

Sustainable Development Policy

1. Introduction

1.1 Purpose

The Cathay Group (“Cathay”) acknowledges that the climate crisis and environmental degradations are unprecedented challenges facing humanity. At Cathay, we fully recognise our responsibility to sustainably develop thoughtfully our impacts in areas where we exert the most impacts, and where our stakeholders expect us to work on, which include climate action and the sustainable use of resources.

The Sustainable Development (SD) policy is designed to outline our approach and commitment to environmental sustainability at Cathay. Other related policies, including climate change and other social and governance related topics are published on our website.

1.2 Scope

The SD Policy applies directly to all aspects of Cathay’s operations, from passenger and cargo transportation, lifestyle experiences curation, ground services, and other subsidiary activities.

We also extend this vision to the entire value chain, by proactively engaging and collaborating with our customers, suppliers and other key business partners.

1.3 Compliance

Compliance with this policy is essential in maintaining Cathay’s sustainable development commitment and aspirations to become a sustainability leader in the global business community. Should you, at any time, have any questions or concerns related to this Policy, please contact Group Sustainability Department (GSD) at: sustainability@cathaypacific.com.

1.4 Roles and Responsibilities

Our management team is responsible for implementing this policy, overseen by the Board of Directors, who are ultimately accountable for the Group’s sustainable development strategy and performance. Three governance bodies support the Board in steering the Group’s approach to sustainability matters. The Sustainability Leadership Group (SLG) is chaired by the Chief Executive Officer and reports to the Board regularly on sustainability strategy and issues. SLG is supported by the Climate Change Action Group (CCAG), and the Materials & Wastes Action Group (MWAG) on strategy development, target setting, and implementation. In addition, the Board Risk Committee oversees assessment of Environmental, Social, Governance (ESG) risks among other risks and implementation of related decisions.

2. Policy

Cathay Pacific's brand vision is to become one of the world's greatest service brands in a sustainable and responsible manner. As a business, our purpose is to move people forward in life by connecting them to meaningful people, places, and experiences. This ambition is supported by a strong commitment to sustainable development. We are dedicated to meeting the needs and expectations of our current customers while ensuring future generations to enjoy the same opportunities.

2.1 Commitments

We aspire to become a sustainability leader in our industry and region. Wherever we do business, we pledge to:

- Proactively monitor and mitigate our impact on the environment in different aspects including climate change, energy and water consumption, resource use and waste management, biodiversity, air and noise pollution;
- Set, and follow clear strategies to work towards, ambitious short, medium and long-term targets for our environmental priorities, which are climate change impact, resources use and waste management;
- We commit to support global efforts to limit global temperature increase to 1.5°C. We target to reach net zero carbon emissions by 2050;
- Address the impact of climate change and lead positive climate actions and Sustainable Aviation Fuel (SAF) acceleration, as outlined in our Climate Change Policy;
- Promote more conscious and responsible use of resources by:
 - Reducing the consumption of natural resources by improving efficiency and exploring more sustainable alternatives,
 - Reducing waste generation and improving rate of recycling and reuse;
 - Steering towards more circular use of resources by eliminating single-use plastics (SUP) where possible and fostering the use of materials with recycled contents;
 - Implementing strategies and practices to reach our targets in cabin waste reduction and general waste diversion from landfill by 2030;
 - Increasing the use of sustainably and responsibly sourced products by working with suppliers and providing customers with more sustainable food choices, as outlined in our Sustainable Food Policy, and products and experiences;
 - Regularly evaluating and reporting on the effectiveness of the initiatives implemented and our progress towards meeting our targets;
- Support nature and biodiversity conservation by working with the industry, regulators and civil society to prevent illegal wildlife trafficking and preserving wildlife and ecosystem biodiversity, as outlined in our Sustainable Development Cargo Carriage Policy;
- Incorporate sustainable development considerations in our procurement processes and collaborate with and raise awareness to our suppliers to implement our Supplier Code of Conduct and engage in multi-stakeholder dialogues;
- Implement environmental management systems certified through international standards, such as the ISO-14001, to align with global best practices for environmental management;

- Provide our people with the appropriate training to raise their awareness and understanding of the impacts of our operations on the environment, and enable them to support sustainable development efforts in their roles;
- Regularly inform our internal and external stakeholders of our performance and progress in environmental sustainability in a transparent and accountable manner, in accordance with the internal Communications Guideline for Sustainability Related Contents, and engage them to provide feedback and suggestions, as outlined in our internal Stakeholder Engagement Guideline for ESG Management;
- Raise awareness among our customers, business partners and other stakeholders about the importance of environmental sustainability, and collaborate with them to drive positive change together;
- Take a proactive approach in identifying and addressing current and forthcoming risks and opportunities related to environmental sustainability;
- Ensure that we meet or exceed all regulatory environmental requirements in the jurisdictions in which we do business.

2.2 Governance

- The establishment of the Sustainability Leadership Group (SLG) ensures effective oversight of sustainable development within the Board. The Group Sustainability Department has been formed in support of execution of approved Sustainable Development Policy, strategy, and initiatives for meeting approved targets. The SLG will be supported by multiple taskforces. They are tasked with specific aspects of our priorities in sustainable development, and report into the SLG.
- We implement a comprehensive environmental management system throughout the organisation and raise awareness of the Sustainable Development Policy among our people, business partners, suppliers and other key stakeholder groups.
- We adhere to relevant laws and regulations of the Hong Kong Special Administrative Region and other markets we operate in. Our management approach and compliance status with these laws and regulations are reported annually in our Sustainable Development Report.

2.3 Disclosure and communication

- We publish our sustainability performance and commitments in our annual Sustainable Development Report on our website. The report is prepared in adherence to the ESG Reporting Guide issued by the Hong Kong Stock Exchange and incorporates the Global Reporting Initiative (GRI) standards. We also reference the Taskforce on Climate-related Financial Disclosures (TCFD) guidance and other emerging standards such as the Sustainability Disclosure Standards developed by the International Sustainability Standards Board International Financial Reporting Standards (ISSB IFRS). We remain committed to continuously enhancing transparency and aligning with best practices in sustainability disclosures.
- We ensure the accuracy of key data pertaining to our sustainability and climate performance by subjecting it to rigorous verification and audit processes conducted by a third-party assurer.
- We actively engage and communicate with our key stakeholder groups about our approach and performance in fostering sustainability leadership to build collaborative relationships and understand their expectations.

3. Supplement information

3.1 Glossary

Name	Definition
GSD	Group Sustainability Department
CCAG	Climate Change Action Group
ESG	Environmental, Social, Governance
MWAG	Materials & Wastes Action Group
SAF	Sustainable Aviation Fuel
SD	Sustainable Development
SLG	Sustainability Leadership Group
SUP	Single-use plastics

3.2 Reference Documents

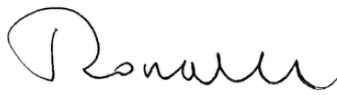
Name of Reference Document	Description	Document Location
Climate Change Policy	This document outlines our commitments and strategies to address climate change and reduce our carbon footprint.	URL: https://www.cathaypacific.com/content/dam/cx/about-us/sustainability/climate-action/climate-change-policy-en.pdf
Communications Guideline for Sustainability Related Contents (internal)	The document outlines the principle of the development of sustainability related communications contents and materials and provides guidance on internal approval processes.	URL: https://hub.cathaypacific.com/documents/sppreview/19eaf336-991d-4d08-9746-492692f59441
Stakeholder Engagement Guideline for ESG Management (internal)	This document provides guidance on our stakeholder engagement approach in addressing ESG impacts and management.	URL: https://cathaypacificairways.sharepoint.com/:b:/s/CAF2-PublicEngagementandSustainability/Ed4N9zIb779AiHBy6U1DbXUBmKNNIIMaafaTbgkATEGy-Q
Supplier Code of Conduct	This document describes the minimum requirements we expect of our suppliers.	URL: https://www.cathaypacific.com/content/dam/cx/about-us/corporate-governance/cx_supplier-code-of-conduct_en.pdf
Sustainable Development Cargo Carriage Policy	This policy provides guidance on how our carriage policies and practices are to be formulated and implemented so that we will not knowingly facilitate in trade of any flora or fauna or their	URL: https://www.cathaycargo.com/en-us/helpsupport/specialcargohandlingprocedures/sustainable

	produce that may threaten the sustainability of any species.	developmentcargocarriagepolicy.aspx
Sustainable Food Policy	The policy outlines our approach and commitments in the sourcing, production, and consumption of food choices that are more sustainable.	URL: https://www.cathaypacific.com/content/dam/cx/about-us/corporate-governance/Cathay-Pacific-sustainable-food-policy-en.pdf

3.3 Policy Maintenance

This policy will be reviewed periodically, at least once every three years. Any major changes made during the review shall be maintained in the version control table.

The policy, including any major changes, is reviewed and approved by the Board of Directors.



Ronald Lam

Chief Executive Officer