

# Cathay Pacific Airways Limited

## Supplier Corporate, Social and Environmental Responsibility Code of Conduct

(Version 2009/002)

Cathay Pacific Airways is deeply committed to Hong Kong, where the Company was founded. We continue to make substantial investments to develop Hong Kong's aviation industry and enhance Hong Kong's position as a regional transportation hub. We also have connections to many other countries and growing markets, particularly in China, where our sister airline Dragonair flies to many cities.

In keeping with our vision for Cathay Pacific to be the best airline in the world, we recognise that taking responsibility for our business activities and the impact they have locally and internationally is an important part of our reputation and brand. We will only continue to be a successful and sustainable business if the suppliers with whom we work share the same standards and recognise their responsibilities in the same way. Success means not just complying with necessary laws and regulations, but going beyond and setting standards that are expected of an industry leader.

We actively seek to select and work with suppliers who share our commitment to honesty and integrity in all areas of their business. We also have a strong preference to work with suppliers who integrate Corporate Social Responsibility (CSR) policies in to their business covering environment, occupational health and safety, human rights and labour policies, and business ethics. Our Suppliers should proactively provide clear, accurate and appropriate reporting of their progress toward achieving their CSR objectives.

We are committed to select and retain qualified suppliers that meet the following CSR Code of Conduct standards:

### ***Legal and Regulatory Compliance***

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

### ***Forced Labour***

Suppliers must not use forced labour in any form – prison, indentured, bonded or otherwise.

### ***Child Labour***

Suppliers must not employ any person below the local legal minimum age, or below the age of 16, unless the person is employed as part of a recognised professional apprenticeship programme.

### ***Health and Safety***

Suppliers must have health and safety policies in place along with standards designed to reduce work-related injury and illness, and promote the general health of employees. These policies must be made freely available to employees.

### ***Environment***

We have a responsibility to look after the natural environment both for today and in the future. All stages in the supply chain should comply with, and preferably exceed, applicable national and legal environmental requirements. We have a strong preference for Suppliers who publicly report upon and measure their environmental impact and seek to improve the impact of their operations upon the environment. We also have a strong preference to select suppliers whose goods or services can make a significant difference to reducing our environmental impact.

### ***Compensation and Working Hours***

Suppliers must provide each employee at least the local legal minimum wage and benefits. Suppliers must pay their employees promptly, providing each with clear, 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. Weekly working time must not exceed the legal limit, and overtime work should always be voluntary and properly compensated.

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

### ***Discrimination and Rights***

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 shall not discriminate on the basis of race, colour, national origin, gender, sexual orientation, religion, disability, and other similar factors.

Employees should be treated with dignity and respect. This should be achieved by providing a workplace free from threats of violence or any forms of sexual, psychological or verbal abuse or harassment.

Suppliers should respect employees' rights to associate with any group and bargain collectively as permitted by the laws of their own country. Penalties should not be used to interfere with such legitimate activities.

### ***Subcontractors and other Service Providers***

If, in order to provide their own goods and services, the supplier has a substantial reliance on subcontractors and other service providers, then the supplier should encourage them to comply with a Corporate Social Responsibility Code of Conduct similar to this Code. Such a Code should be integrated within the Suppliers business process to select and manage the performance of subcontractors and other service providers.

### ***Documentation and Inspection***

Suppliers must maintain records of all documentation needed to demonstrate compliance with this Code of Conduct and required laws, and where requested should agree to make these documents available for us or our designated monitor. Where appropriate, suppliers may be asked to permit site inspections for verification purposes.

### ***Ethics***

Suppliers must be committed to attain the highest standards of moral and ethical conduct in their business. All forms of corruption, extortion, fraud and bribery should be prohibited, including those for the Supplier's own benefit or for the benefit of their relations, friends or associates.

This Code may be amended from time to time. The current version of this Code will be available on line at [www.cathaypacific.com](http://www.cathaypacific.com)

Suppliers are responsible for communicating the requirements of the Cathay Pacific Code of Conduct standards to their employees, and the Code should be made freely available to employees in their local language and in a readily accessible place.