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### 4.1.1 Diverse and Inclusive Workplace

The Bank adheres to the Cathay FHC Code of Conduct and has established the "CUB Code of Conduct for Employee" to uphold the core values and business principles of "Integrity, Accountability, Innovation". All employees are expected to agree and commit to this code, ensuring adherence to workplace ethics and morals while executing company business activities in a legal and reasonable manner.

#### 4.1.1.1 Creating a Diverse and Inclusive Workplace

Employees are our most valuable assets. Following the "Cathay FHC Human Rights Policy," we ensure the protection of employees' rights and prohibit discrimination based on personal factors such as gender, sexual orientation, race, socioeconomic status, age, marital status, family status, language, religion, political affiliation, nationality, appearance, disability, or other factors. As of 2023, the Bank employed a total of 11,076 full-time employees and 594 non-regular employees. We adhere to the Labor Standards Act to establish work rules, which are approved and implemented by the competent authority, to safeguard the labor rights of our colleagues. For detailed information on our number of employees, regional distribution, gender, and age statistics, please refer to the appendix.

In response to our DEI principles, we conduct various educational training programs and community activities to promote cultural awareness and unite our team. Through launching appeals to respect for each unique individual at Cathay Financial Holding, we convey the idea of accepting differences and aim to establish a culture of equality. We emphasize listening to the voices of different ethnic groups and advocate for a flexibility program for employees to "slow down but stay on board" project. We recognize the diverse needs of employees on parental leave and provide uninterrupted access to learning resources during their "slow-down" period. This includes internal learning platforms, e-books, and EAP (Employee Assistance Program) support, which employees can continue to utilize during their leave. Coupled with flexible work arrangements, these measures help alleviate anxiety about returning to work, regain confidence in rejoining the workforce, and provide stability during the transition.

DEI Implement the Initiatives	
 <b>Understanding - Cultural Awareness Foundation</b>	Starting from acknowledging and eliminating unconscious biases, correcting and establishing accurate perceptions, and continuing to gather feedback, communicate, and advocate.
 <b>Experience - Seminar Event Arrangement</b>	Organizing a series of physical seminars on DEI themes to promote the idea of accepting individuals with different backgrounds, helping colleagues establish a sense of equity.
 <b>Establishment - Women's Learning Resources</b>	Establishing learning resources addressing various issues faced by women at different stages of their careers, with a total of 434 e-books and 51 digital courses introduced.
 <b>Implementation - System Review and Optimization</b>	Implementing uninterrupted parental leave resources program, where internal learning platforms, e-books, and EAP employee assistance programs are all available continuously.

#### 4.1.1.2 Attracting and Retaining Talents

The Bank provides competitive salary and welfare systems to attract, motivate, and retain talented individuals. Regular activities are organized, and employees are offered free and confidential external professional consultations to address their concerns. The Bank values employee feedback and has established smooth communication channels through opinion surveys.

CUB adheres to local labor laws and international frameworks such as the UN Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, UN Global Compact, UN Sustainable Development Goals (SDGs), and relevant regulations of UN International Labour Organization. The "Code of Conduct for Employee" further outlines essential guiding principles for employee behavior, ensuring rights such as freedom of association are protected. Each employee is expected to understand, agree to, and comply with this code from their first day at the Bank.

The Bank has established a process for conducting human rights due diligence, which involves regularly assessing and managing potential impacts on identified stakeholders. The "Human Rights Risk Assessment and Management Form" considers international human rights frameworks and corporate development strategies. After discussions by various committees of the Cathay FHC CSR Committee, topics are selected with input from employees, external consultants, scholars, and other stakeholders. Based on the nature of the issues, health risk assessments, labor-management meetings, and other sources are used to identify and manage risks.

Quarterly labor-management meetings are convened to facilitate communication between both parties regarding employee benefits and management systems, promoting interaction and communication while balancing the interests of employees and the operational needs of the Bank. Various communication channels, such as regional communication meetings and real-time feedback systems, are established to collect employee suggestions and convey core values, providing opportunities for employees to express their opinions.

For the protection of employee rights, the Bank has formulated work rules in accordance with the Labor Standards Act, which are implemented with the approval of competent authorities. Additionally, the Bank has established an employee care hotline (02-87226666 #8885) and email (8885@cathaybk.com.tw), strictly adhering to confidentiality and protection principles. These channels address issues such as leadership and management, workplace relationships, workplace misconduct, and harassment complaints, serving as a communication bridge between employees and company management or peers. In summary, the Bank complies with local labor laws, values employee feedback rights, and formulates relevant management regulations accordingly. Information is disseminated through public channels to ensure employees' full understanding and protection of their legal rights and interests.

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Major Issues	Action Measures	Performance in 2023
<b>Forced Labor and Working Hours</b>	<ul style="list-style-type: none"> <li>The Bank has established a program for preventing diseases caused by abnormal workloads. Regular surveys on abnormal workloads (overwork) of shift workers, night workers, and those working long hours are conducted. High-risk groups are identified considering individual risk factors and work pattern risk factors.</li> <li>Promotion and implementation of daily/monthly overtime hour limits.</li> <li>Establishment of flexible working hours and flexible scheduling systems.</li> </ul>	<ul style="list-style-type: none"> <li>Provide flexible working hour system according to employee needs.</li> <li>96% of abnormal workload-triggered disease prevention self-assessment form response rate.</li> <li>100% of total participation in stress-relief activities: 171 people, with an overall satisfaction rate.</li> </ul>
<b>Diversity, Inclusion, and Equal Opportunity</b>	<ul style="list-style-type: none"> <li>Ensure that all employees have the opportunity to participate in clubs and associations.</li> <li>Organize labor-management meetings to fully communicate and address various major labor-management issues, and take action based on meeting consensus.</li> <li>Maternal Worker Health Protection Program.</li> <li>Develop a "Prevention Plan for Job-related Unlawful Acts" to provide supervisors with a checklist for self-assessment of workplace unlawful behavior and promote awareness through training.</li> </ul>	<ul style="list-style-type: none"> <li>Held a total of 4 labor-management meetings in 2023.</li> <li>Achieved a 100% completion rate for sexual harassment prevention training courses.</li> </ul>

According to CUB's policy, we conduct an annual employee engagement survey to analyze employee expectations through qualitative feedback, sampling interviews, thematic questionnaires, and other measures. The survey covers five major dimensions: Corporate Sustainability (CS), Organizational Commitment, Employee Happiness, Leadership Management, and Overall Recognition. In 2023, the response rate for the Employee Engagement Survey was 83.3%, with an overall satisfaction rating of 4.35 out of 5.

To ensure the alignment of employees' annual performance goals with our strategies and to continuously develop their capabilities, we have established the "CUB Employee Performance Management and Development Guidelines" to regularly evaluate employee performance. We provide diverse reward mechanisms, including competitive salaries and "Guidelines on Incentives for Senior Employees", "Long-term Service Awards" for senior employees based on different tenure thresholds. In 2022, we introduced an Employee Share Ownership Trust (ESOT) plan, allowing employees to voluntarily allocate a portion of their salary to purchase company stocks in the open market, encouraging them to share in the company's performance results. We have established the Employee Promotion Entry Threshold that values both performance and managerial capabilities, actively promoting outstanding talents and providing them with higher job responsibilities and developmental goals. Additionally, we regularly organize the Talent Development Committee to promote internal rotations, ensuring discussions on talent competency gaps and planning rotation paths, with an annual rotation rate exceeding 20%.

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## Employee Welfare

 <b>Office Layout</b>	Implementing Flexible Shifts	 <b>Health and Leisure Benefits</b>	Travel Subsidies	
	Piloting Hybrid Work		Holiday Bonuses	
 <b>Development of Learning</b>	Digital Learning Resources		Workplace Massage	
	Learning Development Resources about Study, Certification and Licensing Support /Continuing Education Assistance		Health Promotion Activities	
	Study Leave		Regular Health Check-ups	
 <b>Family-Friendly Policies</b>	7 days of Family Care Leave		 <b>Social Activities</b>	Employee Assistance Program (EAP)
	Exclusive Parent-Child Activities			Club Subsidies
	Child Education Subsidy			Family Day
	Maternity and Paternity Leave Benefits better than requirements in the Act		 <b>Investment and Property Management</b>	Volunteer Leave
	Maternity Allowance			Cross-Bank Withdrawal/Transfer Discounts
	Childcare Support Policy	Cathay Construction Home Purchase Benefits		
Maternity Planning	Employee Preferential Deposit Rates	Employee Share Ownership Trust (ESOT)		
		Stock Subscription		

## CUB Maternity Plan

<b>Cathay Pregnancy Club</b>	Establish work risk assessment mechanism for pregnant female employees. Formulate maternal healthcare plan with questionnaires for pre/postpartum mothers and new fathers. We offer "Parent-Child Blessing Gifts" and other perks to support different needs from pregnancy to postpartum. Our support includes holistic care for physical and mental well-being, suitable work adjustments, LV-level lactation rooms, and seamless return-to-work arrangements. We also host various parent-child workshops and ensure ongoing support. CUB attracted a lot of good reviews from employees and won Excellent Project Award of 2018 CSR Happy Corporate Category.
<b>Cathay Dad-to-Be Handbook</b>	In 2019, CUB expanded the "Cathay Pregnancy Club" from focusing solely on female employees to including fathers as well. We introduced the "Cathay Dad-to-Be Handbook," which was created in collaboration with Cathay General Hospital and Cathay Health Management. This handbook combines professional health education with practical life experiences to help new fathers understand the physical and emotional changes their partners undergo during pregnancy. It encourages them to actively support their partners, becoming invaluable teammates. The Handbook is a pioneering effort in the industry, aligning with government and medical institutions' initiatives to promote equal parental involvement during pregnancy. It includes sections such as "The 280 Days of Pregnancy with Daddy," "Understanding the Physical and Emotional Changes of Expectant Mothers," and "Welcoming the New Baby," representing a significant breakthrough in corporate social responsibility.