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### 4.1.3 Building an Inclusive Workplace—Cathay Town of Inclusion

Cathay FHC is committed to its core belief in creating a “Place for All” – an environment that values individual differences and fosters inclusion. By offering diverse resources, Cathay empowers every employee to feel a true sense of belonging. Anchored in the two strategic pillars, Embracing Diversity and Being Your Authentic Self, the company has launched three key initiatives, Wholeness@Cathay , Generations@Cathay , and Aging@Cathay , to build the Cathay Town of Inclusion.

Rooted in a people-first philosophy, the initiative emphasizes the sustainable development of both careers and personal well-being, while actively promoting work-life balance. It pays particular attention to easing the challenges of managing multiple roles across different life stages – especially those related to family caregiving. The ultimate goal is to cultivate a culture of holistic support, retain exceptional talent, and empower employees to realize their full potential.



### || Advancing Diversity and Inclusion Awareness — Focus on Ability, Not Academic Background

Cathay FHC begins by identifying and eliminating unconscious bias as a foundation for promoting diversity and inclusion. By strengthening feedback collection, communication, and awareness efforts, the company fosters a culture where employees recognize and respect individual differences and unique values. Beginning in 2023, diversity and inclusion topics were integrated into both virtual and in-person internal learning sessions, covering areas such as conceptual overviews, identifying unconscious bias, and understanding cross-cultural and intergenerational dynamics in daily life. In 2024, the company hosted three micro-courses and seminars, inviting external experts and employees to speak on topics such as parenting, elder care, workplace communication, and unconscious bias.

To further embed a sustainable culture of diversity and inclusion, key to attracting and developing talent, Cathay FHC participated in the 2024 Talent Attract matchmaking campaign. The initiative breaks away from traditional recruitment criteria such as academic background, job experience, or gender, and instead focuses solely on candidates’ ability to analyze and solve problems, enabling diverse talent to realize their full potential at Cathay.

### || Workplace Support Initiative—Career FlexiPacing

Cathay is building on its remote work infrastructure by providing supportive measures, such as flexible working hours and locations. These measures enable employees with caregiving responsibilities to avoid choosing between work and family. The company will further extend this support to eldercare, demonstrating its full commitment to helping employees balance work and family life. Employees on parental leave may also access Employee Assistance Programs (EAP), including professional counseling and online learning resources that provide practical guidance on parenting, financial planning, and skills refresher courses prior to returning to work. These resources help shorten the adjustment period and facilitate a smoother return to the workplace. Additionally, Cathay has designed and implemented a statutory paid annual leave system in accordance with the law, with corresponding leave days based on years of service clearly outlined in internal policies. Through a combination of policy, HR system monitoring, and regular tracking, the company ensures employees fully enjoy their statutory leave entitlements. Employees can view their annual leave usage in the HR system. If they have unused leave at the end of the year, they can choose to carry it over to the following year or convert it to a cash payout.

Note: For data on parental leave and family care, please refer to [Tables 18](#) and [19](#) in the Appendix.

Employee Support and Benefits		
Family and Parenting Support	Flex shift	<ul style="list-style-type: none"><li>• 7 days of family care leave, as well as the statutory pregnancy checkup accompaniment leave and paternity Leave</li><li>• Paid childcare leave: Cathay offers six months of paid childcare leave, available for both primary and secondary caregivers</li><li>ⓔ • Pregnancy checkup Leave: 10 days</li><li>ⓔ • Miscarriage Leave: Employees who have served for less than six months are also eligible for fully paid leave.</li></ul>
	Parenting Benefits	<ul style="list-style-type: none"><li>ⓑ • Maternity program: Establishment of Cathay Maternity Club and comprehensive support for pregnant employees, including workplace risk assessments. During the parenting stage, a variety of themed “Mommy Classes” are held to provide parenting knowledge</li><li>ⓑ • Pre- and post-pregnancy questionnaires, gifts for moms and dads</li><li>ⓑ • Childcare services: Cathay has partnered with local daycare facilities to offer employees convenient access to childcare options</li><li>ⓔ • Maternity allowance: Financial assistance provided to female employees and employee spouses upon childbirth</li><li>ⓔ • Education subsidies for employees’ children</li><li>ⓑ • Regularly hosts employee-exclusive parent-child events and family day activities</li></ul>
Healthcare	Diverse healthcare resources	<ul style="list-style-type: none"><li>ⓔ • Menstrual/Sick Leave: Fully paid leave for five days every year.</li><li>ⓑ • Regular health screenings and health support/subsidy programs for employees</li><li>ⓔ • Group insurance coverage for employees and their families (parents, spouses, and children)</li><li>ⓑ • Hold regular health promotion activities</li><li>ⓑ • On-site massage services available to staff</li></ul>



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### Employee Support and Benefits

Workplace Flexibility	Flexible Work Models	(B) • Remote work: Employees may flexibly shift to remote work based on business needs and individual preferences.
		(B) • Flexwork: In addition to remote work, employees can choose their preferred workspaces in the open office. In addition, “personal focus spaces” are provided so that employees who prefer to work independently can have a quiet, undisturbed environment.
		(B) • Flex shift: Employees can flexibly choose their working hours according to their needs and business requirements, with 2–4 flexible shifts available. They can also coordinate further flexible arrangements with their managers based on mobile workplace arrangements.
Financial & Asset Management	Financial Services Discounts and Allowances	(B) • Preferential fund subscription, premium discount, preferential interbank withdrawal/transfer fee, preferential interest rate for salary account deposits, and preferential loans for purchasing housing from Cathay Real Estate
		(B) • Salary, retirement, and stock options benefits: Regular salary adjustments, stock trust plans, and legally reserving 10% of the shares for employee subscriptions when cash capital increases are made
		(E) • Wedding bonus and bereavement pay
Recreation and Lifestyle Support	Encouraging Recreation, Social Connection, and Learning	(B) • Travel subsidies and airport transfer discounts
		(B) • Subsidies for employee clubs, movie screenings, singing contests, and fun competitions
		(E) • Paid time off for volunteer activities
		(E) • Learning leave: one day of leave granted upon completion of a designated number of courses via the company's online learning platform

(E) : “Enhanced” indicates that the leave or subsidy exceeds legal requirements

(B) : “Benefits” provided by the company

#### Retention Mechanisms

Cathay FHC reviews market salary benchmarks annually to maintain competitive compensation. The company regularly evaluates the salaries of all full-time office staff members, with an average salary adjustment of approximately 4% over the past five years. During the last four cash capital increases (2016, 2018, 2019, and 2022), the company reserved 10% of the shares. These shares are allocated based on factors such as employee job levels, performance, and years of service, inviting colleagues to participate in the company's operations and share in the fruits of their labor. In 2022, the employee subscription rate reached 90%. In addition, Cathay also introduced an Employee Share Ownership Trust (ESOT) program in 2022, allocating incentive funds and encouraging employees to make regular monthly investments through the trust to provide additional retirement security.

Note: For salaries of full-time staff (non-managerial positions) in 2024, please refer to [Table 16 in the Appendix](#).

To support employees' career development and mental well-being, the company encourages the active use of the Employee Assistance Program (EAP) during employment. The EAP provides services such as psychological counseling, legal and financial consulting, health guidance, and managerial support. These services help employees manage stress, plan for the future, and confidently navigate life and career transitions. Cathay conducts exit interviews with retiring or departing employees to understand their reasons for leaving and their plans after leaving the company. These interviews also provide an opportunity to assess continued career engagement with the company and gather feedback on internal policies and management practices for ongoing improvement. Additionally, the company provides support tailored to the nature of an employee's departure. This support includes job search leave, compensation during the notice period, and retirement benefits. Cathay proactively offers employment counseling and coordinates with government agencies to connect employees with reemployment resources if needed, thereby enhancing their long-term employability.

### Career Sustainability for the Aging@Cathay

Over 30% of Cathay's employees are over the age of 50. In anticipation of an aging society, Cathay has taken proactive steps to support employees approaching retirement age in planning the next phase of their careers. In addition to providing training resources aligned with the company's workforce development roadmap (see [Section 4.1.2 Talent Cultivation and Development](#) for upskilling and reskilling related content), Cathay has implemented initiatives such as knowledge transfer programs and retirement financial planning support. These efforts aim to enhance talent continuity within the organization and ensure sustainable workforce development.

#### Retirement Talent Transfer Mechanisms:

- Depending on their experience and willingness, employees near retirement may be invited to serve as organizational coaches or mentors. This fosters knowledge transfer and long-term organizational sustainability.
- Platforms are in place to maintain connections with retired employees and encourage knowledge exchange. Cathay Life, for instance, has established the Longevity Club. The club offers retirees a dedicated online portal, invites them to participate in corporate events such as family day and hiking outings, and provides seasonal gifts to sustain relationships and show appreciation.

#### Financial Planning Support before Retirement:

- The company regularly grants long-service awards in recognition of employees' long-term dedication.
- Employees who join the Employee Share Ownership Trust (ESOT) contribute a fixed monthly amount, matched 100% by the company. This initiative allows employees to share in the company's operating performance and long-term growth.
- The Employee Assistance Program (EAP) offers financial planning consultations to help employees manage their personal finances effectively, both during their employment and during retirement transitions.
- The company contributes no less than 6% of an employee's monthly insurance salary to their personal retirement pension account managed by the Bureau of Labor Insurance.

Note: The aforementioned group-level resources are available to full-time employees, with certain programs also extended to contract staff and interns.





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## Employee Engagement Survey

Every year, Cathay FHC conducts an Employee Engagement Survey and examines employee expectations through quantitative feedback, sample interviews, focus questionnaires, etc. The five dimensions of the survey are corporate sustainability (CS), organizational commitment, employee satisfaction, leadership management, and job recognition. Covering Cathay FHC and its subsidiaries, the 2024 survey achieved a response rate of 87.4%. The overall employee engagement score reached 4.26 (on a scale of 5), the highest in 5 years, and achieving the target of maintaining satisfaction above 4 points for three consecutive years. In response to the engagement survey findings and ongoing digital and AI-driven workplace transformations, as well as to further enhance employee engagement and happiness, Cathay will continue to strengthen leadership capabilities, foster a diverse and inclusive workplace culture, and provide employees with resources that support personal and professional development.

Note: For past results of the Employee Engagement Survey, please refer to [Table 21 in the Appendix](#).

Indicators	Topic	Question	Score
 Job satisfaction	Organizational Commitment	Are you proud to be part of Cathay and willing to go the extra mile to make Cathay better?	4.31
	Leadership Management	Do you have the tools and resources needed to complete your work?	4.24
 Purpose	Overall Recognition	Do you believe that your work is meaningful and can find opportunities for learning and growth from your work?	4.31
	Corporate Sustainability	Do you think Cathay's commitment to sustainability helps you identify with Cathay?	4.35
 Happiness	Employee Happiness	Are you satisfied with the current benefits and various employee activities organized by the company?	4.30
 Stress		Do you think that the various health promotion activities organized by the company or the group contribute to your physical and mental health?	



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2024 Employee Engagement Survey Results Distribution		
Gender	Men	4.28
	Women	4.16
Position	Staff	4.16
	Managerial and above	4.41
Age	Under 30	4.24
	30-39	4.14
	40-49	4.15
	50-59	4.22
	Over 60	4.34
Location	Taiwan	4.20
	Overseas	4.17

Employee Communication Channels

Cathay FHC is committed to building an inclusive communication culture that embraces equal, transparent and friendly interactions. Communication mechanisms are categorized into four levels – organizational, departmental, individual and other – based on the communication participants. Initiatives such as Cathay FHC Town Hall Meetings at the organizational level and one-on-one meetings at the departmental level are implemented to bridge power gaps and ensure that dialogue remains open and respectful, regardless of hierarchy, tenure or professional background. In 2024, Cathay held 25 labor-management meetings, using both the meetings and union engagements to discuss key topics including revisions to the Work Rules, adjustments to allowances, shift arrangements, extended work hours management, and guidelines for rewards and disciplinary actions. In 2024, Cathay FHC resolved five labor disputes, resulting in fines totaling NT\$320,000. The cases were handled in accordance with regulations, with improved operational processes and effectively resolved.

To prevent workplace discrimination and harassment, Cathay instituted the “Regulations for Establishing Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment at Workplace” and set up a dedicated sexual harassment mailbox and the Sexual Harassment Grievance and Investigation Committee to investigate reported instances of sexual harassment. In 2024, nine cases involving sexual harassment or violations of gender equality were reported. When a case is substantiated, the accused is subject to disciplinary action in accordance with company policy. At the same time, the complainant is provided with psychological counseling and other necessary support. Additionally, the company strengthens sexual harassment prevention training for all employees to help eliminate incidents of gender equality violation and sexual harassment.

Level	Mechanism	Projected Outcome
Organizational	Town hall meetings, staff meetings	Bridge communication differentials, allowing employees to directly address senior management with questions and engage in dialogue.
Departmental	One-on-ones	The company remains committed to aligning departmental and individual goals, helping employees assess their current development and achieve their long-term career aspirations.
Individual	Cross-departmental engagement activities	Aim to enhance cross-departmental engagement by eliminating communication barriers imposed by organizational hierarchies and departmental structures.
Other	Internal instant messaging channel	The two-way instant messaging channel allows every employee to send messages, ask questions, or provide feedback in real-time.