

Glossary

References in this document to Hong Kong are to Hong Kong SAR, to Macau are to Macao SAR and to Taiwan are to the Taiwan region.

Financial

Underlying profit or loss

Reported profit or loss adjusted principally for the impact of (i) changes in the fair value of investment properties, (ii) deferred tax on investment properties and (iii) amortisation of right-of-use assets reported under investment properties.

Recurring underlying profit or loss

Underlying profit or loss adjusted for significant credits and charges of non-recurring nature, including gains and losses on the sale of businesses and investment properties and non-cash impairments.

EBIT

Earnings before interest and tax.

EBITDA

Earnings before interest, tax, depreciation and amortisation.

Capital employed

Total equity plus net debt and lease liabilities.

Consolidated net worth

Total of share capital, reserves and non-controlling interests.

Consolidated tangible net worth

Consolidated net worth less goodwill and other intangible assets.

Equity attributable to the Company's shareholders

Equity excluding non-controlling interests.

Gross borrowings

Total of loans, bonds and overdrafts.

Net debt or consolidated borrowed money

Total of loans, bonds and overdrafts net of cash, bank deposits and bank balances.

Beverages

Water use ratio represents the litres of water used to produce a litre of production. It is calculated as total water used divided by total production volume. Production volume only includes volume produced by Swire Coca-Cola and excludes volume that is purchased from third parties.

Energy use ratio represents the energy consumed (measured in Mega joules) used to produce a litre of production. Energy consumed consists of all energy consumed, except for fuel used in fleet operations. Production volume only includes volume produced by Swire Coca-Cola and excludes volume that is purchased from third parties.

Aviation

Available tonne kilometres (ATK)

Overall capacity, measured in tonnes available for the carriage of passengers, excess baggage, cargo on each sector multiplied by the sector distance.

Available seat kilometres (ASK)

Passenger seat capacity, measured in seats available for the carriage of passengers on each sector multiplied by the sector distance.

Available cargo tonne kilometres (AFTK)

Cargo capacity, measured in tonnes available for the carriage of freight on each sector multiplied by the sector distance.

Revenue tonne kilometres (RTK)

Traffic volume, measured in tonnes from the carriage of passengers, excess baggage, cargo on each sector multiplied by the sector distance.

Revenue passenger kilometres (RPK)

Number of passengers carried on each sector multiplied by the sector distance.

Cargo revenue tonne kilometres (RFTK)

Amount of cargo, measured in tonnes, carried on each sector multiplied by the sector distance.

On-time performance

Departure within 15 minutes of scheduled departure time.

Sustainable Development

Carbon Dioxide Equivalent (CO₂e)

A measure of the global warming potential of releases of the six greenhouse gases specified by the Kyoto protocol. These are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF₆).

Greenhouse Gas (GHG)

A gas that contributes to the greenhouse effect by absorbing infrared radiation.

– **Scope 1 emissions** are direct GHG emissions from sources that are owned or controlled by the Group.

– **Scope 2 emissions** are indirect GHG emissions from consumption of purchased electricity, heat and steam as well as GHG emissions from the generation and transportation of Towngas in Hong Kong from the production plant to users.

Cubic metres (cbm)

A metric unit of volume or capacity equal to 1,000 litres or 1.0 metric tonne of water.

Global Reporting Initiative (GRI)

(www.globalreporting.org)

An international independent organisation that helps businesses, governments and other organisations understand and communicate their impact on issues such as climate change, human rights, governance and social well-being.

Lost Day Rate represents the number of lost scheduled working days per 100 employees per year. It is calculated as the total days lost multiplied by 200,000 and then divided by total hours worked. The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year.

Lost Time Injury Rate (LTIR) represents the number of injuries per 100 employees per year. It is calculated as the total injuries multiplied by 200,000 and then divided by total hours worked. The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year. The definitions of an injury and the number of hours worked may vary slightly in different jurisdictions and in different industries. In such cases local legal definitions and industry norms will take precedence.

Total injuries are the number of injuries in the year which result in lost time of a minimum of one scheduled working day.

RATIOS**Financial**

$$\text{Earnings/(loss) per share} = \frac{\text{Profit/(loss) attributable to the Company's shareholders}}{\text{Weighted average number of shares in issue during the year}}$$

$$\text{Return on Equity} = \frac{\text{Profit/(loss) attributable to the Company's shareholders}}{\text{Average equity during the year attributable to the Company's shareholders}}$$

$$\text{Return on capital employed} = \frac{\text{Profit/(loss) before net interest after taxation}}{\text{Average capital employed}}$$

$$\text{Interest cover} = \frac{\text{Operating profit/(loss)}}{\text{Net finance charges}}$$

$$\text{Cash interest cover} = \frac{\text{Operating profit/(loss)}}{\text{Total of net finance charges and capitalised interest}}$$

$$\text{Dividend payout ratio} = \frac{\text{Dividends paid and declared}}{\text{Underlying profit/(loss) attributable to the Company's shareholders}}$$

$$\text{Gearing ratio} = \frac{\text{Net debt}}{\text{Total equity}}$$

Aviation

$$\text{Passenger/Cargo load factor} = \frac{\frac{\text{Revenue passenger kilometres/Cargo revenue tonne kilometres}}{\text{Available seat kilometres/Available cargo tonne kilometres}}}{\text{Available seat kilometres/Available cargo tonne kilometres}}$$

$$\text{Passenger/Cargo yield} = \frac{\frac{\text{Passenger revenue/Cargo revenue}}{\text{Revenue passenger kilometres/Cargo revenue tonne kilometres}}}{\text{Revenue passenger kilometres/Cargo revenue tonne kilometres}}$$

$$\text{Cost per ATK} = \frac{\text{Total operating expenses at Cathay Pacific*}}{\text{ATK of Cathay Pacific*}}$$

* Including Cathay Dragon in 2020.