



About The Report

AIM OF THE REPORT

Sustainability is at the core of Cathay Pacific Catering Services (H.K) Ltd ("CPCS")'s business strategy, and the senior management has reviewed and is committed to these efforts.

CPCS is delighted to publish its ninth annual Corporate Sustainable Development Report ("the report"). With details of our performance on corporate governance, environmental and social issues, the report addresses stakeholder questions about the company's business strategy, business model, and key performance indicators.

CPCS publishes the report on an annual basis to enhance the transparency of our sustainability performance, and proactively communicate with stakeholders about the company's responsibility and performance throughout the year. The stakeholders are entitled to understand CPCS' sustainability development, strategies and achievements on all fronts.

Through this report, CPCS aims to identify opportunities for improvement on sustainability management and strategically tackle issues that influence the company's business.

REPORTING PERIOD

Unless otherwise specified, the report covers CPCS' information during the year between 1 January and 31 December 2018.

REPORTING SCOPE

The report covers only CPCS' in-flight catering business; Deli Fresh, Deli Delight and associated international kitchens are excluded Environmental impacts and initiatives associated with operations outside of Hong Kong are not included in the report.

REPORTING FRAMEWORK

The theme of this year's report is "Every Small Step Progressively Leads to Sustainable Change". This report has been reviewed and approved by the senior management and is structured in four pillars that have been identified as major concerns in stakeholder engagement.

- Better Food Production and Ground Services Operation
- Better Environment
- Better People
- Better Community

REPORTING STANDARD

The report is prepared with reference to the Global Reporting Initiative (GRI) Sustainability Reporting Standards ("GRI Standards"), which is an internationally recognised standard for corporate reporting that covers economic, environmental and social performances.

Throughout the preparation of the report, CPCS' Sustainable Development Steering Committee and key stakeholders have been engaged in reviewing the material topics as per the reporting standards mentioned above.

GRI performance indicators are disclosed in the "GRI Content Index" Section below.



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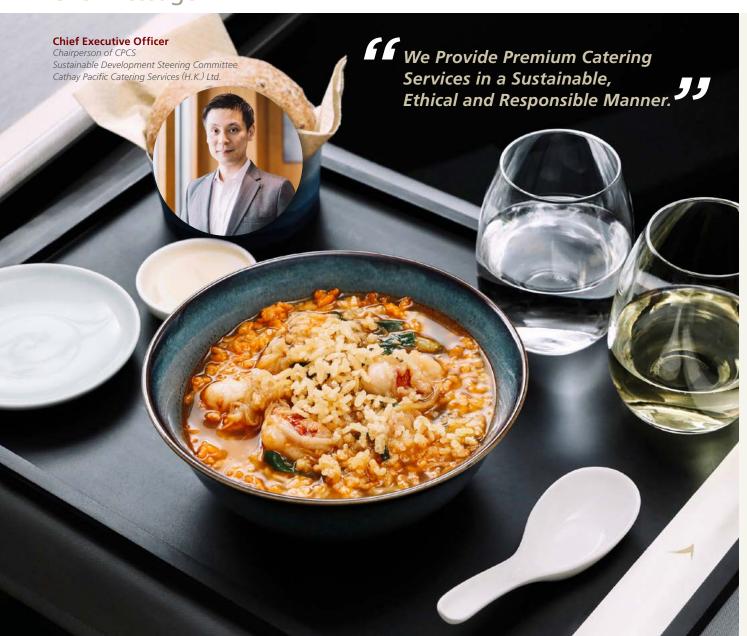








CEO Message



1 O was yet another fruitful year for Cathay Pacific Catering Services, with many new Oachievements, including a celebration of our 20 years of operation at Chek Lap Kok, Hong Kong. During my time with the company, I have seen many sustainable actions, efforts and events initiated at CPCS, and have taken a leadership role in various aspects of sustainability within the Cathay Pacific Airways Group.

This is the 9th publication of our annual corporate sustainable development report. It aims to engage our stakeholders and share our vision and performance as we grow alongside the Hong Kong aviation industry.

At CPCS, we believe every action counts and we understand the importance of incremental steps that lead us toward sustainability. We strive to achieve a sustainable balance in upholding a high operation standard, and to incorporate sustainability elements into our decision-making. This year, we continued to focus on meeting the needs of our customers, minimising our impact on the environment, taking care of our team, and returning value to our stakeholders and communities.

"Customer Obsession Wins" has been highlighted as our top priority for ensuring success in the years to come. CPCS continues to play a key role in helping to provide a better customer experience for our airline customers. As one of the largest inflight caterers in Hong Kong, we were delighted to expand our customer base and serve over 50 airlines in 2018.

In response to demand from our customers for improvements in food quality, better presentation and a broader menu selection, we launched the "Hong Kong Flavours" project during the year, demonstrating our commitment to catering to our customers' needs.

Aside from growth-focused business expansion, we are also keen to improve the sustainability of our operations, and made good headway in this regard during the year. We proactively launched a number of programmes and measures to reduce our environmental impact. By reaching out to local communities, we were able to think outside of the box and be innovative in our waste management.













Stakeholder engagement was a focus during the course of 2018. Through small actions, we saw a great impact on society. This year, we have extended these efforts to engage with external stakeholders, through initiatives such as participation in the Food-Co Carnival.

One of our core missions is to engage and develop our people to enable them to excel. We launched the Leadership Development Programme this year to support our staff and help them to develop their capabilities.

Speaking of the community, we continued to broaden the reach and impact of our community programmes, focusing on partnerships, the underprivileged and kids.

After all the effort that we have put into sustainable development, it is gratifying to see that our efforts in corporate sustainability have proven impactful and our work is being recognised by the industry and public alike.

In closing, it is my pleasure to present to you the CPCS Sustainable Development Report 2018. Our continued success and accomplishments would not have been possible without our colleagues' commitment and brilliant teamwork.

On behalf of CPCS, I would like to express my sincere gratitude towards our employees, business partners and stakeholders, who have all been with us throughout our sustainable development journey. I look forward to your continued engagement, partnership and support.

In the spirit of dialogue, we welcome your feedback and comments on any of the subjects discussed in the report via customerfeedback@cpcs.com.hk.

Let's keep the momentum going and work to make CPCS a leaner and greener organisation!

Mr. Andy Wong

Chief Executive Officer

Chairperson of CPCS Sustainable Development Steering Committee

Cathay Pacific Catering Services (H.K.) Ltd.

CPCS at a Glance

ABOUT CPCS

CPCS is one of the largest flight kitchens in the world. It entirely manages two companies, Deli Fresh, a school meal service provider, and Deli Delight, an online gourmet food retailer.

With over 50 years of experience in the airline catering industry, CPCS is a renowned caterer, especially since 1998, when it moved to its state-of-the-art facility at the Hong Kong International Airport in Chek Lap Kok.

In 2018, CPCS supplied over 30 million meals and handled 73,500 flights to more than 50 global carriers operating out of the Hong Kong International Airport, representing an average of 82,000 meals and 201 flights a day. CPCS was supported by 1,698 employees and its resident contractors.

The company is a wholly-owned subsidiary of Cathay Pacific Airways. In addition to preparing authentic, mouth-watering dishes, CPCS provides logistical services in delivering food, beverages and other commissary items onto aircraft.

CPCS has four international sister kitchens, in Taipei, Cebu, Toronto and Vancouver, to support Cathay Pacific Airways' business.

OUR HISTORY AND STORY

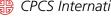
CPCS has a long history of airline catering, dating back to 1967. It all started under the name of "Air Caterers Ltd" at the Kai Tak airport, a cooperative venture between the Swire Group, Cathay Pacific Airways and the Hong Kong and Shanghai Hotels Limited.

With an increase in shares held by the Swire Group in 1974, the name was changed to "Swire Air Caterers Ltd". Later in 1992, Cathay Pacific Airways bought all the shares owned by its partners, and the company was renamed "Cathay Pacific Catering Services (H.K.) Ltd".

Today, CPCS is a wholly owned subsidiary of Cathay Pacific Airways and a member of the Swire group.



Over 30 million meals Over 50 global carriers





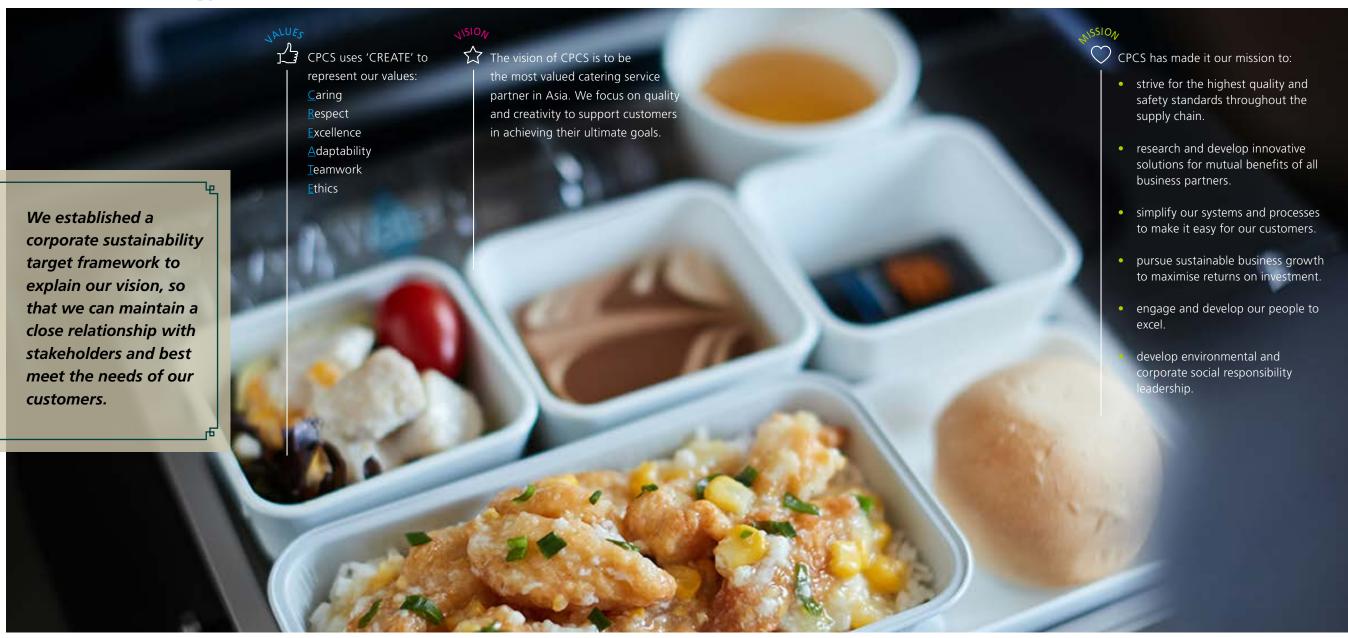








Vision & Strategy













Sustainability is about integrating environmental, social and economic conditions into our values and operations in an accountable manner to deliver long term value to our customers, stakeholders, employees, communities and the environment.

Sustainability is also vital to steer operational excellence, better utilise resources, and ensure business growth. Therefore, CPCS has embedded sustainability as a strategic tool to incorporate different elements in our business operations to ensure consistent progress in the ever-changing world of the inflight catering business.

CORPORATE GOVERNANCE

Sustainable Development Steering Committee

CPCS' sustainability drive is governed by the Sustainable Development Steering Committee ("SD Steering Committee"). It is the highest-level decision-making body to:

- oversee and review company-wide sustainability-related policies, action plans and target setting;
- establish and provide overall sustainability strategies;
- ensure operation is bounded by the requirements of the environmental management system; and
- monitor and evaluate the performance and progress of the company or related initiatives.

The SD Steering Committee, headed by our Chief Executive Officer, includes a cross-functional team represented by the department heads. The Committee meets twice a year to enable senior management to review sustainability-related updates.

CPCS believes that this governance structure is essential to the sustainable development of the company, as it requires communication across departments and a high degree of transparency.









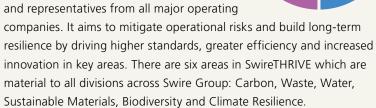




INCORPORATING SWIRETHRIVE

SwireTHRIVE was established to demonstrate the Group's heightened commitment to environmental sustainability.

Co-created by the Swire Group Sustainability Committee (SGSC), SwireTHRIVE comprises the Sustainable Development Office (SDO)



CPCS has shown a great impact in some of the aforementioned areas. We are dedicated to operating in an environmentally responsible manner that aligns with SwireTHRIVE.



CPCS CORPORATE SUSTAINABILITY TARGETS

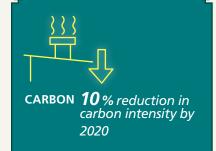
CPCS continues to implement measures to meet our Corporate Sustainability Targets 2020. These targets, reviewed and approved by the senior management, are detailed below.

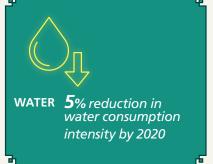
With these targets, CPCS gradually rolled out measures and initiatives to enhance our operating efficiency and to avoid over-consumption, so as to demonstrate our determination in reducing our environmental impact.

OUR PRIORITIES IN 2018

In 2018, the theme "Customer Obsession Wins" highlighted the top priority for ensuring success in the years to come. CPCS has been playing a key role in providing a better customer experience for the airlines.











SOY-BRAISED CHICKEN WITH **CHINESE SAUSAGE ON** STEAMED JASMINE RICE









Materiality

ENGAGING OUR STAKEHOLDERS

CPCS understands that maintaining effective communication with our stakeholders is a critical step that serves as the basis for the development of sustainability strategies. By conducting comprehensive stakeholder engagement exercises, we can collect internal and external feedback to identify and respond to stakeholders' concerns.

Extending Our Engagement

CPCS effectively identifies stakeholders' interests and concerns through insights and constructive comments received through engagement activities, online surveys, face-to-face interviews and other channels.

MATERIALITY ASSESSMENT

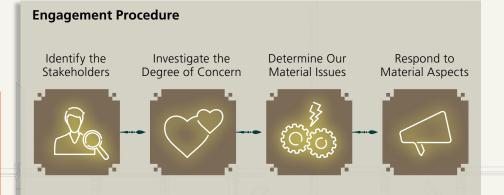
Sustainability is a broad topic that covers a variety of subject areas. It is crucial to CPCS's ability to understand the complexity of our materiality aspects and their prioritisation, plan better towards the use of resources, and fulfil the expectations of our stakeholders.

Environment

In line with the framework of the GRI Reporting Standards, CPCS conducted extensive stakeholder engagement exercises to identify and rank topics material to the company's economic, social and environmental impact, which will be discussed in the report. The regular procedure is explained as follows:



• Employees & Their Families



Communication Channels













MATERIALITY MATRIX

To define the reporting boundary, we invited key stakeholders to review, comment and update on those sustainability aspects material to CPCS on an annual basis. A total of 35 aspects were identified during the preliminary review, and were prioritised based on the ranking.

By visualising the results in the materiality matrix, we have identified 10 topics that are of immediate concern and interest to us as well as the stakeholders. As in previous years, "Food Quality and Safety" continues to be the top priority for CPCS. All material aspects within the reporting boundary are explained and presented in the report.

In accordance with our findings on the materiality assessment, the following aspects have been identified and prioritised.

III a	ccordance with our findings (
1	Business Performance
2	Indirect Economic impact
3	Market Presence
4	Relationship with External Stakeholders
5	Customers Relationship
6	Supplier Practices and Comments
7	Brand Image
8	Support on Local Suppliers
9	Manpower
10	Employment and Created Career Opportunity
11	Employee Benefits
12	Training and Career Development for Employee
13	Human Rights
14	Social Compliance
15	Child & Forced Labour
16	Occupational Health and Safety
17	Community Engagement

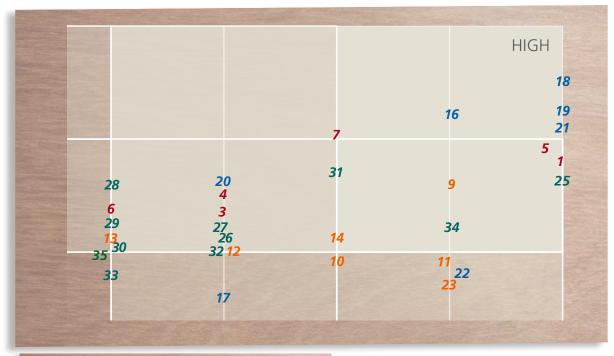
Quality & Food Safety Anti-corruption

Customers Privacy

Discrimination

Diversity & Equal Opportunity

23	Employee Turnover
24	Impact on Natural Environment, Habitat and Biodiversity
25	Environmental Laws and Regulations
26	GHG / Carbon Emission (from Buildings)
27	Indoor Air Quality
28	Water
29	Wastewater
30	Energy (renteweable & non-renewable)
31	Material Use - Food-related
32	Material Use - Non-food
33	Solid Waste
34	Food Waste
35	Ground Transport



















OUR OBJECTIVES

Creating a world-class customer experience is vital in the inflight catering industry. We aim to fulfil customers' needs through cordial services. Service excellence is one of the key missions of CPCS. We endeavour to:























MANAGEMENT APPROACH -A WORLD OF BETTER CHOICES

CPCS is committed to being a responsible and innovative leader in the industry where we operate. Our strategy is underpinned by delivering an unparalleled customer experience while embracing responsible business practices across our operations and supply chain. Through our culinary excellence, and continual improvement on ground service logistics, we aim to effectively fulfil the needs of high-end customers with quality services and pleasant experiences.

CULINARY EXCELLENCE

Offering Special Recipes to Delight Our Customers

We strive to deliver a superior customer experience that is defined by the quality of our products and service.

In November 2018, the project "Hong Kong Flavours" ("HK Flavours") was jointly developed by the Customer Experience Department of Cathay Pacific Airways and CPCS.

HK Flavours aims to epitomise the diversity and vibrancy of food in Hong Kong, and infuse the tastes of traditional Hong Kong, centred mainly on Cantonese cuisine, with culinary influences from other cultures.

Through our strong insights and culinary technologies, HK Flavours strives to provide an all-embracing concept that caters to both local passengers and those visiting from abroad:

- To local Hong Kongers: a feeling of home and comfort food
- To expatriates and visitors: an introduction to the local culinary scene

Since the project launched, we have received a great deal of positive feedback from passengers.



Char siu Iberico pork on egg noodles



Stir fried beef in sweet tomato sauce, steamed jasmine rice and seasonal vegetables



Traditional steamed pork and water chesnut patties on jasmine rice



Fish ball and fish cake with flat rice noodle soup



RESPONSIBLE PROCUREMENT

CPCS has an extensive supply chain ranging from food & beverage and drygoods to equipment suppliers.

Given the complex nature and the widespread geographical presence of our supply chain, we believe that by collaborating with environmentally and socially conscious suppliers, we can effectively mitigate our sustainability risks and impact.

Our Approach

We manage our supply chain thoroughly to ensure the quality of our food and other products. Furthermore, we strive to increase the proportion of sustainable products in our portfolio and encourage our supply chain to become more sustainability-conscious.

Championing the Swire Pacific Sustainable Food Policy, we are committed to refraining from any unsustainable food items and advocate this aspiration to our customers.

VEGETABLES



Key Highlights

Sustainably Sourced Seafood

- In 2018, we purchased 417 tonnes of sustainable seafood, accounting for 60% of the total volume of our seafood products.
- This represents an 8% growth in weight compared with 2017.

Locally Grown Vegetables

• In 2018, we purchased 38 tonnes of locally grown vegetables, representing 23% of the total volume of our salad greens.

Sustainably Sourced Materials

- In 2018, we continued to achieve 100% use of ecofriendly products in hygienerelated paper products and stationery paper products.
- There was a 36% increase in the use of recycled paper.

 417_{tonnes} 38tonnes sustainable seafood



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compared with 2017

locally grown vegetables



23% total volume of our salad greens.

100% eco-friendly products



36% ↑ Recycled paper













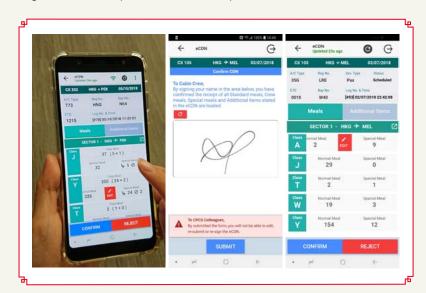
GROUND SERVICE OPERATION

Review of the e-CDN

CPCS continues to infuse lean thinking and innovation into our business operations.

In 2017, we successfully launched the electronic-Catering Delivery Note (e-CDN), a mobile application, to replace the manual work for recording the quantity of meal and supplementary items delivered onboard.

This year, more than 80 mobile devices have been distributed to the staff. Feedback from the staff was found to be useful for capturing the real-time data and communication with the cabin crew. Paper consumption has also seen a significant reduction of 70% since the programme launched, as we strive to go paperless in this operation process. We have been constantly reviewing and fine-tuning the system with the expectation that the full migration will take place in the second guarter of 2019.



CHAMPIONING FOOD QUALITY AND SAFETY

As an inflight caterer, food quality and safety has been recognised as the most significant aspect for our industry and to all of our stakeholders. CPCS is committed to meeting the highest standards of food and service quality to meet customer expectations.

Quality Management System Certifications

We strictly abide by requirements such as the ISO9001:2015 Quality Management System Standard, Hazard Analysis and Critical Control Point (HACCP), and the standards of the International Air Transport Association (IATA)'s Inflight Catering Quality Assurance Programme, which are crucial for us to maintain a market-leading position.

At CPCS, we have a number of rigorous food safety and quality policies and procedures to ensure the efficiency and effectiveness of our food preparation and delivery on board.

Governance System

The Quality Assurance Department (QAD) was established to enhance food safety and the quality of food production. The department is comprised of experts who provide functional leadership in the following key areas:

- ensuring food quality and safety in manufacturing and distribution
- reviewing supplier food quality and safety
- handing consumer affairs
- performing microbiological tests

Robust Internal Control

We are committed to ensuring the quality and safety of our food by implementing best-in-class processes in our facilities. Our HACCP team and Lab team proactively identify food quality and safety enhancement opportunities at each step of the production and delivery process.

HACCP Team

Through a scientific and systematic approach, the HACCP team was established to identify, assess and control potential food safety hazards in the food production process, focusing on prevention rather than endproduct testing.

Lab Team

CPCS established its own in-house laboratory to carry out microbiological tests. The laboratory technologically supports CPCS' sophisticated safety assurance system. Scientific analysis of data for reliable quality assurance is crucial to ensure the safety and security of food to customers.





OUR OBJECTIVES

CPCS incorporates environmental considerations into decision-making and operations at all levels. Our operating principles are to:



comply with all applicable environmental legislation, regulations and other requirements to which the organisation subscribes;

continually improve our environmental performance, prevent pollution, reduce waste and effectively use resources;





share environmental experience with interested parties; and

educate, train and motivate employees to carry out tasks in an environmentally responsible manner.



MANAGEMENT APPROACH

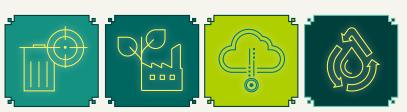
CPCS recognises that its operations have an impact on the environment. To minimise our environmental footprint, we adopted an effective management approach, putting policies and systems in place to govern our environmental performance. We carry out measures and initiatives to enhance energy efficiency, reduce waste and promote recycling of resources. Furthermore, CPCS initiates programmes to enhance sustainability awareness among our employees, customers, and relevant stakeholders.

Environmental Policy

Since 1996, CPCS has had a policy in place which commits us to manufacture and deliver products and services in a manner that is conducive to the environment. The management of CPCS is responsible for implementing and maintaining the environmental policy and ensuring that it is disseminated and understood at all levels of the organisation.

Environmental Management System (EMS)

CPCS embeds environmental management within its operational procedures. We adopted an Environmental Management System (EMS) based on the ISO14001: 2015 standard to prevent pollution and continually improve our environmental performance. It provides a systematic approach for planning, monitoring, implementing and improving our environmental performance. Regular internal and external audits are carried out to review existing practices and to ensure continuous improvement.



Corporate Sustainability Targets 2020



In 2017, CPCS set its corporate sustainability targets to be achieved by 2020, against a 2015 baseline. We endeavour to ensure that we are operating in an environmentally friendly manner. Each of the following aspects are monitored and reviewed annually.





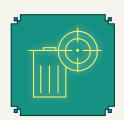








TACKLING OUR WASTE



At CPCS, waste management requires significant collaborative efforts and innovative solutions in order to reduce waste from production, as well as inflight waste.

In our operation, we are eager to make a difference and see our business reduce its environmental impact. We strive to minimise waste generation in procurement, production and operational planning; reduce waste by reusing and recycling materials; and enhance stakeholders' awareness on waste management.

Identifying Our Waste Streams

CPCS has been proactively tackling waste management throughout our materials flow:





On Production Level

Food Trimmings to Stock

Our culinary team strives to minimise the raw material waste generated from the meal production process. In 2016, we began utilising the food trimmings in the food preparation stage on a daily basis to produce Western and Chinese stock, a process we are continually enhancing. The stock is comprised of raw materials such as meat and vegetables, including Portobello mushrooms, tomatoes, onions, and spices. The stock is then brewed for about 9 hours and serves as a basis for approximately 80% of our dishes, enriching their flavour. Through this initiative, we endeavour to rescue about 300 kg of food trimmings diverted from sending to the recycler per day.



Donation of Bakery Products and Cooked Food to Food Angel

We have been supporting and partnering with Food Angel since 2016, donating our surplus food to benefit people in need. In 2018, CPCS donated 4.6 tonnes of unopened bottled water, bakery products and cooked food to help the needy in the local community.



Recycling Used Cooking Oil

During food production, excess used cooking oil (UCO) is produced. CPCS has been exploring the option of turning this waste into a resource. We have been collecting UCO from our kitchens on a daily basis, gathering 26.6 tonnes of UCO in 2018 for external biodiesel production.











Providing Fresh-cut Fruit Trimmings to Staff

CPCS has been providing fresh-cut fruit trimmings to our staff during lunch at our canteen on an occasional basis since 2010. It not only helps reduce the amount of edible waste we produce, but also encourages our employees to adopt a healthier diet.



Supporting AAHK's Food Waste Recycling Programme

As one of the key stakeholders in the airport community, CPCS has supported the food waste recycling programme initiated by the Airport Authority of Hong Kong (AAHK) since 2015. Food scraps collected from our production processes are transported for further treatment and converted to various types of high protein animal feed. In 2018, we extended the scale of our participation, diverting parts of the food waste in support of the newly constructed organic waste treatment facility O.Park 1, operated by the Environmental Protection Department. This year, a total of 1,358.5 tonnes of food waste was collected.

On Return Flights

Extended Donation of Unopened Packaged Food and **Beverages to Feeding HK**

Along with waste generated during the food production process, the scope of CPCS's focus also covers the treatment of inbound flights. We handled over 200 flights per day, and the waste generated from inbound flights is one of our biggest constraints, due to the complexity of the waste composition.

We have worked with Feeding Hong Kong since 2015, collecting unopened packaged food and beverages from inbound flights to donate to people in need. In 2018, we expanded and enhanced this partnership by donating branded items from Cathay Pacific Airways and extending the collection period from daytime to evening in order to gather more donations. During the year, more than 283 tonnes of surplus food was donated to Feeding Hong Kong.

Materials Recycling in 2018

We uphold the 3Rs principle—Reduce, Reuse, and Recycle—to minimise the amount of waste that is sent to landfills. We collect materials from our production process, daily operations and offices.

Environment



























Rice Packaging Upcycling Initiatives

We have been progressively taking steps to reduce the waste from our daily operation, and strive to demonstrate leadership by addressing forms of waste not often considered by the mainstream.

In 2018, we successfully carried out various upcycling initiatives in which we reached out to the community and collaborated with external stakeholders, such as environmental NGOs, to seek different ways to upcycle used industrial rice packaging produced in our daily operation.



St. James Settlement Upcycling Centre

CPCS cooperated with the St. James Settlement Upcycling Centre to transform our used rice packaging into household recycling bags to enhance public awareness on the upcoming waste charging scheme in Hong Kong.

CPCS is fully aware of the scheme and trying every means to encourage the public to recycle at home as much as possible. The recycling bags were sold in the Chinese New Year Market at Hong Kong's Victoria Park. After positive feedback from the public, we will be enhancing the design of the recycling bags in future, and hope to reach a wider audience.









2 Soap Cycling

We engaged with Soap Cycling, Asia's first and largest soap recycling charity, in support of their recycling programme by donating our used rice packaging.

Soap Cycling is an NGO that aims to reduce preventable child mortality in Southeast Asian countries. In Hong Kong, Soap Cycling establishes long term collaborations with the hospitality industry to collect, process and distribute used soap bars and bottled sanitation amenities. These items are then delivered and distributed by its partner NGOs to underprivileged families and communities around the world, particularly in Asia.



4 3E Planet















CPCS cooperated with Wisdom Regeneration, a local NGO, to turn our rice packaging waste into a recycling bag in order to promote proper waste recycling and prepare for the government's upcoming waste charging scheme.

These recycling bags were first introduced in Hong Kong's Central and Western District, and are used to collect different recyclable items, such as cans and plastic.

The programme started in early July 2018 in the Wah Po Building in Kennedy Town.













CPCS partnered with Dr. Huong N. Sabherwal, co-founder of 3E Planet, a member of the J3 Education Group, on a new way to tackle waste. It transforms our used rice packaging into book bags with the help of local charities that provide work to homeless people, people with disabilities and low income residents.

The group's mission is to share ways to help protect and nurture the planet through the adoption of sustainable means, reuse/recycling, use of technology and systems to better manage waste, the push for more biodegradable options, and the promotion of a circular economy.

A total of 80 book bags were produced and provided to the children at The Peak Pre-school (Woodlands Pre-Schools).

Employee Awareness

Ecotour 2018

As part of its annual Ecotour 2018, CPCS took 40 employees on a behind-the-scenes tour at Ocean Park Hong Kong on 10 November 2018.

Participants explored the animal habitats, learned what it takes to care for them every day, and gained greater awareness of the importance of animal conservation and environmental protection.





Green Week 2018

Green Week was held from 26–30 November 2018, and included activities such as two upcycling workshops, SWAP Days, and the Green Lifestyle Mega Sale.

UPCYCLING WORKSHOPS

1. Coffee Scrub Workshop

Together with Good Day Society, a total of 20 colleagues took part in the Coffee Scrub Workshop. They were provided with unused coffee power, aromatherapy oil and raw soap. By melting the soap and adding the proper proportions of coffee powder and aromatherapy oil, they created an exfoliating scrub, which was then put into moulds to form different shapes. Participants also learned about eco-friendly alternatives to microbeads.

2. Handmade Cosmetic Products Workshop

A total of 20 colleagues participated in the Handmade Cosmetic Product Workshop, where they learned how to make their own simple and convenient cosmetics, including eyeliner, blush and lipstick, using natural ingredients such as vibrant mineral- and plant-based pigments, beeswax and nourishing shea butter.

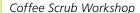
SWAP DAY 2018

SWAP Day has been a successful part of Green Week for over four years. The event aims to raise environmental awareness by promoting reuse and recycling, as part of a greener lifestyle. Stamps were provided to colleagues who brought unwanted items for exchange. This year, more than 1,000 secondhand products were gathered and exchanged between CPCS staff, including toys, stationery, books, small electronic appliances, and decorative items. The event also raised HK\$745, which was donated to UNICEF.

GREEN LIFESTYLE MEGA SALE

CPCS also joined CLP Holdings Limited (CLP) and Jireh International Health Ltd. to host the Green Lifestyle Mega Sale, which offered a variety of products, including energy-efficient electronic appliances and kitchen utensils, and organic and healthy food and health care products.







Swap Day 2018



Green Lifestyle Mega Sale





CLIMATE CHANGE AND ENERGY EFFICIENCY -**OPTIMISATION**



CLP's FIT Exploring the Feasibility of Solar Panel Implementation

During the reporting year, CLP introduced a feedin tariff (FIT) scheme wherein customers could earn payments of HK\$3-5 per kWh by installing a new in-grid renewal energy system to generate electrical power.

In July 2018, CPCS utilised this scheme, installing solar panel systems in our Phase 1 and 2 buildings at 200kw and 100kw capacity respectively. The overall solar panel system is able to generate around 322,848 kWh per annum.

Demand Control Ventilation for Central Hot Kitchen

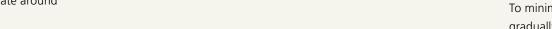
The Central Hot Kitchen (CHK) is CPCS's core meal production area, and it requires a large amount of ventilation during the food production process. In the building's original design, a traditional ventilation system was constantly handling air ventilation without a separate control mechanism for the CHK area. This meant that whether activity was low or at peak, the ventilation system was operating at full power, resulting in wasted energy. In order to provide an efficient ventilation supply based on cooking activity, a demand control ventilation system is installed with a CO2 and heat sensor and an inverter fan. This reduced energy usage by about 530,000 kWh annually, a reduction of roughly 270 tonnes of CO2.

Replacing Traditional Lighting with LEDs

Lighting is one of our largest sources of energy consumption. Over 8,000 T8 fluorescent lamps have been replaced with LED tubes since 2014, and the majority of the operation's lighting uses a higher energy efficiency model. However, traditional fluorescent fixtures are incompatible with standard LED tubes and required retrofitting to function. With new advances in LED technology, LED tubes which are fully T8 compatible and more energy efficient came to market. In the fourth guarter of 2018, 500 sets of T8 LED tubes were replaced, saving around 78,840 kWh in annual.

Green Vehicles

To minimise our vehicle emissions and carbon footprint, we have been gradually replacing Euro IV or previous model vehicles with Euro V, Euro VI and electric vehicles. We purchased 6 Euro V vehicles in 2018 and another 6 Euro VI vehicles will be in service in 2019. Compared to 2016, we have reduced our use of Euro IV or previous vehicles models by 28%.







Change in No. of Vehicles by Type

VEHICLE MODEL		NO. OF VEHICLE	S
VEHICLE MODEL	2016	2017	2018
Euro IV or before	69	58	50
Euro V	31	31	37
Euro VI	10	21	21
EV	5	5	5





Condensate Water Recovery System Driven by Solar Energy (Stage 1)

A significant amount of condensate water is produced during AHU operation, which, if recovered, can be used by our water-cooled chiller. After conducting the feasibility study, the two largest supplies of condensate water from the AHUs serving the Central Hot Kitchen were installed with a solarpowered water recovery system and connected to the R/F water chiller plant. This generated two tonnes of condensate water daily, which accounted for 0.15% of our total annual water usage. The water recovery system was completed in May 2018 and will reduce the chiller water consumption by 1,360 tonnes annually.

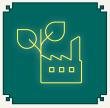


Studying the Feasibility of Condensation Recovery

The second stage of the condensation water recovery system, in which condensate water from 5 - 7 potential AHU units will be collected for recovery in the Phase 1 water-cooled chiller system, is currently under design. The second part of water recovery system is projected to provide 7 tonnes of water daily, equivalent to 0.53% of our total water consumption. The project is scheduled to be completed by Q2 of 2019.



GREENING OUR BUILDING



Gold Class Green Building Certificate for the Phase II Building

CPCS embraces green technology to enhance sustainability in our buildings. The Phase 2 Extension Building was established in 2017, with numerous green features addressing energy efficiency, material use and waste management. In 2018, the Phase 2 Extension earned a Gold rating under the Building Environmental Assessment Method Plus (BEAM Plus) scheme run by the Hong Kong Green Building Council.















CPCS believes that investing in human capital is critical to our success. We manage our people by attracting and nurturing talent, equipping them with the relevant skills to ensure their professional growth during their career with us.

We endeavor to:







MANAGEMENT APPROACH

Following our corporate culture, we formulate strategies, policies and practices to create an engaging and inclusive work environment.

We strive to be a preferred employer in the airline catering industry by helping our employees achieve their best. To this end, we encourage participative communication and collaboration to achieve effectiveness and drive innovation, along with the ability to adapt to an ever-changing environment. We aim to take care of the well-being of our people, and to see them thrive.

VALUING OUR EMPLOYEES

Promoting Gender Equality

CPCS embraces individuality in employees and believes that having a diversified workforce with varied backgrounds and experiences will bring the energy and new ideas to maintain sustainable growth.

We are committed to providing all job applicants and staff with equal employment opportunities. We fill job vacancies based on qualifications, capabilities and personal qualities.

We prohibit all forms of unlawful discrimination on basis of gender, race, family status, ethnic background, disability and religion. Our Equal Opportunity Policy serves as a guide to ensure that we provide our staff and business partners with an inclusive and non-discriminatory working environment.

Talent and Learning Development

In view of the development needs of future potential leaders, and in alignment with our business directives, we revamped the Leadership Development Programme in 2018.

The programme aims to develop and retain a pipeline of leaders that can sustain and evolve CPCS and its business in line with a common culture and our values. Structured into four levels to suit talents of different career and experience levels, the programme equips participants with the necessary tools and skills to quickly learn and adapt to changes in the industry. Our development focuses are Driving for Results, Operational Excellence, Team Collaboration and Communication.



Supervisor Trainee vel 3

High Potential Assistant Manager, Manager and Department Head

Selected High Potential

High Potential
Department Head















Employee and Management Relations

Focus Group

We listen to our staff and take their opinions into serious consideration. We conduct focus group meetings with front-line staff, not only to help maintain an interactive relationship with our staff but also to address concerns that might have adverse effects on the company's success.

In 2018, we held three sessions to gather staff opinions on the topic of "Sustainable Development – Environmental Management". Participants came from different departments and expressed their opinions proactively. The focus group provided a platform for the staff to express their views, and offered them insights on sustainable development at CPCS.



Ensuring Occupational Health & Safety

The Champion of the Workplace Tidiness Competition

Good housekeeping can reduce workplace accidents, save costs and help increase work efficiency and productivity. To further strengthen the workplace safety and health culture at CPCS, we joined the Workplace Tidiness Competition launched by the Airport Authority of Hong Kong. We were delighted to receive the Champion Award and the Safety Performance Award in recognition of our achievements.





Airport Safety Recognition Scheme

CPCS' safety performance was again recognised by the Airport Authority in the 2017-2018 Airport Safety Recognition Scheme.

CPCS was honoured to receive the Corporate Safety Performance Award and an award on Accident Prevention Measures that recognised our contributions to occupational health & safety. These measures include the new roller shuttle safety device at the loading bay to prevent contusion accidents, and the catering truck safety indicator to avoid collisions with aircraft. These safety initiatives were adopted to prevent accidents and maintain a safe working environment as part of the Hong Kong International Airport community.













KEY RECOGNITION

Happiness-at-Work Promotional Scheme

To encourage Hong Kong businesses to enhance staff morale and promote a pleasant, less stressful corporate culture, the Promoting Happiness Index Foundation and the Hong Kong Productivity Council jointly hosted the Happiness-at-Work for Businesses campaign.

This year, CPCS was named "Happy Company" in recognition of the effort we devoted to developing a positive working environment and promoting a healthy working culture. Through various staff activities organised by Sports & Recreation Committee and the WE Champion Committee, CPCS will continue to enhance staff well-being and happiness in pursuit of a stressfree workplace.

ERB Manpower Developer Award Scheme

CPCS received the honour of being declared Manpower Developers under the ERB Manpower Developer Award Scheme, celebrating outstanding performance in five aspects: Leading a Learning Culture; Resources Planning; Training and Development System; Performance Management; and CSR in Manpower Development. The award serves as a strong propellant to cultivate a high-performance culture.



SMART INNOVATION

Optimum GmbH (OIS) -**Smart Airport Technovation Awards 2018**

At the annual Smart Airport – Technovation Conference and Exhibition held

by Airport Authority Hong Kong in 2018, CPCS was honoured for our use of an artificial intelligence-assisted Optical Identification System (OIS) in equipment identification.

OIS is the product of partnership between CPCS and Optimum GmbH from Germany, aiming to raise both accuracy and sustainability in identifying equipment. The technology is now being used to replace the existing manual identification equipment in production lines in our Phase 2 extension.















Establishment of Resources Planning and Management Department (RPM)

In 2018, CPCS established the Operational Excellence (OEX) Team under the Resources Planning and Management Department. The mission of OEX is to integrate corporate performance across cost, risk and quality while focusing on meeting customer expectations. This is achieved through the continuous, systematic improvement of the operational process and organisational culture.



In order to reduce food waste generated from source, the OEX Team implemented a food variance project during the year to examine the difference between the quantities of food the company purchased versus the amount being used according to the meal recipes.

The 30 most frequently ordered ingredients were identified and reviewed, with order volumes set based on forecasted need and calculated adjustments to avoid over-ordering and over-production. Since May, monthly reviews on performance and variance for these items show a significant reduction in waste.







Lean Project – Reduce single use plastics

Apart from food waste, plastic waste is also a key concern for our company. The OEX Team discovered that both plastic waste and manpower could be reduced in the production process for making our signature drink. Previously, small plastic bottles of kiwi juice were used in the blend, requiring significant manpower in opening multiple individual bottles. A study was carried out and the process was reviewed. After deep discussion with suppliers, and considering the cost and operational feasibility, the size of the bottle was increased to reduce the plastic waste and manpower involved.









Lean Project – Inventory control on non-food items

Non-food items are also one of the key materials in our daily operation, and inventory waste is one of our focuses. Due to minimum order requirements and delivery frequency, we can inadvertently accumulate a stockpile of materials, leading to inventory waste due to improper monitoring and control. These items, when no longer serviceable, must be disposed of in an appropriate manner.

A review was conducted on the top non-food items purchased, including usage, with a suggested ordering quantity set as a result, allowing relevant departments to avoid overstocking and eliminate potential disposal issues.























OUR OBJECTIVES

CPCS is dedicated to serving the communities in which we operate by better understanding the needs and concerns of our stakeholders. We strive to create positive community impact and address social issues relevant to our business.

MANAGEMENT APPROACH

Our community investment strategy follows these key principles:



build positive relationships with the local community and stakeholders;

promote long-term, sustainable community programmes to engage our staff;





care for the underprivileged through strategic consumption of resources and networks.

PARTNERSHIP WITH LOCAL INSTITUTIONS

Hong Kong Outlying Islands Women's Association (OIWA)

Since 2008, CPCS has put continuous effort in collaborating with the Tung Chung Community Services Complex and the Hong Kong Outlying Islands Women's Association (OIWA) to establish an in-flight cutlery, headsetpackaging and vegetable processing facility.

This initiative allows women to work full or part-time so they can also look after their families. In 2018, more than 120 women benefitted from the partnership, with more than 20,320,000 pieces of cutlery and 20,00,000 chopsticks processed by this workforce.





FOOD-CO Food Carnival 2018

In August 2018, CPCS took part in the Food Carnival 2018 hosted by FOOD-CO at the Central Harbourfront SummerFest, reaching out to the public to demonstrate our vision of reducing food waste. In support of the theme, "Save Surplus & Share Resources", we organised a booth to help promote the message of valuing food and caring for the local community, and donated packed snacks and beverages that we collected from inbound flights to people in need.





Supporting Our Communities

CPCS is committed to maintaining good relationships with the community, with an aim to extend our values of caring and respect outside the company. In 2018, our focus was the underprivileged in our neighbouring community. We strive to bring happiness to communities and promote a caring and inclusive culture by fostering social integration.

CSR Programmes

Tree Planting Workshop

In April, 30 staff and their family members participated in a tree planting workshop at Peng Chau, organised by the Committee of the International Million Trees (Forest) Project – Hong Kong Region.

During the workshop, participants experienced the planting process, including digging, sowing, backfilling, and watering. Through the workshop, they learned more about the importance of plant conservation, and increased awareness of the need to protect nature.



Visiting Ronald McDonald House

In June, we paid a visit to the Ronald McDonald House (RMH) at Shatin. RMH is a charity that aims to provide temporary housing services to children suffering from cancer and their families, so as to alleviate the financial burden imposed by medical and transportation costs.

Twelve children participated in the event, which included an arts & crafts session as well as food and a mini 'forest' created by the kids. Cathay Pacific Airways sponsored 25 children's activity kits to support this CSR event, which the children were very excited to receive.





Kids Fun Day

In September, we organised an event for kids at Tin Shui Wai, involving 37 staff and their associates, 14 secondary school students from the Hong Kong Federation of Youth Groups Lee Shau Kee College and three representatives from the Christian Family Service Centre. The activity aimed to give underprivileged children an unforgettable day and help us better understand and empathise with their needs.

Fifty children were invited to the event, which began with a movie at the cinema in Tin Shui Wai, followed by a food party with various game booths, including face painting and balloon-twisting, at the secondary school. The event also included a contest in which children drew their favourite food on the wing of a paper airplane and tried to fly the plane as high as possible.



Awards and Recognitions

AWARDS

NAME OF AWARD	ORGANISATION
BEC Sustainable Consumption Award – Certificate of Excellence	Business Environment Council (BEC)
BOCHK Corporate Environmental Leadership Award 2017 – EcoChallenger	Bank of China (Hong Kong)
ERB Manpower Developer Award – Manpower Developer	Employees Retraining Board (ERB)
Family-Friendly Employers Award Scheme 2017/18 Family-Friendly Employers 2017/18 Awards for Breastfeeding Support 2017/18	Family Council
Hong Kong Awards for Environmental Excellence: Bronze Award 2017 – Manufacturing and Industrial Services	Environmental Campaign Committee (ECC)
Hong Kong ESG Reporting Awards Excellence in GRI Report – Grand Award Excellence in Sustainability Report for Non-Listed Company – Merit Award	Alaya Consulting Ltd
Hong Kong International Airport (HKIA) Carbon Reduction Award Scheme Implementation Award – Good Class Shared cooling demand system between Phase 1 & Phase 2 HVAC system LED lighting replacement in 4 phases Innovation Award – Good Class Built-in motion sensor LED lighting at cold holders	Hong Kong Airport Authority
Hong Kong International Airport 2017/18 Corporate Safety Performance Award Accident Prevention Award Safety Performance Award 2018 Safety Workplace Video Competition Award	Hong Kong Airport Authority
Japan Airlines Hygiene Quality Award – Most Improved Place (2017)	Japan Airlines
Social Capital Builder Awards (SCB) 2018	Community Investment & Inclusion Fund, Labour and Welfare Bureau
WGO Sustainable Business Awards 2018	World Green Organisation









































NAME OF CERTIFICATES	ORGANISATION
Industrial Care Certificate	Federation of Hong Kong Industries
BEC Sustainable Consumption Enterprise	Business Environment Council (BEC)
FOOD–CO Save & Share – Food-Corporate	FOOD-CO
Friends of EcoPark 2018	Environmental Protection Department
Happiness-at-work for business – Happy Company	Hong Kong Productivity Council (HKPC)
HKIA Environmental Management Recognition Scheme – Excellent Class	Hong Kong Airport Authority
Hong Kong Green Organisation Certificate	Environmental Campaign Committee (ECC)
HSBC Living Business 2018 Awards - Sustainable Supply Chain Leaders	The Hongkong and Shanghai Banking Corporation Limited (HSBC)
Indoor Air Quality Certificate – Good Class	Environmental Protection Department
WasteWi\$e Certificate – Excellence level	Environmental Campaign Committee (ECC)
Green Building Certificate CPCS Phase 2 Extension – BEAM Plus Gold	Hong Kong Green Building Council (HKGBC)

MANAGEMENT SYSTEM

NAME OF MANAGEMENT SYSTEM	ORGANISATION
Hazard Analysis and Critical Control Point (HACCP) System	Centre for Food Safety
ISO 9001: 2015 Quality Management System	DNV GL
ISO 14001: 2015 Environmental Management System	DNV GL
HKQAA Hong Kong Registration – Food Waste Recycling – Companion	Hong Kong Quality Assurance Agency

CHARTERS & RECOGNITIONS

CID IN TELLS & NECOCITITIONS	
NAME OF MANAGEMENT SYSTEM	ORGANISATION
Food Wise Charter	Environmental Protection Department
Energy Saving Charter	Electrical and Mechanical Services Department
Green Council – Food Waste Lean & Green Label	Green Council
Caring Company 10+	The Hong Kong Council of Social Service
Smoke-Free Company	Hong Kong Council on Smoking and Health
Good Employer Charter 2018	Labour Department











ENVIRONMENTAL PERFORMANCE

	Unit	2016	2017	2018
Energy Consumption				
Direct Energy Consumption by Type				
Towns	MJ	110,287,344	122,973,216	133,392,648
Towngas —	GJ	110,287.34	122,973.22	133392.65
Diesel for boiler —	Litre	737,514	332,769	230,539
Diesei for boiler —	GJ	26,550.50	11,979.68	8,299.40
Diesel for vehicle – Heavy Duty —	Litre	936,986	993,548	960,137
— — — — — — — — — — — — — — — — — — —	GJ	33,731.50	35,767.73	34,564.93
Diesel for vehicle – Light Truck —	Litre	28,431	31,387	55,589
Dieser for verlicie – Light fruck —	GJ	1,023.52	1,129.93	2,001.20
Casalina for vahicla Passanger Car	Litre	108,466	109,318	82,966
Gasoline for vehicle – Passenger Car —	GJ	3,546.84	3,574.70	2712.99
Indirect Energy Consumption by type	е			
Purchased electricity —	kWh	38,154,561	44,721,664	48,203,407
Furchased electricity —	GJ	137,356.42	160,997.99	173,532.27
Towngas —	MJ	110,287,344	122,973,216	133,392,648
Towngas —	GJ	110,287.34	122,973.22	133,392.65
Fugitive Consumption				
Refrigerant HFC404a	Tonnes	1.14	1.12	1.05
Total Energy Consumption				
Direct energy consumption (Towngas, diesel for boiler, diesel for vehicle, gasoline for vehicle)		175,139.70	175,425.26	180,971.18
Indirect energy consumption (purchased electricity and Towngas)	GJ -	247,643.76	283,971.21	306,924.91
Total energy consumption	-	422,783.46	459,396.47	487,896.09

	Unit	2016	2017	2018
Greenhouse gas (GHG) emissions				
Direct emissions (Scope 1)		13,958.60	13,718.69	13,723.88
Indirect emissions (Scope 2)	Tonnes CO₂e	26,461.44	25,686.42	26,224.35
Total GHG emissions (Scope 1 & 2)		40,420.04	39,405.11	39,948.23
Intensity				
Carbon intensity	kg CO₂e/Total Meals Produced	1.34	1.30	1.33
Total energy intensity	GJ/Total Meals Produced	0.0140	0.0152	0.0163
Water Consumption				
Total Water Consumption – Municipal	m3	501,610	510,186	510,554
Wastewater Discharged	m³ –	501,610	510,186	510,554
Water intensity	m³/Total Meals Produced	0.01658	0.01685	0.01705
Solid Waste Management				
Industrial/commercial waste/ general refuse	kg	12,151,100	12,546,290	13,318,426
Waste Recycling (Non-hazardous)				
Food waste		1,132,762	1,227,147	1,358,500
Used cooking oil		39,400	25,731	26,563
Paper/cardboard		1,781,200	1,629,750	1,423,760
Metal	kg —	40,140	39,105	36,660
Plastic		41,800	36,488	38,412
Glass		571,000	474,432	459,536
Food Donations				
Feeding HK	ka	236,693.65	254,615	283,008
Food Angel	kg —	2,300	6,115	4,578



















	Unit	2016	2017	2018
Waste Summary				
Total waste generated	ka	16,003,189	16,213,941	16,922,880
Total recycling amount	– kg –	3,791,489	3,693,372	3,631,017
Total recycling rate	%	23.69	22.78	21.46
Total waste to landfill	kg	12,251,100	12,546,290	13,318,426
Waste intensity (waste to landfill/ meal produced)	kg/Meal	0.405	0.414	0.445

SOCIAL PERFORMANCE

	Unit	2016	2017	2018
Total Workforce				
By Region				
Hong Kong	No.	1,766	1,743	1,698
By Gender				
Male	No. —	1,105	1,097	1,054
Female	110.	661	646	644
By Employment Contract				
Permanent		1,547	1,558	1,590
Contract	No. —	219	185	108
Full-time	NO.	1,697	1,680	1,654
Part-time		69	63	44
By Colleague Category				
Top/Senior Management		2	2	2
Middle/Junior Management		447	465	484
Customer Facing	No.	127	134	128
Non-Customer Facing Operational/ Technical		1,141	1,102	1,072
Others		49	40	12

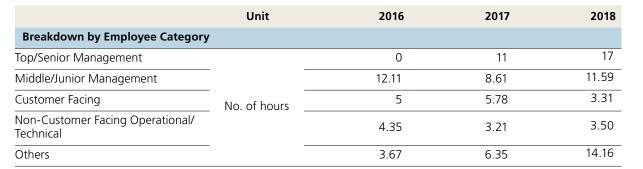
	Unit	2016	2017	2018
By Age Group				
Under 30 years old		313	291	256
30 to 50 years old	No.	776	748	721
Over 50 years old		677	704	721
Turnover				
By Gender				
Male	No.	227	261	281
iviale	%	59.0	56.5	56.7
Female	No.	158	201	215
remale	%	41.0	43.5	43.3
By Age Group				
Under 30 years old	No.	114	136	129
officer 50 years old	%	29.6	29.4	26
30 to 50 years old	No.	170	188	213
30 to 30 years old	%	44.2	40.7	43
Over 50 years old	No.	101	138	154
Over 50 years old	%	26.2	29.9	31
Occupational Health & Safety				
Manhours worked (total attended hours by all staff)		5,139,134	5,213,186	5,157,647
No. of lost days due to injuries	No.	1,247	2,477	1,836
Work-related fatalities (employees)		0	0	1
Lost time injuries (own staff)		83	81	63
Training and Education				
Total average hours of training	No. of hours	6.33	4.92	5.88











NOTE AND DEFINITION

Remarks and Definition
The scope covers only the Hong Kong Portfolio – CPCS' in-flight catering business.
Energy intensity, GHG emission intensity and waste intensity are calculated by dividing the absolute values by the total meals produced from Hong Kong operations.
CPCS's total meals produced from Hong Kong operations are presented as follows: 2016: 30,253,185 meals 2017: 30,271,467 meals 2018: 29,950,973 meals
CPCS abides by the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) in calculating its GHG emissions.
Scope 1 refers to direct GHG emissions such as fuel combustion.
Scope 2 refers to indirect GHG emissions from the consumption of purchased electricity and towngas.

GRI Standards Content Index - Core

GENERAL DISCLOSURE

GRI Standard	Disclosure		Relevant section(s)	Page No.	Remark (e.g. Omission)	
ORGANISA	TIONAL PROF	FILE				
	102-1	Name of the organisation	About The Report	2		
	102-2	Activities, brands, products, and services				
	102-3	Location of headquarters			Hong Vong	
	102-4	Location of operations	CPCS at a Glance	5	Hong Kong	
	102-5	Ownership and legal form				
	102-6	Markets served				
	102-7	Scale of the organisation				
GRI 102:	102-8	Information on employees and other workers	Better People	27-31		
General Disclosure 2016	102-9	Supply chain	Better Food Production and Ground Service Operation	15		
	102-10	Significant changes to the organisation and its supply chain	N/A		No significant change.	
	102-11	Precautionary principle or approach		N/A		Please refer to Cathay Pacific Airways Sustainable Development Report 2018.
	102-12	External initiatives Currently we do not have any membership of associations.			Currently we do not have any membership of associations.	
	102-13	Membership of associations		N/A		

M	







GRI Standard	Disclosure		Relevant section(s)	Page No.	Remark (e.g. Omission)
STRATEGY	& ANALYSIS				
GRI 102: General Disclosure 2016	102-14	Statement from senior decision-maker	CEO Message	3-4	
ETHICS & IN	NTEGRITY				
GRI 102: General	102-16	Values, principles, standards, and norms of behaviour	Vision & Strategy	7	More details can be found on our website at: http://www.cpcs.com.hk/eng/fastfacts_e.html
Disclosure 2016	102-18	Governance structure	Our Approach to Sustainability	- 8	
	102-25	Conflicts of interest	N/A	٥	We strictly abide by our Code of Conduct.
GOVERNAN	ICE				
	102-40	List of stakeholder groups	Materality	10	
	102-41	Collective bargaining agreements	N/A		None of our employees are covered by collective bargaining agreements.
GRI 102: General Disclosure 2016	102-42	Identifying and selecting stakeholders		Stakeholders are identified based on their knowledge of selected material issues and businesses.	
2010	102-43	Approach to stakeholder engagement	Materality	10	
	102-44	Key topics and concerns raised		11	

GRI Standard	Disclosure		Relevant section(s)	Page No.	Remark (e.g. Omission)
REPORTING F	PRACTICE				
	102-45	Entities included in the consolidated financial statements			Please refer to Cathay Pacific Airways Sustainable Development Report 2018.
	102-46	Defining report content and topic boundaries	N/A	2	
	102-47	List of material topics	About the Report		
	102-48	Restatements of information	Materality		N/A
GRI 102:	102-49	Changes in reporting			There was no significant change to topic boundaries
General Disclosure	102-50	Reporting period		2	
2016	102-51	Date of most recent report	About the Report	2	Date of most recent report: CPCS Sustainability Report 2017
	102-52	Reporting cycle			Reporting cycle: Annual
	102-53	Contact point for questions regarding the report	Feedback and Contact	43	
	102-54	Claims of reporting in accordance with the GRI Standards	About the Report	2	This report was prepared with reference to the GRI Standards: Core option
	102-55	GRI content index	GRI Content Index	38-42	GRI Standards Content Index
MANAGEME	NT APPROA	СН			
GRI 103:	103-1	Explanation of the material topic and its boundary	Materality	10-11	
Management Approach 2016	103-2	The management approach and its components	Refer to Strategies and		
	103-3	Evaluation of the management approach	- Management section in each chapter for details		

TOPIC SPECIFIC STANDARDS: ECONOMIC







TOPIC SPECIFIC STANDARDS: ENVIRONMENTAL

GRI Standard	Disclosure		Relevant section(s)	Page No.	Remark (e.g. Omission)	
ECONOMIC	PERFORMAN	ICE				
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	N/A		Please refer to Cathay Pacific Airways Sustainable Development Report 2018.	
PROCUREMENT PRACTICES						
GRI 204: Procurement Practices	204-1	Proportion of spending on local suppliers	N/A		Local suppliers are defined as suppliers in Hong Kong.	
ANTI-CORRI	JPTION BEH	AVIOUR				
GRI 205: Anti	205-2	Communication and training about anti-corruption policies and procedures			Training about anti-corruption policies and procedures are provided to all staff during the orientation section.	
Corruption	205-3	Confirmed incidents of corruption and actions taken	N/A		There were no cases regarding corrupt practices brought agains the company or its employees during the reporting period.	
GRI 206: Anti- Competitive Behaviour	206-1	Legal actions for anti- competitive behavior, anti-trust, and monopoly practices			There were no cases regarding anti-competitive behaviour, anti-trust, and monopoly practices.	

GRI Standard	Disclosure		Relevant section(s)	Page No.	Remark (e.g. Omission)
MATERIALS					
GRI 301:	103-1-3	Management approach	Better Environment	18	
Materials	301-1	Materials used by weight or volume	Performance Data Summary	36-37	
ENERGY					
GRI 302: Energy	103-1-3	Management approach	Better Environment	18	
	302-1	Energy consumption within the organisation	Performance Data Summary	36-37	
	302-3	Energy intensity			
	302-4	Reduction of energy consumption	_ sammary	24-25	
WATER					
	103-1-3	Management approach	Better Environment	18	
GRI 303: Water	303-1	Water withdrawal by source	Performance Data Summary	36-37	Municipal water supply by Water Supplies Department of HKSAR.
BIODIVERSIT	Υ				
GRI 304: Biodiversity	103-1-3	Management approach	Better Food Production and Ground Service Operation		
	304-2	Significant impact of activities, products, and services on biodiversity		15	



GRI Standard	Disclosure		Relevant section(s)	Page No.	Remark (e.g. Omission)
EMISSION					
	103-1-3	Management approach	Better Environment	18	
	305-1	Direct (Scope 1) GHG emissions	Performance Data Summary		
GRI 305: Emissions	305-2	Energy indirect (Scope 2) GHG emissions		36-37	
	305-4	GHG emissions intensity			
	305-5	Reduction of GHG emissions	Better Environment	24	
EFFLUENTS A	ND WASTE				
	103-1-3	Management approach	Better Environment	19	
GRI 306: Effluents and Waste	306-1	Water discharge by quality and destination	N/A		CPCS complied with all applicable environmental laws and regulations. We adopt effective control mechanism to prevent water spillage and contamination on land.
vvaste	306-2	Waste by type and disposal method	Performance Data Summary	36-37	
	306-4	Transport of hazardous waste (handling waste such as refrigerant)	N/A		CPCS complied with all relevant environmental laws and regulations.
ENVIRONME	NTAL COMI	PLIANCE			
CDI 207	103-1-3	Management approach	Better Environment	18	
GRI 307: Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	N/A		CPCS complied with all relevant environmental laws and regulations.
SUPPLIER EN	VIRONMEN	TAL ASSESSMENT			
GRI 308:	103-1-3	Management approach	Better Food Production		
Supplier Environmenta Assessment	308-1	New suppliers that were screened using environmental criteria	and Ground Service Operation	15	We strictly abide by our Supply Chain Sustainability Code of Conduct.

TOPIC SPECIFIC STANDARDS: SOCIAL

GRI Standard	Disclosur	е	Relevant section(s)	Page No.	Remark (e.g. Omission)
EMPLOYME	NT				
GRI 401:	103-1-3	Management approach	Better People	27	
Employment	401-1	New employee hires and employee turnover	Performance Data Summary	37-38	
OCCUPATIO	NAL HEALT	TH AND SAFETY			
	103-1-3	Management approach	Better People	27	
GRI 403: Occupational Health and Safety	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Performance Data Summary	37-38	There was a fatal case reported during the reporting year due to the tragic accident of motor bus crash on 30 November 2018.
TRAINING A	ND EDUCA	ATION			
	103-1-3	Management approach	Better People	27	
	404-1	Average hours of training per year per employee	Performance Data Summary	37-38	
GRI 404: Training and Education	404-2	Programmes for upgrading employee skills and transition assistance programmes	Better People	27	
	404-3	Percentage of employees receiving regular performance and career development reviews	N/A		All CPCS staff received regular performance and career development reviews.
DIVERSITY A	AND EQUAI	L OPPORTUNITY			
GRI 405:	103-1-3	Management approach	Better People	27	
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Coprorate Governance	8	
NON-DISCRI	MINATION				
GRI 406:	103-1-3	Management approach	Better People	27	
Non Discrimination	 1 406-1	Incidents of discrimination and corrective actions taken	N/A		No incident of discrimination during the reporting year.

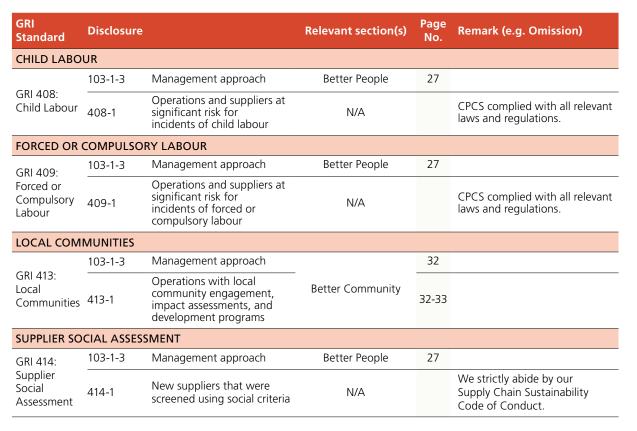
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GRI Standard	Disclosure		Relevant section(s)	Page No.	Remark (e.g. Omission)
CUSTOMER	HEALTH AN	D SAFETY			
	103-1-3	Management approach	Better Food Production		
	416-1	Assessment of the health and safety impacts of product and service categories	and Ground Services Operation	16	
GRI 416: Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	NI/A		No incident of non-compliance concerning the health and safety impacts of products and services during the reporting year.
	417-2	Incidents of non-compliance concerning product and service information and labeling	N/A		No incident of non-compliance in the reporting year. No products served or shipped were subject to recalls for safety and health reasons.
SOCIOECON	NOMIC COME	PLIANCE			
GRI 419: Social- economic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	N/A		There was no non-compliance with laws that resulted in significant fines or sanctions identified during the reporting period.

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