements on the components and services. This year, 266 suppliers were audited.	Training of suppliers	The Company emphasizes laborers' rights and workplace safety and hygiene. We devoted to building a partnership with stakeholders to realize mutually beneficial collaboration, to pursue profit and value for all parties, and to ensure sustainable operation. We have established "Air	No significant difference?
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			<p>Asia Safety and Hygiene Association” to offer our contracted suppliers assistance and guidance in improving our workplace environment. We follow “Labor Safety and Health Act” to establish the Safety and Hygiene Committee. Its duty is to review accidents related to abnormal functioning of employees and contractors or occupational accidents to find out causes and figure out measures to improve the conditions to keep similar accidents from happening again.</p> <p>A total of 20 suppliers received the consultation, and 26 persons have received relevant training.</p>	
v. Does the Company use international common criterion or indication as reference to compose sustainable development report or reports that disclose non-financial related info of the Company? Does the report acquire assure or confirmed opinions from a third-party certification unit?		V	<p>This is the first time that the Company has prepared a sustainability report. It will prepare the "Air Asia Company Limited Sustainability Report 2023" in accordance with the internationally accepted reporting standards (GRI Standards). In the future, it will aim to obtain the AA1000 Type 1 medium assurance level. The implementation of relevant promotion of sustainable development shall be handled in accordance with the provisions of the competent authorities and relevant laws and regulations. The Company has set up a corporate social responsibility zone on the website, and will disclose relevant information to the Company's website and MOPS according to the actual operation situation.</p>	<p>The Company will publish the "Air Asia Company Limited Sustainability Report 2023" before June 30, 2024.</p>
vi. If this company promulgate its own rules for corporate governance practice according to “ Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies”, please describe the difference between its operation and these rules: In order to implement corporate social responsibility, the Company has established “Sustainable Development Practice Principles”, and it will continue to implement and execute it with all colleagues of the Company according to the norms and spirit of “Sustainable Development Practice Principles”.				
vii. Other important information that helps to understand the operation of sustainable development: The Company has set up a corporate social responsibility zone on the website, and will disclose relevant information to the Company's website and MOPS in the future according to the actual operation situation.				