

## Modern Slavery and Human Trafficking Statement 2020

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 (UK) and the Modern Slavery Act 2018 (Australia) setting out the steps taken by Cathay Pacific Airways Limited (“Cathay Pacific”) during the year ended 31 December 2020 to prevent modern slavery and human trafficking in our business and supply chains.

### **About Cathay Pacific**

Cathay Pacific Airways Limited (“Cathay Pacific”), with its subsidiaries Hong Kong Express Airways Limited (“HK Express”) and AHK Air Hong Kong Limited (“Air Hong Kong”) (the “Group”) had 239 aircraft at the end of 2020. The Group’s headquarters is at the Hong Kong International Airport. Immediately prior to the onset of COVID-19, our airlines directly connected Hong Kong to 119 destinations in 35 countries worldwide (255 and 54 respectively with codeshare agreements), including 26 destinations in Chinese Mainland. The Group also fully owns and operates a number of airline services subsidiaries in Hong Kong, including a catering, a laundry, a ground-handling and a cargo terminal company. As of 31 December 2020, the Group, and its subsidiaries, employed more than 25,600 people worldwide, of whom around 20,800 were employed in Hong Kong.

### **Our People**

Cathay Pacific’s [Code of Conduct](#) sets out principles for achieving a respectful and diverse workplace. The Code applies to all staff employed by Cathay Pacific and its subsidiaries and includes policies related to business ethics, anti-discrimination, anti-harassment, diversity and equal opportunity. The Code of Conduct also includes the Group’s commitment to human rights, and that we strive to keep our operations free from human rights abuse, including human trafficking and child labour. All Cathay Pacific Group employees are expected to read and adhere to the Code of Conduct.

In 2019, Cathay Pacific updated its [Human Rights Policy](#) which is aligned to the laws of Hong Kong and international best practice. It outlines our commitment to our employees on issues such as diversity, equal opportunity and workplace security. It also defines our position on protecting human rights in our supply chains.

### **Our Operation**

As part of the aviation industry, we are concerned that cross-border criminal groups and individuals may exploit the interconnected air transport system to facilitate human trafficking. Stepping up our efforts to protect customers against this grave crime, we developed Cathay Pacific’s guiding policies on Modern Slavery and Human Trafficking and formal training materials for flight crew and cabin crew in 2019. The development of the policy has resulted in two documents. One is a [Modern Slavery and Human Trafficking Policy Statement](#) that sets out Cathay Pacific’s commitment to the fight against human trafficking. It is accompanied by a second internal document which outlines procedures and practices including employee training, collaborating with third parties and conducting supplier due diligence.

Training for our cabin crew began in early 2020 by teaching our people how to recognise and respond to potential human trafficking activities. The crew members learn what signs and behaviours to look for, as well as specific questions they can ask to further assess the situation and how to safely report suspected cases to authorities. We also updated our operating manuals for flight and cabin crew for the handling and reporting of the matter. In 2020, 100% of our operating cabin crew undertook the anti-human trafficking training, and no suspected human trafficking incidents was reported.

Our ground operations policy manuals have been similarly updated and throughout 2021, an online training program will be progressively rolled out to our customer-facing airport employees. This program will include both our own employees as well as those of our third party ground handling agents and will be undertaken as air travel and our network re-starts to resume from the impact of COVID-19. A further review will be conducted later to ensure the effectiveness of these actions.

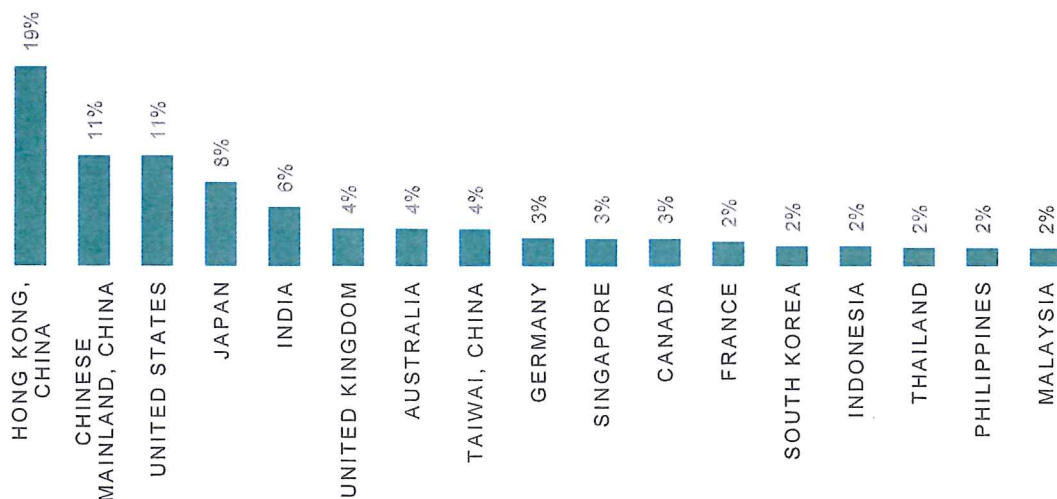
### Our Supply Chain

Cathay Pacific is committed to acting ethically and with integrity in all business relationships which includes implementing policies and procedures to ensure that there is no modern slavery or human trafficking in its supply chains or in any part of the business.

Cathay Pacific's Procurement and Aircraft Trading department manages the airline's supply chain, conducts supplier due diligence as required and works to ensure suppliers' adherence to Cathay Pacific's [Supply Chain Sustainability Code of Conduct](#). This document sets out our minimum requirements in areas including prohibition of employing under-age or forced labour, providing health and safe work environment, providing proper compensation and work hours, and sharing the standards with their subcontractors.

Globally, we work with over 18,000 direct suppliers. Geographic distribution of our suppliers in 2020 was as follows.

#### 85% OF ACTIVE SUPPLIERS COUNT



After reviewing geographical and sectoral human rights risks and vulnerability in our procurement, including that from our subsidiaries, we identified the following areas with escalated human rights supply chain risks: certain food products, textile and garment, and some types of electronic appliances.

Going forward, we plan to conduct the next level of supplier analysis in the high risk areas identified above. Mitigation and monitoring plan will be developed as required. We acknowledge the need to identify tools and resources to incorporate ESG and modern slavery risks management in our overall procurement process. We will assess effectiveness of these actions after their implementation.

### **Risk Assessment and Management**

A structured approach to managing the Group's Environmental, Social and Governance (ESG) risks, including modern slavery in supply chain, was developed as part of the overall corporate risk management process. This approach is based on a risk taxonomy specifically defined to identify, assess and mitigate ESG risks across the business. The identification of ESG risks was performed through top down and bottom up assessments, and the risks identified are incorporated into the existing risk registers, with mitigation plans developed where appropriate. The outcomes of the assessments were reported to the Risk Management Committee and the Board Risk Committee. For a full description of the risk management approach and process adopted by the Group, please refer to page 50-57 in the Cathay Pacific Annual Report 2020, which can be downloaded [here](#).

### **Looking Forward**

Cathay Pacific is committed to continuously improving our procedures and processes to mitigate human trafficking risks in our operation and modern slavery risks in our supply chain.

This statement was approved by the Board of Cathay Pacific Airways Limited.

Signed



Augustus Tang  
Chief Executive Officer  
Cathay Pacific Airways Limited

12 May 2021