

6.4.5 Personal Information Protection

Personal Information Protection and Organization

Cathay FHC places great importance on and is committed to protecting customer privacy and personal data. Cathay FHC and its major subsidiaries—Cathay Life, Cathay United Bank, Cathay Century, and Cathay Securities—have established the “Personal Data Management Policy” and the “Personal Data File Security Maintenance Plan and Personal Data Handling Procedures after Business Termination,” which are published on their official websites as a commitment to compliance with personal data protection laws and sound management practices. The Group strictly requires all employees and vendors to adhere to personal data protection requirements, working together to safeguard personal data security and protect the rights of data subjects.

Cathay FHC incorporates personal data protection into its risk management framework by establishing the Personal Information Management Committee, chaired by the President, to oversee and manage the implementation and risk control of Cathay’s personal data management mechanisms. The Risk Management Division serves as the personal data management unit, responsible for planning, supervising execution, and reviewing improvements of the Group’s personal data management in accordance with the Committee’s resolutions.

Cathay FHC has an internal audit unit directly under the Board of Directors, responsible for supervising and executing audit operations for the Group and its subsidiaries. At least once every six months, a project audit is conducted, covering areas such as finance, risk management, regulatory compliance, and personal data protection. Additionally, at least one internal control self-assessment is carried out annually, with the audit unit reviewing the inspection status of each department to ensure that employees fully implement the relevant control requirements.

Customer Personal Data Management Mechanism

Cathay FHC and its major subsidiaries manage personal data in accordance with the Personal Data Protection Act and related regulations, as well as the personal data lifecycle (collection, processing, and use). Before collecting personal data, the Group clearly informs customers of the purpose of collection, its application, and the parties with whom the data will be shared, ensuring that the data use does not exceed the necessary scope for the specified purpose. Personal data is only provided to third parties supplying products and services after obtaining customer consent for related service processing. Regarding data retention, unless otherwise stipulated by law or contract, personal data will be deleted or processing and use will be ceased once the purpose of collection no longer exists or the retention period expires, while relevant trace data or evidence will be retained for at least five years.

In terms of data protection, measures include access control mechanisms, firewalls, SSL encryption, OTP identity verification, login behavior detection, watermark alerts, Data Loss Prevention (DLP) mechanisms for detection and management, as well as endpoint protection strategies.

Global Compliance and Management Systems Implementation

To strengthen personal data management mechanisms and ensure compliance with the EU General Data Protection Regulation (GDPR), Cathay FHC and its key subsidiaries have implemented and obtained certification for the international standards BS 10012:2017 Personal Information Management System and ISO 27001 certification for information security management systems. By adopting the internationally recognized P-D-C-A (Plan-Do-Check-Act) management cycle and undergoing annual audits conducted by third-party professional verification bodies, Cathay ensures the appropriateness of its data protection processes, control measures, and vendor management practices. This approach also ensures continued compliance with relevant personal data protection laws and ongoing enhancement of its management systems.

Exercise of Customer Rights

Cathay FHC and its major subsidiaries have established the “Cathay FHC Data Subject Rights Management Regulations” and set up complaint and rights exercise service windows and channels to accommodate requests from customers and employees. The protection of related customer rights is clearly disclosed on Cathay FHC’s official website under “Mandatory Disclosure Regarding Use of Personal Data,” “Cathay FHC Privacy Policy,” and “Confidentiality Measures for Customer Information Protection.” These disclosures are updated promptly in accordance with regulatory changes and the latest technology. Additionally, service consultation hotlines and message sections are provided for customer contact and feedback.

Comprehensive Personal Information Protection Training

To ensure employees have a clear understanding of personal data laws and regulations, their scope of responsibilities, and mechanisms, processes, and measures related to personal data protection, Cathay FHC and its subsidiaries organize annual, company-wide awareness programs and training on personal data protection. In 2025, all employees at Cathay FHC and its subsidiaries achieved 100% completion of Personal Information Protection Training.

Regarding violations of personal data protection regulations, in addition to the penalties stipulated by the Personal Data Protection Act, Cathay FHC has also clearly established in the “Personal Information Management Regulations” that employees who violate these regulations, causing damage to the rights and interests of the Group or its customers, will be referred to the human resources management unit for disciplinary action. This demonstrates the Group’s determination and zero-tolerance attitude toward personal data protection and customer privacy.

Note: The above training completion rate excludes employees who are temporarily assigned, on parental leave, maternity leave, or otherwise absent due to the nature of their duties and personnel scheduling.

Incident Management and Drills

Management of Personal Data Breach Incidents: Cathay FHC and its major subsidiaries have established the “Regulations Managing Personal Data Breaches” and related emergency response procedures for incident notification and handling. A cross-departmental Emergency Response Team has been set up to mitigate the impact on the Group in the event of a personal data breach and to minimize harm to the affected individuals. Through regular simulated scenario drills, the effectiveness of internal operational procedures is verified, and any deficiencies in personal data protection measures are identified to continuously improve related data protection practices.

In 2025, Cathay conducted an interdepartmental personal data breach simulation exercise to review the management process for personal data breaches involving cloud databases, aiming to facilitate timely response and minimize leakage damage.

Personal Information Protection Incidents

Cathay FHC and its major subsidiaries exercise prudent and proper use of customer data. We had 20 data breach incidents in 2025, 100% of which involved personal data. A total of 887 customers were affected by these incidents. Most of these cases originated from customer complaints through various channels. Upon investigation, the incidents were primarily due to information processing oversights and misdirected data shipments. Follow-up communication with the affected parties has been ongoing to seek understanding and ensure proper resolution. Cathay FHC will continue to promote employee training and strengthen awareness efforts to ensure all personnel fully understand the importance of personal data protection. The Group will also persist in enhancing and monitoring the use of customer personal data, improving related protective measures, and supervising third-party partners to properly manage customer data, thereby reducing the occurrence of personal data leakage incidents.