

Cathay Pacific Airways Limited Supplier Code of Conduct

In line with its [Sustainable Development Policy](#), Cathay Pacific Airways Limited ('Cathay') aims to be a leader in sustainable development in the industries in which it operates. We must ensure that our need to purchase goods and services on competitive terms is not met at the expense of labour standards, health and safety or the environment.

We have a strong preference to work with suppliers who share our commitment to honesty and integrity and who seek to integrate principles of sustainable development into all areas of their business. We encourage suppliers to go beyond compliance with laws and regulations and strive to continually raise their standards.

Where any part of this Supplier Code of Conduct ("Code") contradicts with local legislation, local legislation will always take precedence.

This Code describes the minimum standards we expect of all our suppliers. It should be read in conjunction with our [Sustainable Development Policy](#), [Modern Slavery and Human Trafficking Policy Statement](#), [Human Rights Policy](#), [Health and Safety Policy](#), [Anti-Bribery Policy for Business Partners](#), [Sustainable Food Policy](#) and [Sustainable Cargo Carriage Policy](#).

Our Supplier Code of Conduct describe our minimum requirements for

- [Legal and Regulatory compliance](#)
- [Environmental protection and combating climate change](#)
- [Health and safety in the workplace](#)
- [Not employing child labour](#)
- [Not employing forced labour](#)
- [Provision of proper compensation and appropriate working hours for employees](#)
- [Diversity and non-discrimination](#)
- [Freedom of association and rights to collective bargaining](#)
- [Sharing the Code with sub-contractors](#)
- [Upholding business integrity](#)

We also provide [a mechanism](#) for Suppliers and their employees to communicate and raise concerns in relation to these requirements to us confidentially.

The Standards are:

Legal and Regulatory Compliance

Suppliers shall ensure that their operations and the products and services supplied comply with all national and other applicable laws and regulations.

Environment and Climate Change

Cathay has committed to reaching net zero carbon emissions by 2050 and minimising our impacts on the environment. We expect our suppliers to work with us in achieving our environmental commitments.

Suppliers should:

- i. have in place an effective policy and routine monitoring system and procedures or practices to minimise their energy use, greenhouse gases, other emissions and use of resources that contribute to climate change;
- ii. have in place an effective policy and routine monitoring system or process for managing environmental issues in other areas such as water use, hazardous materials use, waste management, noise and other environmental aspects relevant to their operation;
- iii. comply with all applicable environmental laws and regulations where they operate in;
- iv. adopt internationally recognised environmental management systems and guidance, such as ISO 14001 and ISO 50001, where applicable,
- v. report their status and progress in priority environmental areas in relation to climate, waste and pollution upon our request;
- vi. seek to minimise negative impacts of their operations on the environment;
- vii. take a precautionary approach to environmental matters;
- viii. use pollution-controlling equipment, modify production and maintenance to minimise or eliminate emissions and discharges of pollutants and generation of waste.

We will have a strong preference for Suppliers whose goods or services can make a significant difference to reducing our environmental impact.

Where appropriate, the following provisions shall apply:

- i. Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and disposal.

- ii. Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be monitored, controlled and treated as required prior to discharge or disposal.
- iii. Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterised, monitored, controlled and treated as required prior to discharge.
- iv. All types of waste, including water and energy, should be reduced or eliminated at source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials. Where possible, the use of virgin material should be reduced.
- v. The use of natural resources such as water, fossil fuels and minerals should be conserved by practices such as modifying production, maintenance of facilities, materials substitution, re-use, conservation, recycling or by any other means. Packaging materials should be minimised or eliminated where possible.
- vi. Biodiversity and the sustainable use of natural resources should be taken into consideration in the procurement process. Suppliers should observe the Group's [Sustainable Food Policy](#) when procuring food and beverages items on our behalf. Suppliers should also avoid the use or consumption of embargo species on our [Sustainable Development Cargo Carriage Policy](#).
- vii. Cathay supports the ethical and humane treatment of animals, which is aligned with the [RSPCA's Animal Policies](#). We ensure that animal transportation on our network meets and exceeds the standards of the IATA Live Animal Regulations, as recommended by the RSPCA.

Cathay's commitment to environmental protection is outlined in our [Sustainable Development Policy](#).

Health and Safety

Suppliers must:

- i. take adequate steps to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by eliminating or if that is not possible, minimising, so far as reasonably practicable, the causes and risks of hazards inherent in the work environment. Suppliers, on Cathay's request, must provide a report on safety performance from time to time.
- ii. have in place, or agree to adopt in a reasonable timeframe, health and safety management systems and standards designed to reduce work-related injury and illness, and promote the general health of employees.

- iii. ensure information regarding health and safety systems and standards are made readily available to employees. In case of any incident occurrence, Cathay shall reserve the rights to review and follow-up.
- iv. ensure that employees are aware, through newsletters, training or other effective and frequent means of communication, of the suppliers' obligations with regard to site safety and their own obligations of ensuring the safety of themselves and other employees.
- v. provide for employees at a minimum, reasonable access to potable water and sanitary facilities, fire safety, emergency preparedness and response, industrial hygiene, adequate lighting and ventilation, occupational injury and illness prevention and machine safeguarding. Suppliers will also ensure these same standards apply to any dormitory or canteen facilities.
- vi. have in place a Policy regarding alcohol and other drug abuse prevention, and testing for such, and should communicate appropriately to employees.

Child Labour

Suppliers must:

- i. comply with the applicable local laws with regard to the minimum hiring age for employees. If no such law exists or if the existing law permits the hiring of workers younger than 18 years of age (Young Workers), Young Workers shall not perform hazardous work, which is defined as work in dangerous and unhealthy conditions that can lead to a child being killed, injured or made ill as a result of poor safety and health standards or employment conditions, and
- ii. ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable law and regulations; and
- iii. provide appropriate support and training to all student workers. In the absence of a local law, the wage rate for student workers, interns and apprentices shall be similar to the other entry-level workers performing equal or similar tasks.
- iv. not employ any person in a manner which conflicts with completion of their compulsory schooling, or
- v. not employ any person below the age of 16 years on a full time basis (unless part of a recognised professions apprenticeship programme); or
- vi. not employ any person below the age of 18 years for work at night (unless part of a recognised professional apprenticeship programme) or in hazardous conditions.

Additionally, all young employees must be protected from performing any work that is likely to be hazardous, or likely to interfere with the child's education, or that may be harmful to the child's health, or their physical, mental, social, spiritual or moral development.

Suppliers should also adhere to legitimate workplace apprenticeship programmes and comply with all laws and regulations governing child labour and apprenticeship programmes.

Cathay's commitment to combat modern slavery is outlined in our [Modern Slavery and Human Trafficking Policy Statement](#) and [Human Rights Policy](#).

Forced Labour

Suppliers must not use forced, coerced, bonded or indentured labour, military, trafficked or slave or involuntary prison labour.

There shall be no unreasonable restrictions on employees' freedom of movement in the facility, in addition to unreasonable restrictions on entering or existing company-provided facilities. All work, including overtime work, shall be voluntary. Employees should be free to leave employment upon giving reasonable notice. Suppliers should not require employees to hand-over government-issued identification, passports or work permits as a condition of employment. Employees shall not be required to pay Suppliers or Suppliers' agent any recruitment fees or other related fees for their employment.

Cathay's commitment to combat modern slavery are outlined in our [Modern Slavery and Human Trafficking Policy Statement](#) and [Human Rights Policy](#).

Compensation and Working Hours

Suppliers must provide each employee with at least the local legal minimum wage and benefits and are encouraged to follow local voluntary codes. All employees should be provided with written and understandable information about their employment conditions in respect to wages and working hours before they enter employment.

Suppliers must pay their employees promptly, providing each with clear and written accounting for every pay period.

Wages should be paid regularly, on time and be fair in respect of work performance. Payment should not be made more than one month in arrears and deduction should not be made from

employee pay for disciplinary reasons. Employees should be compensated for overtime according to the local law and within legal working hour limits.

Employees should be granted their stipulated annual leave and sick leave without any repercussions, and should be permitted to take their stipulated maternity or paternity leave in accordance with local laws.

Suppliers are encouraged to offer employees opportunities to develop their skills and capabilities, and provide advancement opportunities where applicable.

Diversity and Non-Discrimination

All conditions of employment must be based on an individual's ability to do the job, not on the basis of personal characteristics or beliefs. Suppliers must not discriminate on the basis of gender, gender identity, religion, race, nationality or ethnic origin, cultural background, social or economic group, sexual orientation, marital or family status, or physical or cognitive ability.

Employees shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse, nor is there to be the threat of such treatment.

Cathay's commitment to and practices for workplace diversity and equal opportunity are outlined evident in our [Code of Conduct](#) for employees, our [Human Rights Policy](#) and our internal Diversity & Inclusion Policy, Non-Discrimination Policy and Anti-Harassment Policy.

Freedom of Association & Rights to Collective Bargaining

Suppliers shall have in place communications mechanisms and grievance procedures that allow employees to raise concerns and complaints with management, without fear of reprisal and ensure concerns are appropriately addressed in a timely manner.

Suppliers shall respect employees' rights to choose whether or not to be represented by third parties and to bargain collectively in accordance with local law. Harassment, intimidation, penalties, interference or reprisal should not be used to interfere with such legitimate activities.

Subcontractors and other Service Providers

Suppliers should work with their own service providers and subcontractors to ensure that they also strive to meet the principles of this Code. This should be integrated within the

supplier's business processes to select and manage the performance of subcontractors and other service providers.

Your own suppliers and subcontractors should be paid accurately and on time.

Business Integrity

Suppliers must commit to the highest standards of integrity in conducting businesses. All forms of corruption, extortion, fraud and bribery should be prohibited.

Suppliers should have their own policies, codes of conduct or procedures in place to prohibit any and all forms of bribery, corruption, extortion and fraud and should ensure that they are enforced.

Suppliers are expected to conduct their business in an open and honest manner and must carry out their business for Cathay in compliance with applicable competition laws.

Suppliers must avoid any situations that could create conflict of interest with Cathay. Any situation that has actual, perceived or potential conflict of interest must be disclosed to us to ensure it is managed appropriately.

Voice your concerns

We provide a mechanism for Suppliers to raise concerns about suspected or actual improprieties relating to Cathay, including potential misconduct, malpractice or unethical behaviour. Confidential reports can be made via an online reporting website, "*Speak Up*" (link: www.cathaypacific.ethicspoint.com) administered by an independent service provider. Cases reported through *Speak Up* will be routed to our Compliance department for initial assessment. All reports will be investigated independently by appropriate parties will be kept confidential at all times, with central oversight by our Compliance department.

Communication, documentation and Inspection

Suppliers are responsible for communicating the requirements of this Code to their employees. The Code should be made freely available to employees in their local language and in a readily accessible place.

Where requested, Suppliers shall

- i. Allow Cathay or its designated auditor to access relevant documentation necessary to demonstrate compliance with this Supplier Code of Conduct.

- ii. Allow to permit inspections of their facilities and sites for verification purposes.
- iii. Maintain accurate, complete and truthful company books, records, accounts and communications in relation to the goods and services they provide.

Cathay publishes this Code of Conduct and relevant Policies on its website (link: https://www.cathaypacific.com/cx/en_HK/about-us/responsible-business/corporate-governance.html).