

Circular Economy Policy

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A. Introduction

1. Purpose

The Cathay Group (“Cathay”) is dedicated to fostering a sustainable future and has committed to implementing a robust Sustainable Development Policy that guides our actions towards environmental responsibility. Recognising the impacts associated with resources used by the Group and the resulting environmental footprint, we actively support the transition towards a circular economy.

A circular economy is defined as one that is based on the principles of “designing out waste and pollution, circulating products and materials at their highest value, and regenerating natural systems”¹. By closing the loop in product lifecycles, from design to operations, a circular economy reduces the strain on finite natural resources and helps combat environmental challenges, including climate change.

The policy outlines Cathay’s approach to adopting and applying circular economy principles in our operations. Related policies addressing climate change and other environmental, social and governance topics are available on our website.

2. Scope

The Policy applies to all aspects of Cathay’s operations. We also encourage the adoption of it throughout our value chain, where applicable, by proactively engaging and collaborating with our customers, suppliers and other key business partners.

B. Policy

In line with the principles of Circular Economy, it is our policy to act across the following key areas:

1. Assessment and Prioritisation

- Identify and understand the key waste streams and impacts from our business activities and operations;
- Ensure tracking and analysis of key waste data for performance monitoring and target setting;
- Consider the lifecycle impacts of our products and services, from design to end-of-life phases, where possible, with an aim to reduce the use of natural resources and of waste, guided by the R-ladder framework: Refuse, Rethink, Reduce, Reuse, Repair, Refurbish, Remanufacture, Repurpose, Recycle and Recover;
- Prioritise action on:
 - **Cabin waste** generated from Cathay Pacific-operated flights, our most material waste stream;
 - **Single-use plastics (SUP)** used on Cathay Pacific-operated flights, recognising their impacts on ecosystems and contribution to microplastic pollution.

2. Commitments and Targets

2.1 Cabin Waste

- Reduce cabin waste on Cathay Pacific–operated flights to an average of 630 grams per passenger by 2030, equivalent to a 16% reduction from 2025 levels.

¹ According to Ellen MacArthur Foundation, a circular economy is based on the principles of designing out waste and pollution, keeping products and materials in use, and regenerating natural systems.

2.2 Customer-facing SUP items²

- Complete the transition to, and uphold, a usage standard of no more than 1.5 passenger-facing SUP items on average, while driving further improvements through material substitution (alternative or recycled contents) and scaled recycling for plastic water bottles served onboard.

3. Enablement and Engagement for Transition

- Empower our people through guidelines, training and awareness initiatives that build capability and foster support for this transition;
- Foster innovation and investment in processes, technologies or materials that promote or enable waste reduction or circular solutions;
- Engage and collaborate with stakeholders, including our suppliers, business partners, regulators to promote and enable circular solutions and resource efficiency in the procurement process or other business activities, where possible;
- Raise awareness of the circular economy principles among our customers, business partners and other stakeholders, encouraging cooperative action for positive change.

4. Compliance and Reporting

- Maintain resource use and waste management standards that meet or exceed applicable legal requirements, while integrating industry best practices into our operations and services;
- Regularly review and report on our progress towards circular economy performance and goals.

C. Governance

This Policy is governed under Cathay's broader sustainable development governance framework. The Sustainability Leadership Group (SLG) provides strategic oversight for this Policy, including its alignment with Cathay's sustainability priorities. Implementation is led by relevant business units, with guidance and support from the Group Sustainability Department.

D. Disclosure and communication

We actively engage and communicate with key stakeholder groups about our approach and performance in transitioning towards a circular economy through our annual Sustainability Report and other communication channels.

E. Policy Maintenance

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



Ronald Lam
Chief Executive Officer | May 2026

² These items include passenger-facing single-use plastic water bottles, utensils, amenity items and packaging on Cathay Pacific-operated flights. They exclude single-use plastic items used for medical and sanitation purposes, as well as all pre-packaged food and beverage items other than water bottles on Cathay Pacific-operated flights.