

Cathay Pacific recognises the importance of contributing to the communities at the destinations to which we operate.

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1 Why We Support Communities

Our global community investment strategy focuses on three areas: youth and education, medical care and environmental conservation.

We support and invest in the Hong Kong community of which we have been a part for more than six decades. Our local staff are also actively involved in community initiatives at our outport destinations. They are provided with guidelines to help them choose the types of projects in which we are involved. Over the years, we have had numerous meaningful community initiatives that have brought significant benefits to local communities. Our strategy is to leverage on and align the resources of our company (including our staff and passengers) with the needs of the communities we serve.



2 Encouraging Staff Involvement

The CX Volunteers team was set up towards the end of 2007, and had close to 1,200 staff members as at December 2013. In 2013, our staff completed more than 1,800 hours of volunteering. Further details of these initiatives and their impacts are described in the following sections.

In addition to encouraging our staff to participate in company-organised initiatives, Cathay Pacific seeks to support them in their own charitable endeavours and benefit a wide cross-section of charitable needs through the Cathay Pacific Charitable Fund (CCF).



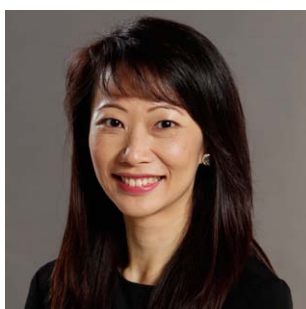
Established in November 2011, the CCF's annual budget amounts to roughly HK\$1 million. All employees of Cathay Pacific and its wholly owned subsidiaries can apply for funding. A Fund Committee assesses applications and conducts reviews of Fund activities. To date, more than 40 local and overseas projects have been supported by the Fund.



Sustainable forestry in the Philippines



Big build in Vietnam



The charitable fund was set up to encourage staff across the CX Group to independently and actively participate in charitable projects. With the company's funding, staff are able to contribute to causes close to their hearts.

Cecilia Leung
GM Corporate Communication and
Convenor of the CCF Vetting Committee

Projects supported by CCF in 2013



Food for Good



A new library for an island

Food for good

Clifford Kwok, Cargo Sales Development Manager from the Cargo Department used a HK\$10,000 donation from the CCF to fund an activity held by a local charity, Feeding Hong Kong. Founded in 2009, Feeding Hong Kong was the only food bank in the city that redistributed surplus food to the needy. The charity also raises public awareness on poverty and promotes healthy meals to less-advantaged communities. It currently distributes more than 16,000 meals to 4,000 people each month.

The money was used to support "Bread Run", a campaign that collects and redistributes unsold fresh bread from bakeries. Clifford personally took part by collecting bread and buns around Hong Kong and sorting out items that could be redistributed at a warehouse later on.

A new library for an island

Connie Cimafranca, Marketing and Communications Supervisor at our Cebu office, applied to build a new library for some 700 students at a primary school, the Po-o Elementary School in Olango Island, Cebu Province, the Philippines. The office received HK\$20,000 from the CCF that served as start-up fund for the library, with construction starting in October and completing in June 2014. The new library was equipped with books in the first phase, while computer units with internet access and recreational facilities will be ready for use in the near future. Other students from the island will also be allowed to use the library and its facilities.

"We can't wait to see the new complex where we can learn more, surf the internet and do exercises." – Sarah Jane Sagarino, a Grade 5 student at Po-o Elementary School, a beneficiary of the CCF in Cebu.

180 Degrees Trust

Glen Stuart, First Officer, used funds from the CCF to support a 6-day Adventure Camp for teenagers from underprivileged families, which was organised by a charity in New Zealand. The charity aims to exert a tremendous force for positive choices and attitudes through outdoor expeditions^A.

Greening Shanxi

Sam Tse, Inflight Service Manager, used the funding obtained from the CCF to contribute to the general fund of Green Action Charity Foundation, a Hong Kong-based NGO which is working on an afforestation initiative in Shek Lau County in China's Shanxi Province. The funding went towards the seedling, planting and maintenance of 30,000 trees on 2,100 acres of arid land.

3 Youth and Education

It is our belief to support and nurture today's young people who are our future, by providing them with opportunities to skills and personal development and capacity building. Therefore we invest in a range of educational programmes for Hong Kong's youths and build on their interest in aviation. This section outlines our key programmes.

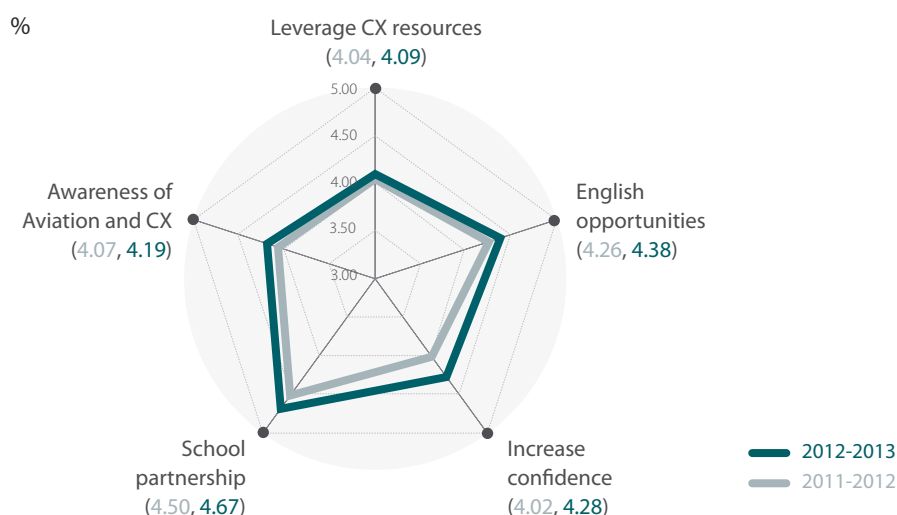
Evaluating Progress on English On Air

Since 2007, Cathay Pacific has been organising the company's flagship English On Air programme to provide English-speaking opportunities for local youth. Two different activities were designed to cater for secondary school students of different age groups and needs: the Conversation Series and the Mock Interview[^]. A total of 122 students from five schools in Tung Chung and Tsing Yi participated in the programme between December 2012 and July 2013 during the 2012/2013 academic year[^].

Continuing the effort of evaluating the outcome of our activities with reference to the London Benchmarking Group model in the last report, we have evaluated the programme on a full academic year. We received and analysed survey responses from 72 of the participating students and 6 English teachers involved in the programme's activities[^].

During the 2012/2013 academy year, the programme continued to perform well against the goals set out in the five aspects, with an increase in scoring in all five aspects. There was a 5.16% rise in the category of "increase confidence"[^], which showed that the programme continued to make improvement in encouraging students to speak in English by providing them with English-speaking opportunities and environment.

English on Air Programme Evaluation (2011/2013 Academic Year)



I Can Fly

In August 2012, 100 Hong Kong students, aged between 15 and 18, graduated from the fifth Cathay Pacific "I Can Fly" programme, which was designed to increase young people's knowledge of aviation and to foster a commitment to their community. The six-month programme included visits to aviation facilities, participation in workshops on aviation-related topics, social-service projects and overseas trips.

In April 2012, the Cathay Pacific team in Thailand organised a successful local version of the "I Can Fly" programme for 15 students. Similar programmes have also been organised in the United States and Canada previously. In June 2013, 15 students graduated from the Vancouver-based programme.



Dragonair Aviation Certificate Programme

Launched in 2005, the Dragonair Aviation Certificate Programme is jointly organised with the Hong Kong Air Cadet Corps. It is a one-to-one pilot mentorship programme conducted over a nine-month period which aims at inspiring a new generation of aviators in Hong Kong. Thirty graduates completed the programme in 2013.

In addition to having the opportunity to explore the aviation world through a series of lectures, training sessions, briefings and tour of aviation facilities, each participant is mentored by a Dragonair pilot. As at 2013, a total of 145 participants have graduated from the programme, with more than 40% of them working in the aviation industry.



CX City Visits

Cathay Pacific's headquarters, Cathay City, is fully equipped with aviation and training facilities that are open to different non-profit organisations through a visit programme. In 2013, over 12,000 visitors from 551 groups from schools, universities, professional bodies and NGOs benefited from the programme.



Hong Kong Productivity Council visit for HKAE Award applicants, August 2013



Polytechnic University visit in October 2013

4 Medical Care Services and Relief Efforts

We believe it is our responsibility to support access to essential medical care services in a practical way, especially for vulnerable and impoverished groups in the regions where we operate, as well as giving our support to projects that serve mobility-impaired groups. At times where there are major natural disasters, we also mobilise resources and respond quickly to help those affected through making charitable donations and launching fundraising campaigns.

Cathay Pacific Wheelchair Bank

Working with the Faculty of Medicine at the Chinese University of Hong Kong, the Hong Kong Polytechnic University and the Prince of Wales Hospital, the Wheelchair Bank was set up in 1996 to raise funds to purchase specially adapted wheelchairs for children with neuromuscular diseases.

Since 1999, with UNICEF's support and consent, an average of one month's proceeds each year from Cathay Pacific's "Change For Good" inflight fundraising programme has been donated to this cause. To date, more than HK\$11 million has been donated to the Wheelchair Bank, which has helped around 420 children, supported more than 2,900 clinic attendances and handled over 5,000 spare-part changes and modifications.

Cooperation with Medical Groups

Over the years, Cathay Pacific has been extending its long-term support to a number of medical groups by sponsoring air tickets. These groups include: Orbis, the Hong Kong Society for the Blind, and Medecins Sans Frontieres.

Typhoon Haiyan in the Philippines

In November 2013, the Cathay Pacific Group launched relief efforts to help the Philippines as it recovered from the devastation brought by Typhoon Haiyan (locally known as Yolanda), one of the strongest typhoons ever to make landfall. A fundraising appeal was launched among staff with the company pledging to match all funds raised to go to the Hong Kong Red Cross. In total, \$3.6 million was donated. The airline also operated six freighter charters to Cebu from various ports including New York, Frankfurt, Paris and Shanghai, and offered around 20,000 kg of free cargo space to send relief goods and support equipment from international relief teams.

5 Environmental Conservation

Coastal Cleanup

Close to 100 staff, family and friends spent a Saturday morning in November 2013 clearing debris from Tong Fuk Rocky Beach on Lantau Island during the annual cleanup event. Among those who joined the event were Director Corporate Affairs Chitty Cheung, Director Flight Operations Richard Hall and Director Sales and Marketing, now COO, Rupert Hogg.

Together, the volunteers cleared 40 bags of rubbish – equivalent to 400 kilograms – from the site. Items found included stray pieces of abandoned sandals, polystyrene foam, plastic bottles, mangled wire netting, a cage, and even half an abandoned canoe.



Since 2009, Cathay Pacific has been working with the event's Hong Kong coordinator, the Green Council, to record the types of waste collected from Lantau beaches. The information will be analysed and used to identify the sources of debris. This will ultimately aid the Ocean Conservancy in developing initiatives to reduce marine debris on a global scale.



6 Contributing to the Hong Kong Community

As a home carrier in Hong Kong, we are committed to serving the Hong Kong community. In 2013, various initiatives including “The Spirit of Hong Kong” Campaign and Community Flights were held. We also dedicated our efforts to Tung Chung, our local neighbour to the airport community with many activities. They were organised in the continued partnership with the Neighbourhood Advice-Action Council, Tung Chung Integrated Services Centre.

The Spirit of Hong Kong Campaign 2013

The Spirit of Hong Kong campaign was launched in 2013 by Cathay Pacific as part of the airline’s support for the “Hong Kong: Our Home” campaign ran by the Hong Kong SAR Government. We asked Hong Kong people to submit creative entries, which could be in the form of photography or illustrations, which showed the true spirit of Hong Kong. More than 5,200 entries were received, and a judging panel selected the 100 top winners and 10 champions with entries that stood out as relevant, inspirational and creative. These winners’ silhouettes were featured on the third version of the “Spirit of Hong Kong” B777-300ER aircraft . The unveiling of the aircraft in December was attended by HKSAR Chief Secretary Carrie Lam, Chairman of the Hong Kong Tourism Board Dr Peter Lam and Deputy Commissioner for Tourism Rosanna Law .



'The Spirit of Hong Kong' Special Livery – The Making Of



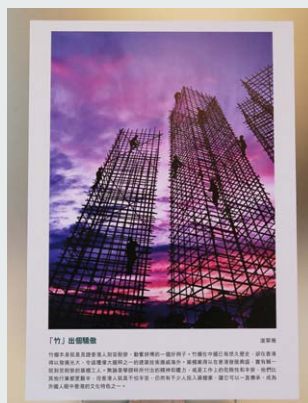
'The Spirit of Hong Kong' Special Livery – The Unveiling Ceremony

A Selection of the Winning Entries



Siu Sin-Mei used five popular varieties of bread to create the two Chinese characters representing “concave” and “convex”. “The characters convey an important value of Hong Kong – accommodating diversity. We can rid society of prejudices and dilemmas through love, respect and acceptance of different backgrounds”, Sin-Mei explained.

Amateur photographer Lam Kin-Fai was impressed by a scene at a marathon in Hong Kong: a wheelchair-bound athlete struggling alone up a ramp for the disabled. “The adjacent lane was filled with general participants, creating a striking contrast. I think the spirit of Hong Kong is striving for goals regardless of tough conditions.”



Cham Chui-Shan’s winning work was inspired by the unique nature of bamboo scaffolding. “Bamboo scaffolding is flexible, efficient and inexpensive. But to make it work, there must be a group of skilful workers prepared to work in extremely tough environments.”



*Cathay Pacific
Community Flight
fulfills dreams for
less-advantaged
families*

Community Flights

In January 2013, Cathay Pacific hosted a **community flight** in a Boeing 777-300ER aircraft for 82 single-parent families. The participants ranged from age four to 68 and came from five Hong Kong districts with higher ratios of low-income families. It was their first flying experience. The aircraft circled above the South China Sea for 90 minutes, where the families enjoyed inflight meals and programmes on the inflight entertainment system. Some 50 CX volunteers played games with the children.

"I am quite used to serving the public as cabin crew. This time, however, my job took on a different meaning. The participants really enjoyed each moment, and this inspired us to give them extra care." Vince Tsang, Flight Attendant

One hundred children aged six to 16 and their parents were flown from Chengdu to Hong Kong in July 2013. They were all from Ya'an, Sichuan Province, an area devastated by a deadly earthquake in April. Most of them were first-time flyers. The young visitors were also taken on a tour around CX City, Disneyland, Ocean Park and the Hong Kong Science Park, accompanied by 40 CX volunteers over the five days.



We hope to give the students support and encouragement through this visit, and introduce them to the joys of flying.

Ivan Chu
Chief Executive

Photos of the Flights



January 2013 Community Flight



July 2013 Community Flight



Volunteering Activities in Tung Chung

Visiting the Elderly

Around 60 CX Volunteers spent a Saturday afternoon before the Chinese New Year visiting 20 families and 56 elderly people in traditional villages in Tung Chung. The volunteers helped the elderly with basic cleaning tasks, decorated their homes with festive Chinese calligraphy (Fai Chun), as well as distributing special Chinese New Year packs containing food and CX souvenirs.



Children's Christmas Party

Forty staff volunteers organised a Christmas party at Cathay City for 80 primary school students from low income families in Tung Chung with a tour at the check-in and cabin mock-up areas, followed by games and Christmas carols. As a token of encouragement, Cathay Pacific acknowledged the students who have made the most significant improvement in their school work by presenting Special Recognition Awards to them. The party culminated in an appearance by Santa Claus who distributed gifts to the children.

This is the sixth year that CX has hosted a Christmas party for children in the Tung Chung area.



7 Engaging Our Customers

We have been engaging our passengers via inflight fundraising programmes such as Cathay Pacific's "Change For Good" for UNICEF and Dragonair's "Change for Conservation" for The Nature Conservancy, as well as through Asia Miles.

Cathay Pacific/UNICEF Change for Good Inflight Fundraising Programme

In June 2013, we announced that the airline's passengers had contributed more than HK\$14.3 million in 2012 to support UNICEF's programmes helping underprivileged children in more than 150 developing countries around the world. Since the programme's launch in 1991, more than HK\$133 million has been raised through "Change for Good".

Staff Field Trip to Vietnam

Twenty-five staff from Cathay Pacific joined a field trip to Vietnam in March organised by UNICEF. They were able to see how funds from "Change for Good" have been put to good use in improving people's lives. From the field trip, they learned about the critical issues relating to children's growth and development such as malnutrition, lack of education, insufficient basic healthcare, poor sanitation and child exploitation.

As a continuation of support after the Vietnam field trip, about HK\$2,340,000 (US\$300,000) from the "Change for Good" donation in 2013 was assigned to fund UNICEF's child protection programme in four selected provinces in Vietnam.

Cathay Pacific's Change for Good programme temporarily supported UNICEF's relief effort in this region for a two-week period. Dragonair's Change for Conservation programme was also temporarily suspended to be replaced by Change for Good during that period. A total of HK\$1.4 million was raised from passengers to support those affected by the typhoon.





We have a long and close connection with the Philippines and it was shocking to witness the events in November. On behalf of senior management I'd like to say a sincere thank you to everyone who made a donation, and to those who made individual efforts to bring assistance to the country's people.

Chitty Cheung
Director Corporate Affairs



Dragonair's "Change for Conservation" Inflight Fundraising Programme

Since 2004, Dragonair has operated the "Change for Conservation" inflight fundraising campaign. Close to HK\$9 million has been raised to protect watershed areas in northwest Yunnan in Mainland China and to help to develop economic opportunities for the people there.



Asia Miles

Asia Miles – Asia's leading travel and lifestyle reward programme with over 5.8 million members and more than 500 partners worldwide – enables members to donate miles online to our Asia Miles for Charity partners including C.A.R.E. Society, ORBIS, Oxfam Hong Kong, Hong Kong Red Cross and UNICEF.

Alternatively, Asia Miles members can choose to donate miles to fund carbon-reducing projects via the Cathay Pacific and Dragonair **FLY greener** programme.

A total of over 8.3 million miles have been donated since the programme was launched.

Social Enterprise Products Inflight

Since 2005, through our inflight sales shop, we have been offering products that are managed by social enterprises and benefit the underprivileged. In 2013, we created a special section for these items called "Shop for a Good Cause" in our inflight shop magazine, *Discover the Shop*.

In 2013, these items included:

- Good Citizens Movement (GCM) shawl (since 2005): GCM is a Hong Kong-based charity that provides a centre for newly-arrived women immigrants who are seeking jobs or having difficulties adjusting to their new environment in the city. All sales proceeds went to supporting the charity's ongoing mission.
- Ai Funan soaps (since April 2013): Ai-Funan, meaning "flower" in Timor-Leste, Indonesia, is run by the Hummingbird Foundation as a social enterprise. Ai Funan soaps are made by hand in Timor-Leste and contain 100% all-natural ingredients: organic coconut and palm oils, aromatic botanical extracts and pure essential oils. All profits from the sale of soaps are directed to support the women in Timor-Leste for employment and economic development through the environmentally sustainable production process.
- L plus H scarves (since July 2013): L plus H is a social enterprise founded in 2008 to provide job opportunities to locally based, skilled but displaced textile artisans of Hong Kong. They offer products that combine the finest materials with artisan craftsmanship, and revives Hong Kong's rich heritage of knitwear manufacturing. They take pride in their efforts to revitalise the label "Made in Hong Kong".



Want to find out more?
Go to **Cathay Pacific**
Catering Services.



Want to find out more?
Go to **Hong Kong**
Airport Services.

For further details of our subsidiary companies' community initiatives, please refer to their respective reports:

Cathay Pacific Catering Services

<http://www.cpcs.com.hk/press/Sustainability%20Report%202012%20ENG.pdf>

Hong Kong Airport Services

<http://www.has.com.hk/cms/images/downloadable/Highlines%20of%20SD%20Report%202013.pdf>