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Cathay Sustainability Story V: Building a Leadership Pipeline – The Cathay Leadership Flagship Fleet

Amid trends such as digital transformation, the ESG wave, global talent shortages, declining birthrates, and population aging, companies face critical challenges in leadership development and talent cultivation. These include intensified cross-industry talent competition, potential waves of retirement, and a declining willingness among employees to take on leadership roles. Cathay FHC believes talent is the key to advancing sustainable development. Since 2022, it has implemented a workplace empowerment blueprint focused on four focus areas—one of which is “building a leadership pipeline.” This strengthens the talent pool across all management levels, deepens bench strength, and ensures alignment of talent development, leadership cultivation with company goals. Programs have been launched for Future Talent, Key Talent, and Core Talent, alongside the Cathay Management Associate Program and a Retiree Talent Pool to promote intergenerational knowledge transfer and cultivate new-generation leaders. Cross-disciplinary rotations are encouraged to broaden employee experience across the group. Managers are also empowered to take on coaching and developmental roles.

• Cathay Leadership Flagship Fleet Highlights

	Data-Driven Talent Development	Redefining Managerial Roles	Cross-Departmental and Cross-Functional Development Opportunities	Dynamic Talent Pool Management
Actions	<ul style="list-style-type: none"><li>Utilizes objective assessment tools to facilitate talent development discussions. Predictive models empower managers with data-driven insights for team management and employee development, enabling personalized growth recommendations</li><li>The group has also established organizational talent risk indicators to enable early identification and proactive management through regular tracking and discussion.</li></ul>	<ul style="list-style-type: none"><li>Shifting the role of managers from traditional supervisors to coaches and mentors who support employee growth—enhancing engagement and job satisfaction.</li></ul>	<ul style="list-style-type: none"><li>Talent Incubators: Nurture high-potential employees through dedicated units, such as the Cathay GMA financial strategist program.</li><li>Talent Relay Stations: Key development rotations provide critical experiences for individuals preparing to take on important roles. Example: One IT leadership development initiative.</li></ul>	<ul style="list-style-type: none"><li>A systematic annual talent review process integrates employee aspirations, capability assessments, and organizational needs. The talent pool is dynamically adjusted to reflect evolving market conditions and internal strategies, transforming it into a responsive and strategic talent resource.</li></ul>
Achievements	<div><div>84% of frontline managers (including senior staff) have completed leadership potential assessments.</div></div> <div><div>96% of general staff have completed personality and competency assessments.</div></div>	<div><div>More than 90% of employees have set up individual development plans (IDPs), aligned with key competencies for their respective levels.</div></div> <div><div>In 2024, the “Leadership &amp; Management” dimension in the employee engagement survey obtained a score of 4.24 out of 5—the second-highest result in the past five years.</div></div> <div><div>99% of middle and senior managers met the competency requirements for their positions in the 360-degree evaluation.</div></div>	<div><div>In the GMA Program, 100% of talent have cross-company experience across 3 companies within the group.</div></div> <div><div>55% have been promoted to managerial level or higher.</div></div>	<div><div>100% execution rate for key position talent reviews.</div></div> <div><div>High-performing talent retention rate exceeds 95%.</div></div>