

70 years  
A GREAT WAY TO FLY



# Sustainability Report FY2016/17



# OVERVIEW

**This Sustainability Report aims to inform stakeholders of Singapore Airlines of our sustainability performance in a transparent and accountable manner. It covers issues related to governance, stakeholder engagement, community projects and the environment.**

Through this report, we also hope to identify opportunities for improvement to our sustainability management as well as issues that are integral to our business in order to address them effectively and appropriately. We endeavour to integrate sustainability throughout our customer experience and engagement process. Together with relevant partners within our value chain, we hope to explore ways to improve sustainable practices across all aspects of our operations.



**Reporting Period**  
SIA's Sustainability Report is published in June on an annual basis. This report covers the Financial Year 2016/17 from 1 April 2016 to 31 March 2017. The previous Sustainability Report was published in June 2016.

**Reporting Scope**  
The information and figures in this report refer to the Head Office of the Parent Airline in Singapore, and excludes subsidiaries in the Singapore Airlines Group - SIA Cargo, SIA Engineering Company, SilkAir, Scoot, Tiger Airways and Tradewinds Tours and Travel - unless otherwise stated. The '\$' sign used in this report refers to Singapore Dollars unless otherwise stated.

**Reporting Process**  
Singapore Airlines' Management Committee, which consists of the Chief Executive Officer, the two Executive Vice Presidents and Senior Vice Presidents from all divisions, directs the preparation of the report. The Committee endorses the contents of the report, supported by a strategic team of department head-level staff. Information for this report is collected from various departments and overseas offices, which are required to confirm the accuracy and authenticity of their data through documentary evidence or past operational performance. We aim to continuously improve this process in order to ensure that our data collection is effective and robust.

**GRI Guidelines**  
This report has been prepared in accordance with the GRI (Global Reporting Initiative) Standards: Core option. We have not sought external assurance for this report.

**Feedback**  
Our stakeholders' feedback is important to us and we welcome feedback on this report and any aspect of our sustainability performance. Please address all feedback to Divisional Vice President Public Affairs, at public\_affairs@singaporeair.com.sg.



**About the Cover:**  
Since 2010, SIA has been supporting the Harapan Rainforest Initiative. Also known as Hutan Harapan, it is a large-scale project in Indonesia aimed at restoring and protecting one of the world's most threatened and bio-diverse ecosystems.

*Photo credit: Ardi Wijaya/Hutan Harapan*

## Contents

Throughout our Sustainability Report FY2016/17, you will find various case studies highlighting some of our contributions to the world around us.

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# CEO'S MESSAGE

## This is Singapore Airlines' fifth Sustainability Report, detailing our sustainability-related initiatives over the past financial year related to economic, environmental and social issues.

It represents another progressive step forward in our sustainability journey. We have transitioned to the latest Global Reporting Initiative (GRI) Standards for disclosures on topics identified as important to SIA and our stakeholders, and are encouraged by feedback that we have been receiving about the quality of our reporting. We will endeavour to keep improving.

SIA was recognised by the Singapore Exchange (SGX) in 2016 as a frontrunner in environmental, social and governance standards when we were included in the new SGX Sustainability Leaders Index. We were honoured by the recognition, and consider it affirmation that our sustainability efforts are maturing and moving in the right direction. We are now working to ensure that future reports will be in compliance with new SGX rules on sustainability reporting that will soon take effect.

In this year's report, we have included additional targets that have been set for various aspects of our business. For example, to improve sustainability along our supply chain, we aim to source seafood from suppliers that have been accredited by the Marine Stewardship Council. We also aim to offer more Singapore-manufactured products to our customers to support more local small and medium-sized enterprises.

During the past financial year, we took delivery of 10 more Airbus A350-900s, which are the most fuel-efficient aircraft in our fleet. We also announced a commitment to order 20 Boeing 777-9s and 19 more Boeing 787-10s. This is in line with our longstanding practice of maintaining a modern fleet, which enables us to operate more efficiently and expand our network reach. We added Canberra, Dusseldorf and Wellington to the Singapore

Airlines network during the financial year and relaunched non-stop services between Singapore and the United States. In addition to allowing for network expansion, our investment in new fuel-efficient aircraft helps to advance our objective of reducing carbon emissions.

We support the wider aviation industry's targets to tackle climate change. These comprise: improving fuel efficiency by an average of 1.5 per cent annually from 2009 to 2020; stabilising net aviation CO<sub>2</sub> emissions at 2020 levels through carbon-neutral growth; and reducing aviation's net CO<sub>2</sub> emissions to 50 per cent of 2005 levels by 2050.

Our new Singapore-Canberra-Wellington route, dubbed the "Capital Express", is one example of how we are doing our part to reduce emissions together with partners. We have worked closely with the air traffic management authorities to implement best practices in flight operations to help reduce fuel burn.

We are also committed to achieving, by FY2020/21, a 15 per cent reduction in electricity consumption in our offices and a 30 per cent reduction in waste generation from our buildings. Various departments across Singapore Airlines are also doing their part for the environment by setting targets to reduce paper usage. Details of these and other initiatives are shared in the "Managing Our Environmental Impact" section of this report.

A significant corporate development during the financial year was the formation of Budget Aviation Holdings, which has been tasked with more closely integrating the two budget carriers in our portfolio, Scoot and Tiger Airways, which will be operating under the single Scoot brand name in the second half of the 2017 calendar year. This is an example of the increasing importance of subsidiaries to the SIA Group, and we aim to progressively broaden our scope of reporting to include more information about them in the years ahead. This will enable us to better move the entire SIA Group forward in our sustainability development. In this report, we have included various initiatives taken

by subsidiary airlines aimed at enhancing the travel experience of our customers.

The year ahead will be another challenging one, with overcapacity in our industry that is continuing to put significant pressure on yields. Fuel prices remain volatile, competition is intensifying and there is uncertainty over the global economic outlook. Despite the challenges, we remain committed to achieving our sustainability goals, and will continue to invest in new technologies and initiatives to sharpen our competitive advantage. We will also continue to seek out new opportunities to expand through adjacent businesses. The Airbus Asia Training Centre for pilot training in Singapore is one example. The facility, which is a joint venture with Airbus, was officially opened in the last financial year to meet the increasing demand for flight crew training services in the region.

SIA's greatest asset is its people and we will continue to invest heavily in training and learning initiatives to further develop our staff and expand their competencies. Our corporate core values have been refreshed to better motivate employees in a fast-changing economy. A dedicated Transformation Office was established recently to explore ways to do business differently and more innovatively. We also met targets relating to the enhancement of employee communications during the financial year in review.

This is the SIA Group's 70th anniversary year. As we celebrate this milestone and look back on our journey, we will remain committed to continue giving back to the community, growing as a sustainable organisation and looking forward to the future.

### GOH CHOON PHONG

Chief Executive Officer  
Singapore Airlines



# ABOUT SINGAPORE AIRLINES

**The history of Singapore Airlines dates back to 1947. Now an internationally-respected brand, we have become one of the world’s leading airline groups with an advanced fleet of aircraft.**

With one of the world’s most modern fleets, a network spanning five continents, and the Singapore Girl as an iconic symbol of quality customer care and service, we have earned a reputation as an innovative market leader, combining quality products with excellent service.

We have a reputation of leading the way as an industry trendsetter. Our ever-growing list of industry-leading innovations includes the following firsts:

<div style="background-color: #8B4513; color: white; padding: 5px; margin-bottom: 5px;"><b>1<sup>st</sup></b></div> <p><b>to offer free</b> headsets, a choice of meals and complimentary drinks in Economy Class, in the 1970s.</p>	<div style="background-color: #000080; color: white; padding: 5px; margin-bottom: 5px;"><b>1<sup>st</sup></b></div> <p><b>to introduce</b> satellite-based in-flight telephones, in 1991.</p>	<div style="background-color: #008080; color: white; padding: 5px; margin-bottom: 5px;"><b>1<sup>st</sup></b></div> <p><b>to involve</b> a comprehensive panel of world-renowned chefs, the International Culinary Panel, in developing in-flight meals, in 1998.</p>	<div style="background-color: #00CED1; color: white; padding: 5px; margin-bottom: 5px;"><b>1<sup>st</sup></b></div> <p><b>to offer</b> audio and video on demand (AVOD) capabilities on <i>KrisWorld</i> in all classes, in 2001.</p>	<div style="background-color: #696969; color: white; padding: 5px; margin-bottom: 5px;"><b>1<sup>st</sup></b></div> <p><b>to fly</b> the Airbus A380 aircraft, in 2007.</p>
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Singapore Airlines Limited (“the Company”) is a limited liability company incorporated in the Republic of Singapore which is also the place of domicile. The Company is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) and is a subsidiary company of Temasek Holdings (Private) Limited, incorporated in the Republic of Singapore.

The registered office of the Company is at Airline House, 25 Airline Road, Singapore 819829.

The principal activities of the Group consist of passenger and cargo air transportation, engineering services, training of pilots, air charters and tour wholesaling and related activities. The principal activity of the Company consists of passenger air transportation.

## Mission Statement

Singapore Airlines is a global company dedicated to providing air transportation services of the highest quality and to maximising returns for the benefit of its shareholders and employees.

## Core Values

- |   |  |  |   |  |   |
|---|--|--|---|--|---|
| <p><b>1. EXCELLENCE</b><br/>We strive to be the best we can be. Every time.</p> | <p><b>2. SAFETY</b><br/>We put safety at the core of everything we do. Every time.</p> | <p><b>3. CUSTOMER FOCUS</b><br/>We understand our guests so we can truly delight them. Every time.</p> | <p><b>4. CARE</b><br/>We care for our people and community. Every time.</p> | <p><b>5. INTEGRITY</b><br/>We go out of our way to do the right thing. Every time.</p> | <p><b>6. TEAMWORK</b><br/>We work as one team to achieve our goals. Every time.</p> |
|---|--|--|---|--|---|

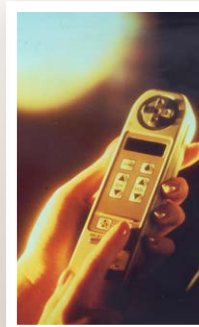
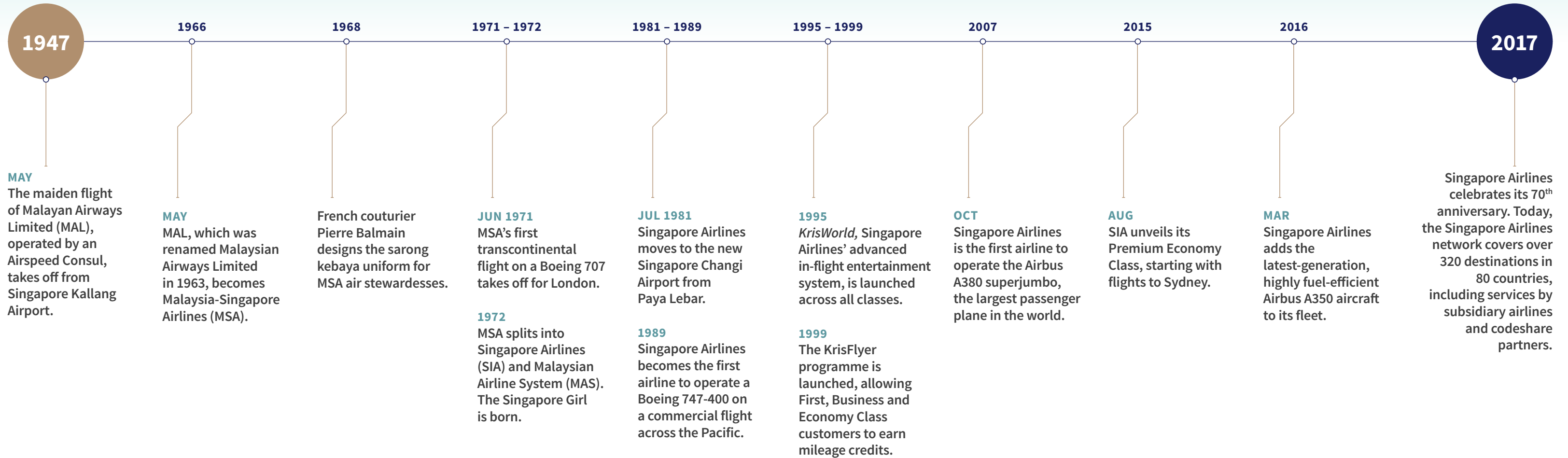
## Membership of Associations

Singapore Airlines is a member of Star Alliance, the International Air Transport Association (IATA), the Association of Asia Pacific Airlines (AAPA) and the Sustainable Aviation Fuel Users Group (SAFUG), among other groups. Mr Goh Choon Phong, SIA’s CEO, is a Member of the Board of Governors of IATA and is due to become its Chairman in June 2017. Singapore Airlines is also represented in various committees and working groups as part of our membership with these associations.

# HISTORICAL TIMELINE OF SIA

## FLYING FORWARD

## FLYING FURTHER





# ROUTE NETWORK

As at 31 March 2017, the Airline’s route network, including Singapore Airlines Cargo, SilkAir, Scoot and Tigerair destinations, covers 136 destinations in 37 countries. A key operation/service in these markets is passenger and cargo transportation by air.

## DESTINATIONS SERVED By Singapore Airlines & Singapore Airlines Cargo

Country	Destination	Country	Destination
<b>AUSTRALIA</b>	Adelaide	<b>KENYA</b>	Nairobi*
	Brisbane		<b>MALAYSIA</b>
	Canberra	<b>MALDIVES</b>	Male
	Melbourne	<b>MYANMAR</b>	Yangon
	Perth	<b>THE NETHERLANDS</b>	Amsterdam
	Sydney	<b>NEW ZEALAND</b>	Auckland
<b>BANGLADESH</b>	Dhaka		Christchurch
<b>BELGIUM</b>	Brussels*		Wellington
<b>BRUNEI</b>	Bander Seri Begawan	<b>THE PHILIPPINES</b>	Manila
<b>CHINA</b>	Beijing	<b>RUSSIA</b>	Moscow
	Guangzhou	<b>SINGAPORE</b>	Singapore
	Hong Kong SAR	<b>SOUTH AFRICA</b>	Cape Town
	Shanghai		Johannesburg
<b>DENMARK</b>	Copenhagen	<b>SOUTH KOREA</b>	Seoul
<b>FRANCE</b>	Paris	<b>SPAIN</b>	Barcelona
<b>GERMANY</b>	Dusseldorf	<b>SRI LANKA</b>	Colombo
	Frankfurt	<b>SWITZERLAND</b>	Zurich
	Munich	<b>TAIWAN</b>	Taipei
<b>INDIA</b>	Ahmedabad	<b>THAILAND</b>	Bangkok (Suvarnabhumi)
	Bengaluru	<b>TURKEY</b>	Istanbul
	Chennai	<b>UNITED ARAB EMIRATES</b>	Dubai
	Kolkata		Sharjah*
	Mumbai	<b>UNITED KINGDOM</b>	London
	New Delhi		Manchester
<b>INDONESIA</b>	Denpasar	<b>UNITED STATES</b>	Anchorage*
	Jakarta		Dallas/Fort Worth*
	Surabaya		Houston
<b>ITALY</b>	Milan		Los Angeles
	Rome		New York
<b>JAPAN</b>	Fukuoka		San Francisco
	Nagoya	<b>VIETNAM</b>	Hanoi
	Osaka		Ho Chi Minh City
	Tokyo (Haneda)		
	Tokyo (Narita)		

\* Freighter-only destinations operated by Singapore Airlines Cargo

## DESTINATIONS SERVED By SilkAir

Country	Destination	Country	Destination	
<b>AUSTRALIA</b>	Cairns	<b>LAOS</b>	Luang Prabang	
	Darwin		Vientiane	
<b>CAMBODIA</b>	Phnom Penh	<b>MALAYSIA</b>	Kota Kinabalu	
	Siem Reap		Kuala Lumpur	
<b>CHINA</b>	Changsha			Kuching
	Chengdu			Langkawi
	Chongqing		Penang	
	Fuzhou	<b>MALDIVES</b>	Male	
	Kunming	<b>MYANMAR</b>	Yangon	
	Shenzhen		Mandalay	
	Wuhan	<b>NEPAL</b>	Kathmandu	
	Xiamen	<b>THE PHILIPPINES</b>	Cebu	
<b>INDIA</b>	Bengaluru		Davao	
	Chennai		Kalibo	
	Coimbatore	<b>SINGAPORE</b>	Singapore	
	Hyderabad	<b>THAILAND</b>	Chiang Mai	
	Kochi		Koh Samui	
	Kolkata		Phuket	
	Thiruvananthapuram	<b>VIETNAM</b>	Danang	
	Visakhapatnam		Hanoi	
<b>INDONESIA</b>	Balikpapan			
	Bandung			
	Denpasar			
	Lombok			
	Makassar			
	Manado			
	Medan			
	Palembang			
	Pekanbaru			
	Semarang			
Surabaya				
Yogyakarta				

## DESTINATIONS SERVED By Scoot

Country	Destination
<b>AUSTRALIA</b>	Gold Coast
	Melbourne
	Perth
	Sydney
<b>CHINA</b>	Dalian
	Guangzhou
	Hangzhou
	Nanjing
	Qingdao
	Shenyang
	Tianjin
<b>INDIA</b>	Amritsar
	Chennai
<b>JAPAN</b>	Osaka
	Tokyo (Narita)
	Sapporo
<b>SAUDI ARABIA</b>	Jeddah
<b>SINGAPORE</b>	Singapore
<b>SOUTH KOREA</b>	Seoul
<b>TAIWAN</b>	Kaohsiung
	Taipei
<b>THAILAND</b>	Bangkok (Don Mueang)

## DESTINATIONS SERVED By Tigerair

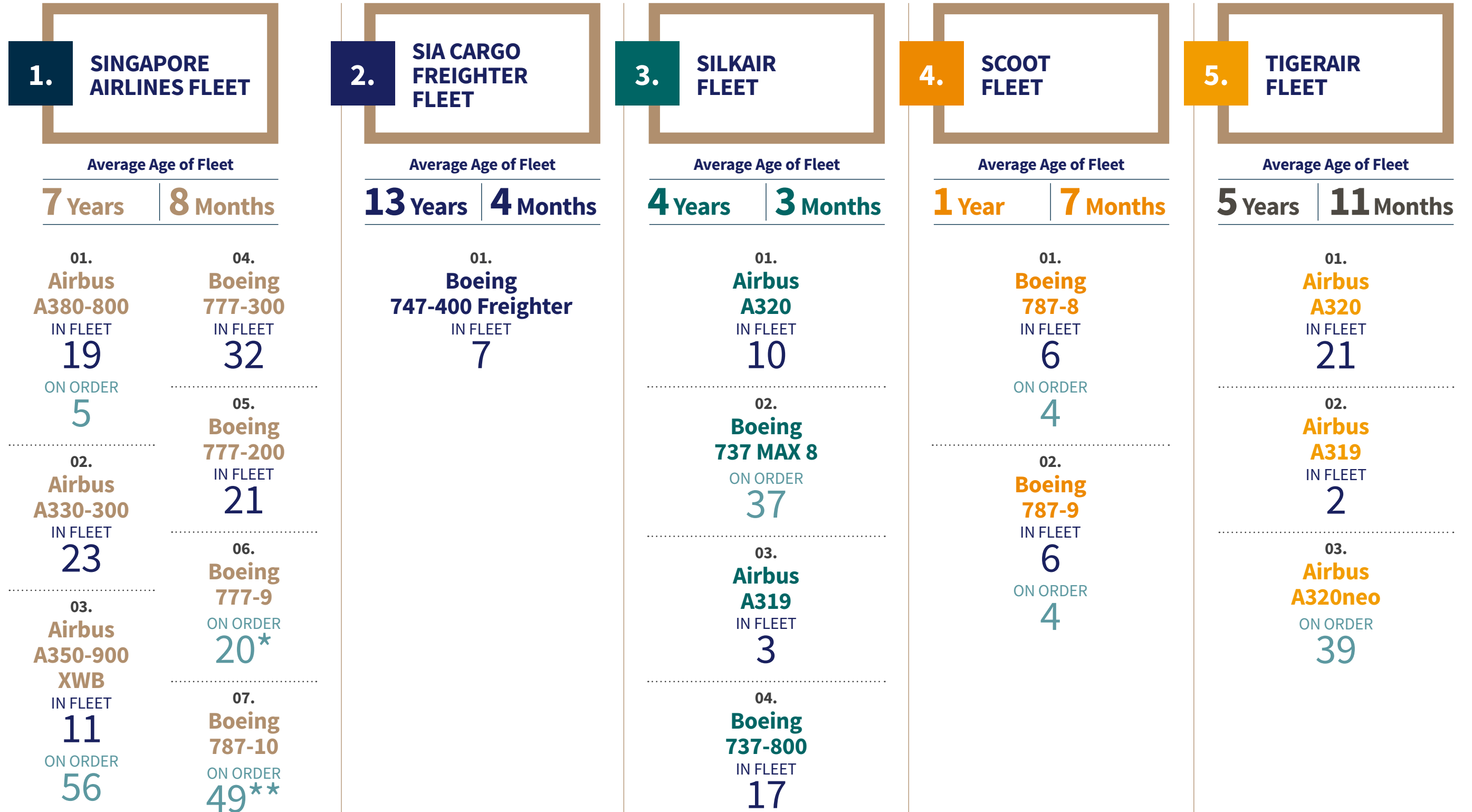
Country	Destination	Country	Destination	
<b>BANGLADESH</b>	Dhaka	<b>MALAYSIA</b>	Ipoh	
<b>CHINA</b>	Guangzhou			Kuala Lumpur
	Haikou			Langkawi
	Hong Kong SAR		Penang	
	Jinan	<b>MALDIVES</b>	Male	
	Macau	<b>MYANMAR</b>	Yangon	
	Nanning	<b>THE PHILIPPINES</b>	Cebu	
	Ningbo		Clark	
	Quanzhou		Kalibo	
Shenzhen	Manila			
	Wuxi	<b>SINGAPORE</b>	Singapore	
	Xi'an	<b>TAIWAN</b>	Taipei	
	Zhengzhou	<b>THAILAND</b>	Bangkok (Suvarnabhumi)	
<b>INDIA</b>	Bengaluru		Chiang Mai	
	Hyderabad		Hat Yai	
	Jaipur		Krabi	
	Kochi		Phuket	
	Lucknow			
	Tiruchirappalli	<b>VIETNAM</b>	Hanoi	
<b>INDONESIA</b>	Denpasar		Ho Chi Minh City	
	Jakarta			
	Surabaya			

# FLEET INFORMATION

As at 31 March 2017

## Singapore Airlines Group Fleet

Singapore Airlines has 106 aircraft in its fleet, while the Group fleet including that of subsidiaries SIA Cargo, SilkAir, Scoot and Tigerair comprises 178 aircraft. As at 31 March 2017, the average age of Singapore Airlines' aircraft is seven years and eight months, while the average age of the passenger aircraft fleet including subsidiaries is six years and five months. The fleet is among the most modern and fuel-efficient in the world.



\* Letter of Intent signed with Boeing in Feb 2017.  
 \*\* Letter of Intent signed with Boeing for 19 in Feb 2017. Earlier order for 30 signed in 2013.

More details of the SIA Group fleet profile can be found on page 26 of our Annual Report FY2016/17.

# CORPORATE GOVERNANCE

The Singapore Airlines Board and Management are committed to continually enhancing shareholder value by maintaining high standards of corporate governance, professionalism, integrity and commitment at all levels, underpinned by strong internal controls and risk management systems.

This Report sets out the Company’s corporate governance processes, with specific reference to the guidelines of the revised Code of Corporate Governance issued by the Ministry of Finance in Singapore in May 2012.

The Singapore Airlines Board consists of Chairman Mr Peter Seah Lim Huat, CEO Mr Goh Choon Phong and seven Directors from diverse backgrounds with varied expertise in finance, legal, business, marketing and management fields. The Board’s principal functions include charting the Group’s strategic direction, reviewing and approving annual budgets and financial plans and monitoring the Group’s performance; approving major acquisitions and fund-raising exercises; and ensuring the Group’s compliance with all laws and regulations as may be relevant to the business.

Full profiles of Directors are available on pages 20 to 21 and pages 76 to 79 of the Annual Report.

### Length of Service

Newly appointed Directors serve an initial term of three years, after which they are considered for re-nomination for another term(s). Their re-nominations are subject to the recommendations of the Chairman of the Board and the Nominating Committee. New Directors appointed in the year are subject to retirement and re-election by shareholders at the next Annual General Meeting after their appointment. All new appointments and re-elections require the approval of the Special Member, Singapore’s Minister for Finance.

Management briefs new Directors on the Company’s business and strategic direction, as well as governance practices. The Company conducts orientation programmes and site visits for new Directors and arranges for Directors to be updated on new laws and regulations, as well as changing commercial risks and industry developments, as deemed appropriate. Formal letters are issued to newly appointed Directors upon their appointment, including details of their duties and obligations as Directors.

For FY2016/17, Board Members attended briefings on the challenges facing the airline industry, as well as other related topics conducted by global airline industry leaders and experts. Please refer to pages 63 to 66 of our Annual Report for more information on SIA’s Board Committees.

### Communication with Shareholders

Singapore Airlines is committed to continually strengthening our relationship with the investing community and believes in timely and consistent disclosure of pertinent information to enable a transparent assessment of the Company’s value. The Company values dialogue with shareholders, and holds analyst and media briefings when announcing half-yearly and year-end results. Full transcripts of the proceedings are made available on SGXNet and our Company’s website at [www.singaporeair.com/en\\_UK/sg/about-us/information-for-investors](http://www.singaporeair.com/en_UK/sg/about-us/information-for-investors).

All financial results, as well as price-sensitive information, are released in a timely manner through various media, including press releases posted on the Company’s website and disclosure via SGXNet. The Company’s website is an important source of information for shareholders and the investing community. Quarterly results announcements, news releases, presentation slides, monthly operating statistics, annual reports, sustainability reports and other key facts and figures about the Company are available on the Information for Investors page.

The Investor Relations Department meets with analysts and investors on a regular basis through investor conferences and roadshows, as well as ad-hoc meetings and teleconferences. A dedicated investor relations email and hotline are maintained for the investing community to reach out to the Company for queries.

### Risk Assessment and Management

The Board of Directors is responsible for overseeing the Company’s risk governance, including the Enterprise-wide Risk Management Framework and corresponding processes. Through the Risk Management Process, all risks, including economic, environmental and socio-political, are identified, evaluated and managed accordingly on a coordinated and integrated basis. The Board Safety and Risk Committee reviews the effectiveness of the Risk Management Framework and Risk Management Process on behalf of the Board of Directors and meets at least quarterly to review risks and controls. The Board Safety and Risk Committee also ensures key risks are reported annually to the Board of Directors.

The Risk Management Process provides for the identification and management of risks from ground up, including from staff working in contact with customers/consumers, suppliers/agents and regulatory bodies. The needs and expectations of these external parties are taken into consideration in identifying and managing the risks.

The Risk Management Process also requires Senior Management to provide a top-down perspective to the identification and management of risks, so that corporate and shareholders’ needs and requirements are also taken into consideration.

Subsidiaries under the SIA Group are required to implement the Enterprise-wide Risk Management Framework. The SIA Group Risk Management Committee maintains oversight of the risk management activities of the Group and subsidiaries and ensures that risk responses are coordinated across the companies. Group-wide risk management reviews are carried out twice annually to ensure that risk registers are kept current and corresponding risk controls are kept in place and up to date.

### Ethics and Integrity

Singapore Airlines is committed to achieving high standards of corporate governance. Ethical business conduct is a significant guiding principle we adopt in our worldwide operations.

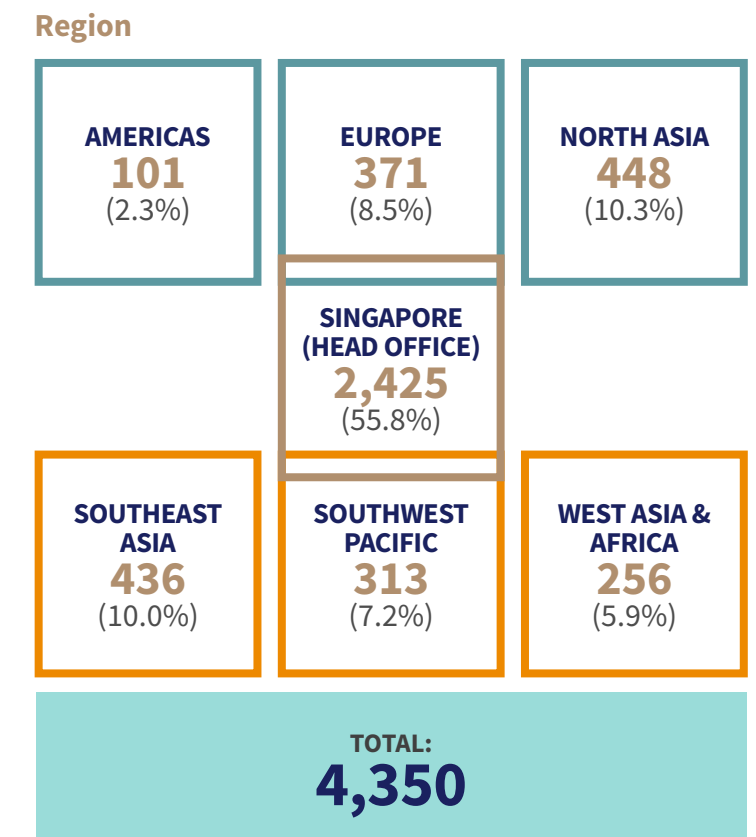
Our partnership with employees, contractors and agents is on the basis that their integrity in the conduct of their work is critical to our business and reputation.

Singapore Airlines has a whistle-blowing programme called “Policy on Reporting Wrongdoing”, for employees, stakeholders and the public to raise concerns about possible improprieties in matters of financial reporting or any other matter, in confidence. The policy is communicated to our employees through our internal Intranet and a mandatory e-learning training module. Under the policy, employees may report suspected matters of wrongdoing affecting the Company, either through email at [ethics\\_hotline@singaporeair.com.sg](mailto:ethics_hotline@singaporeair.com.sg) or via telephone at +65 93875667. The Audit Committee has reviewed and is satisfied with the adequacy of this programme. All whistle-blower reports are reviewed by the Audit Committee at its quarterly meetings to ensure independent investigation and adequate resolution. There were no confirmed incidents of corruption involving our employees or business partners in FY2016/17.

Singapore Airlines requires employees who are in a conflict of interest situation or involved in one which could potentially lead to a conflict of interest to report the matter to the Company. All employees are required annually to declare any conflict or potential conflict of interest situation to the Human Resources Division.

We also have a Suppliers’ Code of Conduct that we expect our suppliers to adhere to. Based on the principles of the United Nations Global Compact with respect to Human Rights, Labour, the Environment and Anti-Corruption, the Code’s contents were developed to be consistent with our business values. More information can be found in the Stakeholder Engagement: Suppliers section of this report.

### Number and percentage of employees\* who have received anti-corruption training, by region:



\* Figure excludes pilots and cabin crew



# SUSTAINABILITY AT SINGAPORE AIRLINES

## Our Sustainability Organisational Structure

SIA's sustainability drive is spearheaded by the Sustainability Strategic Working Committee (SSWC), which oversees company-wide sustainability strategies and initiatives. The SSWC is headed by Divisional Vice President Public Affairs and includes a cross-functional team which is represented by the department heads of various business units<sup>1</sup>. The SSWC reports to SIA's Management Committee on sustainability-related updates. SIA's Public Affairs Department, the secretariat for the SSWC, coordinates the various sustainability efforts and reports sustainability-related performance data.



<sup>1</sup> Business units include Cabin Crew; Commercial Supplies; Customer Affairs; Customer Contact Services; Customer Experience; Engineering; Finance; Flight Operations; Ground Handling and Catering Contracts; Human Resources; Inflight Services; Internal Audit; Legal & Secretariat; Product Innovation; Properties; Risk Management; and Safety, Security & Environment.

## Our Sustainability Strategy

SIA's sustainability strategy was established by the Management Committee in 2013. We believe that our sustainability framework not only enables us to retain our leadership position and fulfil the terms of our mission statement, but also empowers us to effectively contribute to the communities we serve. With this in mind, we seek to constantly develop as a responsible corporate citizen.

The sustainability strategy is defined by four key pillars:

- 01 Safety:** Safety is an essential part of our operations and we constantly strive to improve safety practices.
- 02 Managing Environmental Impact:** We are committed to environmental sustainability and ensure that our operations are carried out in a responsible manner.
- 03 Supporting Our Communities:** We practice good corporate citizenship and contribute and invest in the communities in which we operate.
- 04 Stakeholder Engagement:**
  - Customers:** We are committed to offering our customers the best travel experience through product and service innovation, our modern fleet and extensive network.
  - Shareholders:** We maximise returns for long-term profitability, with the aim of creating sustainable shareholder value.
  - Staff:** We value our staff and care for their well-being and development.
  - Suppliers:** We treat our suppliers with respect and emphasise fairness in our relationships with them.





# SUSTAINABILITY AT SINGAPORE AIRLINES

## Materiality Assessment

SIA's Sustainability Strategic Working Committee (SSWC) conducted a Materiality Assessment in 2013. We reflected on significant economic, environmental and social impacts to determine which topics are material to the organisation. This process included evaluating feedback from internal and external stakeholders, for example customer feedback. In addition, as SIA's Head Office is located in Singapore, the topic boundaries are focused on operations in Singapore, unless otherwise stated within the report.


The Materiality Assessment was subsequently endorsed by SIA's Management Committee. We will include the sustainable practices of our subsidiaries progressively, so as to provide a more holistic picture of the SIA Group in terms of opportunities, risks and performance.

### Material Topics of Singapore Airlines

 <p><b>1</b></p> <p><b>Customer Focus</b></p> <p>We are committed to offering our customers the best travel experience through product and service innovation, our modern fleet and extensive network</p>	 <p><b>2</b></p> <p><b>Employees</b></p> <p>We value our employees and care for their well-being and development</p>	 <p><b>3</b></p> <p><b>Safety</b></p> <p>Safety is an essential part of our operations and we constantly strive to improve our safety practices</p>	 <p><b>4</b></p> <p><b>Environment</b></p> <p>We are committed to environmental sustainability and ensure that our operations are carried out in a responsible manner</p>
 <p><b>5</b></p> <p><b>Governance</b></p> <p>We are committed to continually maintaining high standards of corporate governance, professionalism, integrity and commitment at all levels, underpinned by strong internal controls and risk management systems</p>	 <p><b>6</b></p> <p><b>Shareholders</b></p> <p>We maximise returns for long-term profitability, with the aim of creating sustainable shareholder value</p>	 <p><b>7</b></p> <p><b>Suppliers</b></p> <p>We treat our suppliers with respect and emphasise fairness in our relationships with them</p>	

## List of Stakeholder Engagement Initiatives


Our Materiality Assessment process also enabled us to identify important stakeholders, whose input directly influences business decisions and operations. The various business units represented in the SSWC identified key stakeholders and through regular interactions in the form of written and digital communication, face-to-face dialogues and briefings, were able to address key issues, feedback and concerns. Examples of how the Airline responded to stakeholder engagement are represented in the following table below. These engagements were not conducted specifically for the Sustainability Report.


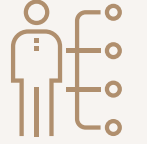
Stakeholder	Key Topics and Concerns	Examples of Our Responses
 <p><b>EMPLOYEES</b></p>	<p><b>Company-wide enhancement of internal communications.</b></p>	<ul style="list-style-type: none"> <li>Refreshed the six core values of Singapore Airlines. Campaigns were launched to update staff about these refreshed core values.</li> <li>Launched a revamped <i>Outlook</i>, the Airline's internal newsletter. Its new look was based on staff feedback obtained through surveys on how the newsletter can be improved to better communicate key messages and company developments to employees.</li> <li>Introduced the Singapore Airlines Senior Management Blog. About once every fortnight, a member of the Company's Management Committee uses this digital platform to share insights on major company developments, celebrate achievements or highlight snippets from his/her daily lives. This initiative has been well-received by staff.</li> <li>Held "Breakfast with CEO" sessions where employees can interact with the CEO in an informal setting.</li> <li>Held the first SIA Learning &amp; Innovation Week.</li> <li>Conducted an Organisational Climate Survey to gather feedback from staff on employee engagement and workplace-related issues.</li> <li>Organised a HR Forum to share HR policies with managers.</li> </ul>
	<p><b>Flight Operations' engagement with pilots via a variety of platforms.</b></p>	<p><b>Print/online:</b></p> <ul style="list-style-type: none"> <li>Internal Notice to Airmen (INTAM) and Flight Staff Instructions: operational messages sent to crew as part of their flight plan documentation.</li> <li>Flight Operations' W@VES: web portal for all crew containing information on policy matters, operational procedures, upcoming events and company matters.</li> <li>Technical Crew Circulars: hosted on W@VES, these circulars cover mainly policy and procedural matters. They can either be fleet-specific or cover all fleets.</li> <li>Flight Operations Notices: hosted on W@VES and emailed to all crew, this is a fortnightly publication containing information on operational and administrative matters.</li> <li>Fleet e-Newsletters: hosted on W@VES and emailed to the respective fleet crew, these are publications on fleet-specific issues.</li> <li>Fleet Talk: hosted on W@VES and functions as a one-way "Twitter Board" where the respective fleet management posts information, such as updates on aircraft incidents and notification of crew movement.</li> </ul> <p><b>Face-to-face:</b></p> <ul style="list-style-type: none"> <li>Fleet Meetings: held half-yearly and open to all ranks within the fleet, where external speakers can be invited to talk about aviation-related issues.</li> <li>Fleet Dialogue: held every alternate month for rostered crew and chaired by the respective fleet's Chief Pilot, focusing on internal fleet matters.</li> <li>Senior Vice President Flight Operations' (SVPFO) dialogue with crew: held every month for rostered crew where SVPFO addresses fleet-wide concerns such as fuel awareness and the crewing situation.</li> <li>Flight Operations Get-Together: held almost every year and open to all crew and ground staff as a social event with Flight Operations management.</li> <li>Operations and Training Symposium: held every year and open to all crew, focusing on operational and training matters.</li> <li>Instructor Meetings: internal meetings held regularly by the instructors on training issues.</li> <li>Safety Symposium: held every year with the Safety, Security &amp; Environment Division and open to all crew, covering flight safety issues.</li> <li>Fleet Chill Outs: held once a year where crew can interact in a casual setting.</li> </ul>



# SUSTAINABILITY AT SINGAPORE AIRLINES

## List of Stakeholder Engagement Initiatives continued

Stakeholder	Key Topics and Concerns	Examples of Our Responses
 <p><b>CUSTOMERS</b></p>	<b>Fleet Modernisation.</b>	<ul style="list-style-type: none"> <li>Took delivery of new Airbus A350 aircraft.</li> <li>Announced orders for 39 Boeing aircraft – 20 777-9s and 19 787-10s – for additional growth and fleet modernisation through the next decade.</li> </ul>
	<b>Relevant product innovation.</b>	<ul style="list-style-type: none"> <li>Introduced a new “Deliciously Wholesome” meal programme to cater to a growing number of health-conscious travellers.</li> <li>Offered local cuisine such as Teochew, Indian Ruchi Thali and Korean meals on selected flights.</li> <li>Upgraded the SilverKris Lounge at Brisbane Airport.</li> <li>Revamped the Airline’s website and added new functionalities to the SingaporeAir Mobile App.</li> <li>Improved the in-flight entertainment system, <i>KrisWorld</i>, with a more intuitive interface.</li> </ul>
	<b>Network expansion.</b>	<ul style="list-style-type: none"> <li>Launched new Singapore-Dusseldorf and Singapore-Canberra-Wellington services.</li> <li>Launched non-stop services between Singapore and San Francisco.</li> <li>Announced a new service to Stockholm via Moscow.</li> <li>Regional subsidiary SilkAir launched services to Vientiane and Luang Prabang in Laos and to Fuzhou in China.</li> <li>Budget subsidiary Scoot launched services to Amritsar and Chennai in India. It also took over SIA’s operations to Jeddah in Saudi Arabia and announced plans to launch services between Singapore and Athens in 2017.</li> <li>Budget subsidiary Tigerair launched services to Wuxi and Zhengzhou in China. It also took over Scoot’s operations to Jaipur in India.</li> </ul>
	<b>More seamless travel connections.</b>	<ul style="list-style-type: none"> <li>Expanded the Airline’s global network reach through partnerships with other airlines.</li> <li>Established a holding company to integrate the two budget carriers in its portfolio, Scoot and Tigerair.</li> </ul>
	<b>More choice and flexibility with travel itineraries.</b>	
	<b>Ensure positive customer experience at customer contact centre.</b>	<ul style="list-style-type: none"> <li>We engage with customers when they call, web-chat or email us for servicing matters and gather their feedback via a post-call survey.</li> </ul>
<b>Ensure timely follow-up on customer feedback received via various channels.</b>	<ul style="list-style-type: none"> <li>The responsibility of the Customer Affairs (CA) Department is to reach out to customers who provide feedback on the Company’s products and services.</li> <li>CA responds to customer feedback, addresses their concerns and offers them service recovery where deemed appropriate. Appreciation is also expressed to customers who take time to provide the Company with their valuable feedback.</li> <li>A dedicated Social Media Engagement Unit (SMEU) responds to customer feedback on SIA’s social media platforms and provides assistance with their requests and issues.</li> </ul>	

Stakeholder	Key Topics and Concerns	Examples of Our Responses
 <p><b>SHAREHOLDERS AND INVESTOR GROUPS</b></p>	<b>Clear and timely communication on Singapore Airlines’ operational and financial performance.</b>	<ul style="list-style-type: none"> <li>We believe in timely and consistent disclosure of pertinent information to enable a transparent assessment of the Company’s value. Analyst and media briefings are held on a half-yearly basis and full transcripts of the proceedings are made available on SGXNet and our Company’s website on the Information For Investors page.</li> <li>All financial results, as well as price-sensitive information, are released in a timely manner through various mediums, including email updates, press releases posted on the Company’s website and disclosure via SGXNet.</li> <li>Our Finance Division’s target is to ensure the accuracy of the reported results.</li> <li>We value engagement with shareholders, and a dedicated investor relations email and hotline are maintained for investors to reach out to the Company for queries.</li> <li>SIA meets with analysts and investors on a regular basis through investor conferences and roadshows, as well as ad hoc meetings and teleconferences. The Annual General Meeting also serves as a platform for shareholders to raise queries regarding the Group’s performance and strategies.</li> <li>We address investors’ concerns and strive to continuously strengthen our relationship with our shareholders. In addition, we strive to improve the investing community’s understanding of the Group’s portfolio strategy by increasing involvement of the senior management from key subsidiaries in our shareholder engagement activities.</li> <li>SIA’s Sustainability Report is posted on the Company’s website and on SGXNet.</li> </ul>
	<b>Ensuring high catering standards.</b>	<ul style="list-style-type: none"> <li>Regular meal presentations/audits are conducted to ensure meals are of the highest quality.</li> </ul>
 <p><b>SUPPLIERS/ VENDORS</b></p>	<b>Best practices for ground handling services.</b>	<ul style="list-style-type: none"> <li>Regular audit checks are conducted to ensure that ground handlers comply with established standards and procedures.</li> </ul>
	<b>Daily engagement with vendors on matters related to the customer contact centre.</b>	<ul style="list-style-type: none"> <li>We engage with vendors to recognise their agents for good performance and review their performance.</li> <li>Discussions with outsourced vendors on the latest technologies to help improve operations, for example, speech recognition, artificial intelligence and anticipative caller intent.</li> </ul>
	<b>Regular engagement with product suppliers through face-to-face meetings, emails and phone calls.</b>	<ul style="list-style-type: none"> <li>Project milestone meetings with aircraft suppliers Airbus or Boeing, and the respective seat and in-flight entertainment suppliers such as Jamco, Recaro, Panasonic and Thales.</li> <li>Weekly teleconferences with the above-mentioned suppliers for updates on the progress of the various projects.</li> <li>Regular engagement with the above-mentioned suppliers to highlight issues and clarify details on cabin interior and seat designs.</li> </ul>
	<b>Market review through meetings with suppliers once every two to three years to ensure that the Company continues to engage with the most cost-effective suppliers.</b>	<ul style="list-style-type: none"> <li>We engage ground handling and catering provider SATS every six months to discuss both commercial and operational matters. For all other suppliers, including current suppliers and potential partners, the Ground Handling and Catering Contracts (GHCC) Department meets them in Singapore, during visits to overseas stations or during international ground handling and catering conferences. These forums allow GHCC to keep pace with industry offerings and engage suppliers to discuss current operational issues and other procurement matters. Service Level Agreements, signed as part of a contract, are monitored closely to ensure the consistency of service standards.</li> </ul>



# SAFETY AT SINGAPORE AIRLINES

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Safety at  
Singapore Airlines

11  
SIA's Safety Performance

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# SIA'S SAFETY PERFORMANCE



The safety of our customers and staff is our first and foremost priority. It is the core of our operations and our success.

## SIA's Safety Performance

Stakeholder	Targets	Actual
Flight Incident Report Rates (per 1,000 flights)	below 1.02	A rate of 1.04 was achieved for FY2016/17
IATA Operational Safety Audit (IOSA)	Every two years	The last IOSA was completed in November 2016 with no findings and no observations
Lost Time Injury Frequency Rate (LTIFR)	-	i) SIA ground staff injury = 2.2 per million man hours ii) Cabin Crew in-flight injury = 16.3 per million man hours
Line Operations Safety Audit (LOSA) by The LOSA Collaborative (TLC), Klinect Group L.L.C.	Every four years	4 <sup>th</sup> LOSA is expected to be completed by the first quarter of 2018
Departmental & Corporate Risk Register (Operations)	Every six months	Reviewed every six months
Crisis Management Exercise	One annually	Carried out in February 2017
Fire Evacuation Drills	Twice per year	Conducted twice in 2016 for each office location
Hazard Identification & Risk Assessment for Workplace	Every three years	Target is to carry out next review in 2018

## Flight Safety Policy

The safety of our customers and staff is our first and foremost priority. It is the core of our operations and our success. We believe that it is every employee's responsibility to work towards a strong and positive safety culture.

### *SIA's Flight Safety Policy is founded on the premise that:*

- safety is the responsibility of everyone and at all levels in SIA.
- we will promote a strong safety culture in our company.
- our people will be well-trained and comply with all applicable regulations and standards.
- our equipment and operating systems will be well-maintained and comply with all applicable requirements.
- our Safety Management System (SMS) will deal with safety issues in a comprehensive and responsive manner and be able to effectively inform, educate and strengthen our safety values.
- we subscribe to the "Just Culture" principles in the handling of reported incidents and accidents. This refers to a way of safety thinking in which there is an atmosphere of trust for incidents and safety-related information to be reported freely so that lessons can be learnt and improvements made. The culture supports learning and sharing, and is necessary to ensure safe operations.
- we will continuously improve to sustain the high standards of our people and systems.

## Safety and Health Policy

Singapore Airlines places the greatest importance on the safety of our customers and employees and we will do our utmost to provide and maintain a safe and healthy work environment. We promote safety consciousness through teamwork, communication, education and training, and encourage employees to embrace safety as a personal and collective responsibility. We also have a Code of Conduct which we expect all our suppliers to adhere to.

### *We are committed to:*

- eliminate or mitigate risks to an acceptable level and implement control measures to prevent injuries or illnesses and/or loss or damage to property and equipment.
- comply with applicable regulatory requirements and adopt best practices.
- ensure that our equipment and facilities are well-maintained.
- instil and promote safety consciousness among our employees to prevent accidents and injuries.
- organise programmes and regular activities to improve the health and physical well-being of our employees.
- seek continuous improvement to our safety and health programmes.



# SIA'S SAFETY PERFORMANCE

## SIA Safety Programme

The SIA Safety Programme serves to strengthen safety as a core value and promote greater understanding and awareness of safety concepts and the Company's efforts towards safety management. This helps employees to better appreciate the roles they play, as well as the contributions they can make towards higher safety standards. The programme covers Introduction to Safety, Effective Safety Management, Safety Culture and Our Approach and Commitment to Safety. Every employee is enrolled in the Safety Programme and takes a refresher assessment every three years.

## Management Oversight

*SIA's safety governance structure consists of five groups to guide safety management:*

- Board Safety and Risk Committee (BSRC).
- Occupational Safety, Health and Environment Committee (OSHE).
- Air Safety Committee (ASC).
- Safety, Security & Environment Division (SSE).
- Divisional safety departments / Safety Action Groups (SAG).

## Ground Ramp Incident Prevention (GRIP) Programme

The SIA Ground Ramp Incident Prevention (GRIP) programme is into its 13th year. Over 1,500 observations were made in 2016 by teams from various divisions. This programme focuses on preventing ground ramp incidents at our overseas stations. Unsafe conditions and practices noticed were minor in nature and were attended to immediately.

## Workplace Safety and Health

As a result of the Workplace Safety and Health Risk Management Regulations set by Singapore's Ministry of Manpower, we focused on preparing relevant managers and risk assessment team leaders for the mandatory risk assessment exercise in FY2016/17. Selected staff were trained on the fundamentals of hazard identification, risk assessment and risk management at the workplace by applying risk management principles.

## Flight Data Analysis Programme (FDAP)

Flight data is captured in our aircraft's Quick Access Recorders (QAR). The data, which captures much of the aircraft's flight and systems performance, is downloaded from the QAR and is analysed for irregularities and to identify trends. Where necessary, corrective and/or preventive measures will be taken to improve flying standards and enhance safety.

## Safety Risk Management

SIA's Safety Risk Management policy is to manage risks in order to achieve corporate objectives. Safety risks are managed by proactively identifying the risks, and measures are then implemented to mitigate the risks to levels that are acceptable and necessary to enhance the value of the Company.

## Safety Surveys

SIA carries out a company-wide online safety survey with air crew every two years. The safety survey assesses a number of areas, such as safety management, violations observed during operations and readiness of our crew to report safety occurrences or issues. It provides an overall assessment of the safety climate and culture in our operational environment, as well as any safety concerns of our crew.

We also have a comprehensive list of quantitative and qualitative performance indicators to measure the effectiveness of our efforts. These indicators are reviewed on a quarterly basis and are benchmarked against industry standards.

## Employee Feedback

We place emphasis on using employee feedback to improve the safety environment in the workplace and encourage employees to identify hazards and report incidents, no matter how minor, to create awareness and highlight risks. Procedures are put in place for employees to report such incidents for both flight and occupational safety.

## Cabin Operation Safety

Determining the level of safety in our cabin operations is key to helping us understand the effectiveness of safety procedures and to review improvement plans. With the Cabin Safety Observations (CSO) programme, we are able to adopt a quality approach in assessing crews' performance in their safety duties and responsibilities. All information gathered by our qualified observers is collated and discussed with Cabin Crew Management, as well as shared with cabin crew. Areas for improvement are identified and worked on. Findings from the CSO are categorised into Levels One, Two and Three (Level Three is the lowest level of severity). Our target is to not have more than one Level Three finding and zero Level One and Two findings per audit.

## Safety & Security Week 2016

The Safety & Security Week (SSW) was held from 29 August – 2 September 2016 to promote safety and security awareness among SIA Group staff. "Safety & Security – It Makes Sense" was the theme of the SSW, highlighting the importance of being alert to our surroundings and potential safety hazards. Various divisions and units within the SIA Group organised programmes such as forums, seminars and campaigns to promote safety and security at their respective work areas.

## Operational Safety

For our pilots, operational safety is key. To ensure the highest standards of flight operations, our pilots undergo rigorous training with continuous refresher courses.



**We believe that it is every employee's responsibility to work towards a strong and positive safety culture.**



# SIA'S SAFETY PERFORMANCE

## Pilot Training

01

### Ab-Initio Pilot Training Conducted By Singapore Flying College:

Training cadet pilots with no flying experience to achieve an Airline Transport Pilot's Licence (ATPL) or Multi-Crew Pilot Licence (MPL).

02

### Second Officer Training To Qualify As First Officers:

Cadet pilots who complete their initial pilot training undergo a conversion programme to qualify to fly the Airbus A330 or Boeing 777. They then undergo a structured Second Officer training programme. Upon successful completion, they are appointed as First Officers in SIA, after which they operate as qualified co-pilots.

03

### Command Upgrade Programme For First Officers:

Tailored programmes to prepare First Officers for upgrade to Captain are conducted at regular intervals during the course of their careers. Those who meet the requirements and professional standards to qualify for command are put through a rigorous assessment programme before they are promoted to Captain.

04

### Conversion Training to Qualify Pilots for an Aircraft Rating:

Any pilot who moves to a different fleet must undergo conversion training.

05

### Initial Crew Resource Management (CRM):

CRM training is required for all pilots when they first join the Airline. CRM training builds on a pilot's technical abilities as well as non-technical skills such as situational awareness, communication, leadership, teamwork and decision-making.

06

### Initial Safety and Emergency Procedures (SEP):

SEP training is required for all pilots.



Every year our staff from Flight Crew Training attend major pilot training conferences and seminars held by industry organisations and aircraft manufacturers to gain insight into new and innovative training methodologies and to share training experiences within the industry.



## Recurrent Training

### Recurrent training for pilots:

Conducted twice a year in the full-flight simulator, the recurrent training programme enhances the proficiency of our pilots in handling and managing abnormal and emergency situations. Recurrent training also allows our pilots to practise manual flying under different situations and environmental conditions. Proficiency in manual flying is a key skill for pilots in the face of increasing automation in modern flight decks.

### Recurrent SEP training:

Conducted every year, the training ensures our pilots' knowledge is refreshed and tested. It also ensures they remain competent in aircraft and cabin safety, and emergency procedures.

### Recurrent CRM training:

This refresher course is conducted for pilots once every three years.

### Recency training:

This is conducted for any pilot who has been absent from flying for more than 35 days.

### Developmental training:

SIA has a Pilot Development Unit that takes charge of development training programmes for pilots. Most of these courses are conducted by in-house presenters and facilitators, with some courses run by external consultants. An in-house Flight Instructor Development Programme is conducted for instructor candidates.

### Other training:

Within the framework of mandatory training, SIA also conducts other training for pilots, deemed useful or necessary in light of our operating experience, recent events or incidents involving other airlines (evidence-based training). Every year our staff from Flight Crew Training attend major pilot training conferences and seminars held by industry organisations and aircraft manufacturers to gain insight into new and innovative training methodologies and to share training experiences within the industry.

In addition to recurrent and developmental training, every pilot undergoes a minimum of three checks a year. These include two Base Checks in the full-flight simulator to demonstrate competency in manual flying and in handling and managing abnormal, and emergency procedures, as well as one Line Check in the aircraft to assess competency in operating a regular flight in accordance with company policies and standard operating procedures.

This continues throughout the pilot's career and a pilot will visit the full-flight simulator at least four times a year either for training sessions or checks. This ensures



# SIA'S SAFETY PERFORMANCE

that a pilot's knowledge, flying skills and cockpit management skills are continuously practised, refreshed and updated.

Another key initiative in our pilot development is our pilot mentoring programme. This mentoring framework aims to further improve our pilots' performance through teaching, coaching and role modelling. It also supports the transition of our pilots in their new roles as they advance through the ranks, from cadet pilots to instructors.

In addition, this mentoring framework provides opportunities for our senior pilots to develop their coaching, mentoring and communication skills. The goal of the mentoring programme is to develop our pilots to their full potential, enhance safety attitudes and behaviours by building on their professional values, and propagate SIA's organisational core values.

## Fatigue Risk Management System (FRMS)

SIA is an active participant in this programme, which looks at issues related to pilot fatigue to enhance safety and ensure optimal operating levels of our crew.

Crew rest facilities on our aircraft are carefully evaluated to ensure proper rest is available for our crew who are on duty. SIA has been actively developing policies and processes to continuously evaluate, mitigate and monitor crew fatigue, which are reported to the Civil Aviation Authority of Singapore (CAAS) on a regular basis. A Fatigue Safety Action Group comprising representatives from SIA's Safety, Security & Environment Division, Flight Operations and the Air Line Pilots Association Singapore (ALPA-S) conducts meetings once every two months.

## Aircraft Maintenance

SIA's Engineering Division's pursuit of operational and technical excellence is fuelled by the strong correlation between safety and reliability. Our aircraft maintenance complies with the requirements set by CAAS as well as the recommendations of the International Civil Aviation Organization (ICAO).

While this focus on achieving high standards in aircraft maintenance remains a key objective, the drive towards a safe working environment for our staff and contractors is also a priority. The incorporation of Safety Management System (SMS) practices into airworthiness requirements by both CAAS and ICAO has given fresh impetus to Engineering Division's longstanding emphasis on "safe aircraft, safely maintained".

For this reason, our Engineering Division has sought, attained and maintained accreditation by TUV SUD PSB Pte Ltd, a global testing, certification, inspection and training provider, in the following aspects:

### ISO 9001:2008

**QUALITY MANAGEMENT SYSTEM** for the provision of technical support for SIA's aircraft acquisition and disposal, aircraft maintenance activities, and engineering and spares management.

### ISO 14001:2004

**ENVIRONMENTAL MANAGEMENT SYSTEM** for the provision and management of aviation and engineering support services.

### BS OHSAS 18001:2007

**OCCUPATIONAL HEALTH & SAFETY MANAGEMENT SYSTEM** for the provision and management of aviation engineering support services.

## Passenger Safety

We offer a wide variety of safety and security courses to train our cabin crew. All pilots and cabin crew undergo courses such as SEP training and are enrolled in the FRMS programme. Information on workplace safety is shared with crew through videos, circulars, campaigns and communication sessions. Our cabin crew are trained to be situationally aware at all times, and to be proficient in teamwork and effective communication. The importance of balancing service with safety and security is also consistently emphasised through the various channels. We target zero high-severity incidents.

## Food Safety

SIA is committed to serving in-flight meals that meet the highest levels of food safety and hygiene. We have a policy of not using Monosodium Glutamate in our freshly prepared meals. Our caterers ensure that ingredients are sourced from licenced and accredited establishments which conform to requirements of relevant regulatory authorities, as well as the Hazard Analysis and Critical Control Points (HACCP) and International Organization for Standardization (ISO).

Locally-manufactured items are procured only from establishments that are licenced by the Agri-Food and Veterinary Authority of Singapore or the equivalent authority in other countries. The Quality Assurance team from our local caterer, SATS, conducts factory audits, regular laboratory tests and random quality checks on incoming raw materials. In addition, SATS is regularly audited by Medina Quality and Safety Alliance In-flight Services.

# FOCUS ON PEOPLE

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## FOCUS ON PEOPLE

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Employees

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Stakeholder  
Engagement:  
Customers

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Stakeholder  
Engagement:  
Suppliers

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# STAKEHOLDER ENGAGEMENT: EMPLOYEES

## Employees

As a global airline, SIA is dedicated to providing air transportation services of the highest quality. With an unyielding commitment to fleet modernisation, product and service innovation, as well as market leadership, we are proud to be one of the world's most respected travel brands.

Our success would not have been possible without the efforts of our people and our strong collaborative partnership with our unions. We recruit dynamic individuals from diverse backgrounds and provide our employees with equal opportunities to achieve their full potential. Our union leaders have also supported us over the years in launching initiatives that help our workforce to be better prepared for the future.

In 2016, SIA won the award for the Most Popular Graduate Employer for the "Logistics, Transport and Supply Chain" sector at the Singapore's 100 Leading Graduate Employers Awards. The award recognises organisations which students from Singapore's institutions of higher education most want to work for.

## Our Diverse Workforce

We are proud to have a diverse workforce comprising 14,800\* employees (as at 31 March 2017) based in 35 countries. Our employee strength has increased by 5.4 per cent as compared to the previous financial year, with 99.6 per cent full-time and 0.4 per cent part-time employees. Of our senior management^ based at our Singapore Head Office, 99.6 per cent are Singapore citizens or Permanent Residents, while 74.2 per cent of overall employees are Singapore citizens or Permanent Residents. We also have a good balance of male and female employees, with males accounting for 47.6 per cent and females accounting for 52.4 per cent of our total workforce in Singapore.

## Total number of employees in our subsidiaries



\* Excludes SIA staff seconded to other companies and includes staff seconded to SIA

^ Senior management refers to those who are holding managerial positions and above, and management pilots

**In 2016, SIA won the award for the Most Popular Graduate Employer for the "Logistics, Transport and Supply Chain" sector at the Singapore's 100 Leading Graduate Employers Awards.**

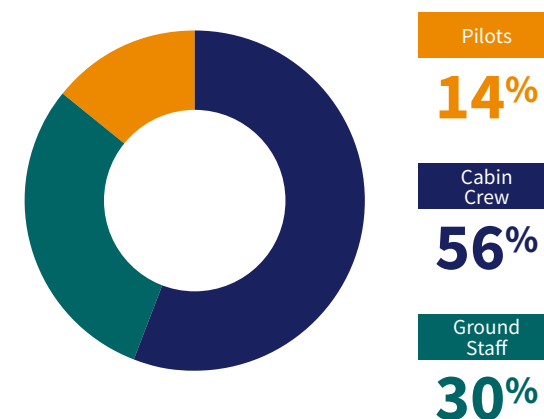
## Total number of SIA employees by employment contract (permanent and contract), by region

	Permanent	Contract	Total
Americas	118	3	121
Europe	414	9	423
North Asia	467	6	473
Southeast Asia	390	0	390
Singapore (Head Office)	6,023	6,757	12,780
Southwest Pacific	347	1	348
West Asia & Africa	254	11	265
<b>Total</b>	<b>8,013</b>	<b>6,787</b>	<b>14,800</b>

## SIA employees by employment type (full-time and part-time), by gender

	Male	Female	Total
Full-Time	7,046	7,706	14,752
Part-Time	-	48	48
<b>Total</b>	<b>7,046</b>	<b>7,754</b>	<b>14,800</b>

## Percentage of SIA employees, by category



## Industrial Relations

We work closely with the Air Line Pilots Association Singapore (ALPA-S), Air-Transport Executive Staff Union (AESU) and Singapore Airlines Staff Union (SIASU) to ensure that fair and sustainable wage settlements and terms of employment are provided to employees. About 98 per cent of SIA employees are covered by collective bargaining agreements.

We adopt a collaborative partnership approach in our engagements with the unions. Regular monthly meetings are held between management and union leaders to address workforce matters. They also explore new initiatives aimed at preparing our employees to meet an increasingly competitive business environment. We have successfully launched various programmes to ensure the continuous development and skills upgrading of our employees, in order to widen their career experience, and improve individual performance and productivity.

SIA's Chairman and senior management hold quarterly luncheon engagements with the union leaders, where they discuss the business outlook and labour-management issues. Union leaders are also invited to company functions, such as retirement and long service awards ceremonies, and company Business Meetings. Union-Management retreats are also organised for the participants to discuss long-term strategic workforce initiatives.

Some key agreements concluded with the unions include:

- ALPA-S Collective Agreement effective 1 April 2015 to 31 March 2018.
- SIASU Collective Agreement effective 1 March 2016 to 28 February 2019.
- Service Increment 2016 with AESU effective 1 July 2016.
- Service Increment 2016 with SIASU effective 1 July 2016.
- AESU Collective Agreement effective 1 August 2016 to 30 July 2019.
- Service Increment 2017 with ALPA-S effective 1 January 2017.

### AESU:

Representative body for airline executives. About 50 per cent of SIA executives are members.

### ALPA-S:

Representative body for airline pilots in Singapore. About 95 per cent of SIA pilots are members.

### SIASU:

Representative body for cabin crew and administrative support staff. About 70 per cent of SIA employees are members.

# STAKEHOLDER ENGAGEMENT: EMPLOYEES

## Employee Benefits

We care for our employees' well-being and work-life integration. Full-time employees who are based in Singapore enjoy benefits such as:

- Complimentary air ticket once a year to any destination in SIA's network and discounted airfares for themselves and eligible dependants.
- Leave: Annual, Matrimonial, Paternity, Maternity, Shared Parental, Childcare, Adoption, National Service and Compassionate Leave.
- Outpatient general practitioner, specialist, dental and inpatient medical care.
- Group Term Life Insurance Scheme, Group Personal Accident Insurance, and Medical Insurance for Dependants of Staff.
- Zoo/ River Safari pass.
- Holiday accommodation subsidy.

We also provide staggered working hours and work-from-home schemes for our ground staff.

## Employee Health and Wellness

To promote a healthy lifestyle and general employee wellness, we held several activities as part of the "SIA Wellness & Health Programme".

The following activities were held during FY2016/17:

### Talks/ Workshops

- Healthy Eating talks, e.g. Eat & Exercise the Right Way
- Sports, e.g. Stretch to Relieve Tension, Stretching@Work Desk
- Healthy Cooking Demo classes, e.g. Nutritious & Prosperous Cooking Relay, Blueberry Vanilla Chia Seed, My Hippy Kitchen, Longevity Treasure Box

### Sports Activities

- SIA Group Road Run
- SIA Group Athletics Meet
- SIA Group Games Fest

### Other Workplace Health Initiatives

- Free annual basic health screening
- Counselling helpline service
- Wellness and Health online community for staff to share health and wellness tips

## Employee Code of Conduct

All employees are expected to adhere to SIA's Employees' Code of Conduct or staff regulations, published on our corporate Intranet. Our staff regulations cover aspects such as non-discrimination, harassment, anti-corruption and competition law policies. Grievance mechanisms are also detailed in our Collective Agreements. Other labour practices relating to child labour, forced or compulsory labour, human rights grievance mechanism, and diversity and equal opportunity are carried out in accordance with the Ministry of Manpower's Employment Act as well as other laws of Singapore.

Strict compliance with our staff regulations is expected of all staff as set out in their employment contracts. When cases of misconduct are reported, the Company has an established Disciplinary Inquiry Process to guide appropriate actions. All proceedings of disciplinary inquiries are recorded and a summary report of each inquiry is submitted to our senior management. The staff regulations are also reviewed from time to time by the Human Resources Division and Legal Department to ensure its relevance and for changes to be communicated to staff. The number of grievances to third parties, if any, are captured annually and reported in SIA's Sustainability Report.

## Performance & Productivity

### SIA Core Values

We refreshed our core values in FY2016/17, in conjunction with the Airline's 70th anniversary. Our core values define who we are as an organisation. All employees are expected to embrace and exemplify our core values in the course of their work. The spirit of our core values is reinforced in our onboarding programme as well as during staff appraisals.

### Towards Optimal Productivity (TOP)

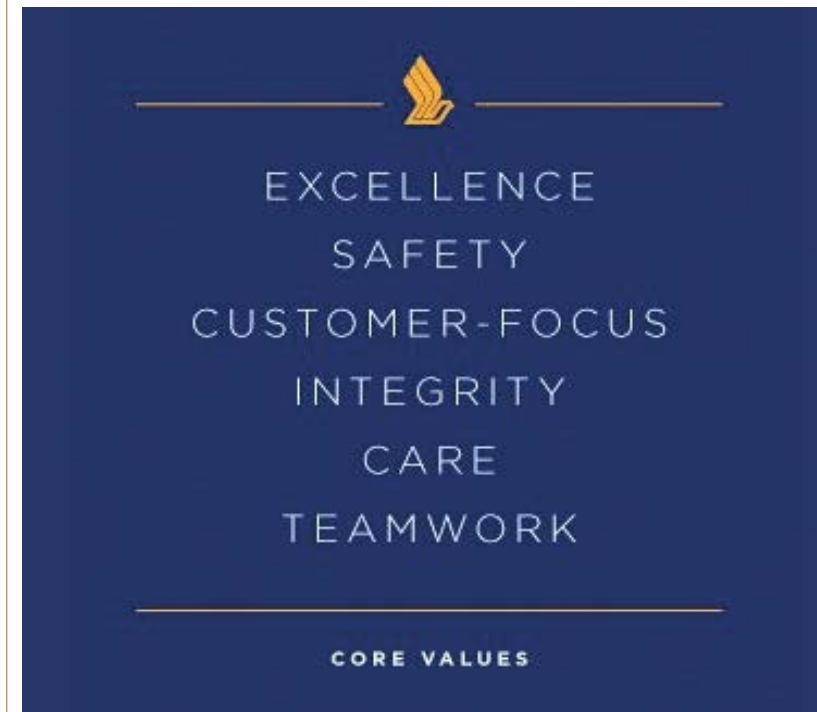
In 2012, we introduced our workforce productivity initiative, Towards Optimal Productivity (TOP), in collaboration with our ground staff unions. The TOP programme aims to develop a culture of high performance and a mindset of continuous learning, aligned with career growth and progression for our employees.

### Careers@SIA

The Careers@SIA framework was introduced in April 2016, with the aim of giving all our Head Office ground staff opportunities to achieve their career aspirations in the Company. The previous stratification between executive and administrative support staff was merged into a single continuum from Grade One to Grade 13. This programme allows administrative support staff to take on roles that were previously assigned to executive staff. The new framework allows for employees to progress up the ranks based on their competencies, work performance and potential to take on more job responsibilities.

### Performance Reviews

All permanent SIA employees received a regular performance and career development review during FY2016/17.





# STAKEHOLDER ENGAGEMENT: EMPLOYEES

## Employee Communications and Engagement

SIA engages its employees through communications on our internal platforms, internal and public events, wellness and health activities, community service, and social functions. In addition, regular surveys are conducted to gauge the level of engagement with employees.

Quarterly Breakfast with CEO and Human Resources (HR) Forums, where employees holding managerial positions discuss HR policies, enable the Company to engage employees. In 2016, all employees were invited to an “Ask HR” forum where any matters pertaining to HR policies could be openly discussed with senior management from our HR Division.

Latest news and information are shared with our people through various communication channels. Examples of our internal communication channels include:

- *Outlook*, our in-house magazine, published on a monthly basis.
- Our corporate Intranet site which can be accessed by all employees. The different divisions (e.g. Cabin Crew, Flight Operations, Sales and Marketing) have their own portals to share information specific to their areas of work.
- Business Meetings for employees are organised twice a year. The meetings cover a review of the Group’s commercial activities and financial results.
- LCD TVs in common areas such as employee canteens, shared meeting rooms and Cabin Crew Control Centre which broadcast company-related videos and news.
- An internal online platform enables online social interaction among staff and improves productivity and collaboration at work.
- Other forms of employee communications include regular communication sessions, departmental debriefs, and sessions between senior managers and team members.

The Company conducts an Organisational Climate Survey (OCS) once every two years to gather feedback on employee engagement and workplace issues. The last survey was conducted in 2016. Following the OCS results, Management reviewed and took necessary steps to reinforce areas that received positive feedback and addressed gaps which were raised by staff. In November 2016, a pulse survey was launched to assess staff feedback on various measures undertaken by our HR Division in response to the OCS results and we have seen improvement in the overall engagement scores.

Our 7Degrees Staff Lounge at Airline House, our Head Office, with facilities such as a table tennis table, foosball table and video games, has been well received by staff. The lounge provides employees with a space to unwind and network, and serves as a venue to hold social functions and activities.

The Flight Operations Division also engages with its ground staff via social events such as quarterly breakfast sessions and an annual Christmas party.

To ensure that the management team continues to engage with our pilots, Flight Operations Division holds a Flight Operations Get-Together session once a year, briefing sessions on the Company’s performance each month and provides updates on other crew operational matters every quarter.

The Cabin Crew Division engages with our crew members on various platforms, web-based applications as well as face-to-face dialogues. The dialogue sessions are held once or twice every month and each gathering comprises up to 30 crew participants.

## Community Service

Our employees served the community through organised group visits to homes, outings with beneficiaries and fundraising initiatives. The spirit of giving was also not forgotten during festive periods such as Christmas, when employees granted the wishes of beneficiaries from the Association for Persons with Special Needs (APSN) with presents.



**Our success would not have been possible without the efforts of our people and our strong collaborative partnership with our unions.**



# STAKEHOLDER ENGAGEMENT:

## EMPLOYEES

### Cabin Crew Crew Welfare

We ensure that our pilots and cabin crew are given sufficient rest during layovers and after flights. Cabin crew are also encouraged to participate in extracurricular activities (ECAs) which aim to provide them with a holistic work experience and opportunities to interact with their colleagues.

In addition to rest days, cabin crew are given in-flight rest on longer flights. Our rest rules exceed all mandatory requirements in the Fatigue Risk Management System guidelines stipulated by the Civil Aviation Authority of Singapore (CAAS). We constantly share information on fatigue management with our cabin crew to ensure they have sufficient rest before each duty. This is done through channels such as online courses.

### Extracurricular Activities (ECA)

Thirty-two ECAs covering a wide range of interests are available to our cabin crew. They can choose from an array of ECAs such as the Cabin Crew Performing Arts Circle, Music Society and the Creative Circle to hone their creative and artistic talents. Those who enjoy being outdoors can join various activities such as the Cabin Crew Tennis Circle, Basketball Club or Golf Circle. There are also indoor ECAs such as the Fitness & Nutrition Circle and Bowling Buddies. Lifestyle-driven ECAs such as Toastmasters, the Wine Appreciation Group and Le Club provide an avenue for crew to develop their interests in other areas. The ECAs boast a total membership of over 8,000 cabin crew and ground staff in the Cabin Crew Division, and provide excellent platforms for our crew to further develop their interests and hobbies.

### Returning Crew Scheme

Crew who become pregnant are not permitted to fly for safety reasons. However, we actively encourage crew to return to flying after delivering their child under the Returning Crew Scheme. This scheme enables crew who meet certain criteria to return to flying with minimal disruption to their careers, with the crew's previous years of service retained. Since 2012, there has been a 66 per cent increase in the number of applications for the scheme. The number of successful applications has also increased to 95 per cent as compared to 76 per cent in 2012.

We organise one-day sessions where we invite crew who had left due to pregnancy to attend talks by healthcare professionals to help them return to flying. We aim to hold two such sessions per year. In 2016, 95 crew members returned through this programme. We target to achieve an increase of 100 per cent in the number of applications for the scheme in the coming years.

### Returning Graduates Scheme

The Returning Graduates Scheme allows cabin crew who wish to pursue further studies to return as flying crew after their graduation. Crew who leave the Company under this scheme will be granted leave of absence during their study period and will be able to return to the Company with their last held rank, seniority and salary maintained. In 2016, the eligibility criteria was revised to enable more crew to return to flying through the scheme.

### Career Transition Programme

Six months prior to their retirement, crew will receive a Career Transition Guide and a list of career opportunities, which aim to prepare them for an effective career transition should they wish to continue working beyond retirement. In addition, to ensure that our cabin crew are equipped with the necessary knowledge to make sound financial decisions, they would attend a Financial Management course which aims to develop their financial capabilities in preparation for their retirement.

### Digitisation of Cabin Crew Reports & Resources

Since 2014, cabin crew have been provided with tablets which help to digitise onboard work processes and aid them in providing customer service. The digital drive has led to greater efficiency as well as improved environmental sustainability. The introduction of digital documents for reports such as the Cabin Crew Voyage Report has led to a significant reduction in paper consumption. Digital reports now constitute 85 per cent of all voyage reports. Cabin crew can also refer to their tablets for the latest manuals and procedural documents. We target a 100 per cent reduction of paper reliance for voyage reports in the near future.

For greater convenience and to encourage crew to go paperless, the printing of flight schedule cards has been reduced by 50 per cent. A downloadable digital copy is now available on the Airline's internal online platform as well as on the Cabin Crew Division's website. The aim is to eliminate printed flight schedule cards entirely.

### Training

SIA adopts an integrated approach to training and development to enhance professional skillsets, leadership and management competencies that drive staff performance. This is in line with the Company's mission, business objectives and core values.

Our people represent a key competitive advantage and we place strong emphasis on the development of our employees. We invest significant resources each year to train our pilots, cabin crew and ground employees worldwide. For FY2016/17, we invested a total of \$24,604,784 on staff training and development, which includes a \$1,044,317 training grant from SkillsFuture Singapore (SSG). For FY2016/17, each employee had an average of nine training days.

### Ground Staff Training

SIA offers training for ground staff through its Corporate Learning Centre (CLC), which has in place various programmes for the continuous upgrading of employee skillsets and competencies. Training is done through a variety of methods, from traditional instructor-led classroom learning, to web-based courses and leadership programmes which are held off-site. In addition, CLC is exploring how technology can be further leveraged to aid e-learning in the future. Structured learning roadmaps are also in place to guide the progressive development of employees with targeted training at various milestones during their career.

All new ground employees undergo an onboarding programme, which immerses them in the culture of SIA and gives them insights into the aviation industry. Previously, only newly-hired executives attended this programme, but in FY2016/17, it was extended to all ground staff. New executives hired under the SIA Executives Programme will undergo attachments at our customer contact centres and SilverKris Lounges. This equips them with hands-on customer handling experience.

The SIA Mentorship scheme also provides a unique opportunity for new executives to learn from senior executives of the Company. Through casual engagement sessions with their mentors, who provide insights into the SIA culture, core values and work processes, these new executives become integrated into the SIA family.

Senior executives (Vice Presidents and above) are provided opportunities to attend external executive education programmes and seminars. This allows them to learn from and network with peers from other industries.

### Continuing Education Opportunities

Under the Continuing Education Scheme, SIA provides sponsorships to employees keen on upgrading themselves by attaining higher educational qualifications. This entails taking up various recognised certificates, diplomas, graduate or post-graduate programmes. Employees are free to pursue these at their own time, outside of regular working hours.

The "SIA Future Learning" initiative was launched in October 2016 for our ground staff. Aligned with SkillsFuture Singapore (SSG), the Company has set aside a sum of \$500 per ground employee to enrol in relevant SSG-accredited programmes/courses to further develop their professional competencies.



# STAKEHOLDER ENGAGEMENT:

## EMPLOYEES



### Pilot Training

We conduct all required regulatory training for our pilots and ensure that our training programmes meet not only our training objectives, but are approved by the regulatory authorities.

Apart from mandatory training, we conduct developmental training programmes for pilots of all ranks, from Cadet Pilots, Second Officers and First Officers to Captains and Instructors. During the course of their careers, continuous pilot training programmes are in place to enhance their operational and flying skills.

In addition, we offer a mentoring framework for all ranks of pilots as well as online learning programmes in our e-learning portal SKIES. This mentoring framework is an important facet of their development and is another way that we invest in the careers and personal growth of our pilots. More details on our flight operations training can be found in the Safety section of this report.

### Cabin Crew Training

Our cabin crew undergo a 15-week-long basic training programme which comprises classroom and on-the-job training. It includes a wide variety of modules such as fundamentals of social etiquette, personal grooming, meal service procedures, food knowledge and wine appreciation courses.

Cabin crew are also taught passenger handling skills, including methods of handling young children, the elderly and mobility-challenged individuals, as well as techniques and skills for communicating with and relating to customers. Such training equips cabin crew with skills to better understand and meet the needs of a wide range of customers.

In line with our focus on safety and security, cabin crew are also trained in security, safety and first aid procedures, including cardiopulmonary resuscitation (CPR), during their basic training programme.

Beyond functional skills required for cabin crew to carry out their duties on board, we provide opportunities for them to develop themselves personally and professionally through our Self-Directed Learning (SDL) programme. Cabin crew can enrol themselves for SDL courses on a voluntary basis during their personal time, such as on their days off or during annual leave. The SDL courses offered range from skills development in languages, the culinary arts, training and leadership, to people management. With these courses, cabin crew can take control of their own developmental needs and complement their core skillsets with additional certified professional competencies.

One example is the Workforce Skills Qualifications (WSQ) Leadership and People Management (LPM) Programme, designed for senior cabin crew to develop leadership capabilities and chart a roadmap for leadership development. The programme enables Crew-In-Charge (CICs) to improve their personal effectiveness and people development skills. These LPM modules are also included in the training curriculum when our cabin crew are promoted to senior ranks.

**Our cabin crew undergo a 15-week-long basic training programme which comprises classroom and on-the-job training. It includes a wide variety of modules such as fundamentals of social etiquette, personal grooming, meal service procedures, food knowledge and wine appreciation courses.**



# STAKEHOLDER ENGAGEMENT: EMPLOYEES

## Other Forms of Training Include:

### Air Sommelier Scheme

This is a scheme under which suitable cabin crew are identified and trained to be sommeliers on board to provide professional wine service to our customers.

To be eligible for the Air Sommelier Scheme, cabin crew must attain the internationally-recognised Wine & Spirit Education Trust's (WSET) Level 3 Certificate in Wines & Spirits Award. In addition, cabin crew are required to attend a rigorous six-month in-house programme consisting of training workshops, periodic assessments and assignments. Successful participants who obtain the WSET Level 3 Certificate and pass the in-house programme will earn an Air Sommelier badge on their uniforms.

Air Sommeliers are expected to constantly strengthen their tasting skills and wine knowledge. This is achieved by obtaining professional certifications, and attending tasting sessions and seminars by wine experts. To ensure that they maintain adequate knowledge and skills, all Air Sommeliers are required to sit for an annual proficiency assessment.

### Foreign Language Scheme

There are two foreign language schemes, namely, French Language (FQ) and German Language (GQ). Cabin crew who are selected for these schemes will be provided training from established language institutes. Through an intensive eight-week course, the crew will be inducted into the language and culture. Upon graduation, they will attain a level of proficiency required to attend to the needs of our French or German-speaking customers.

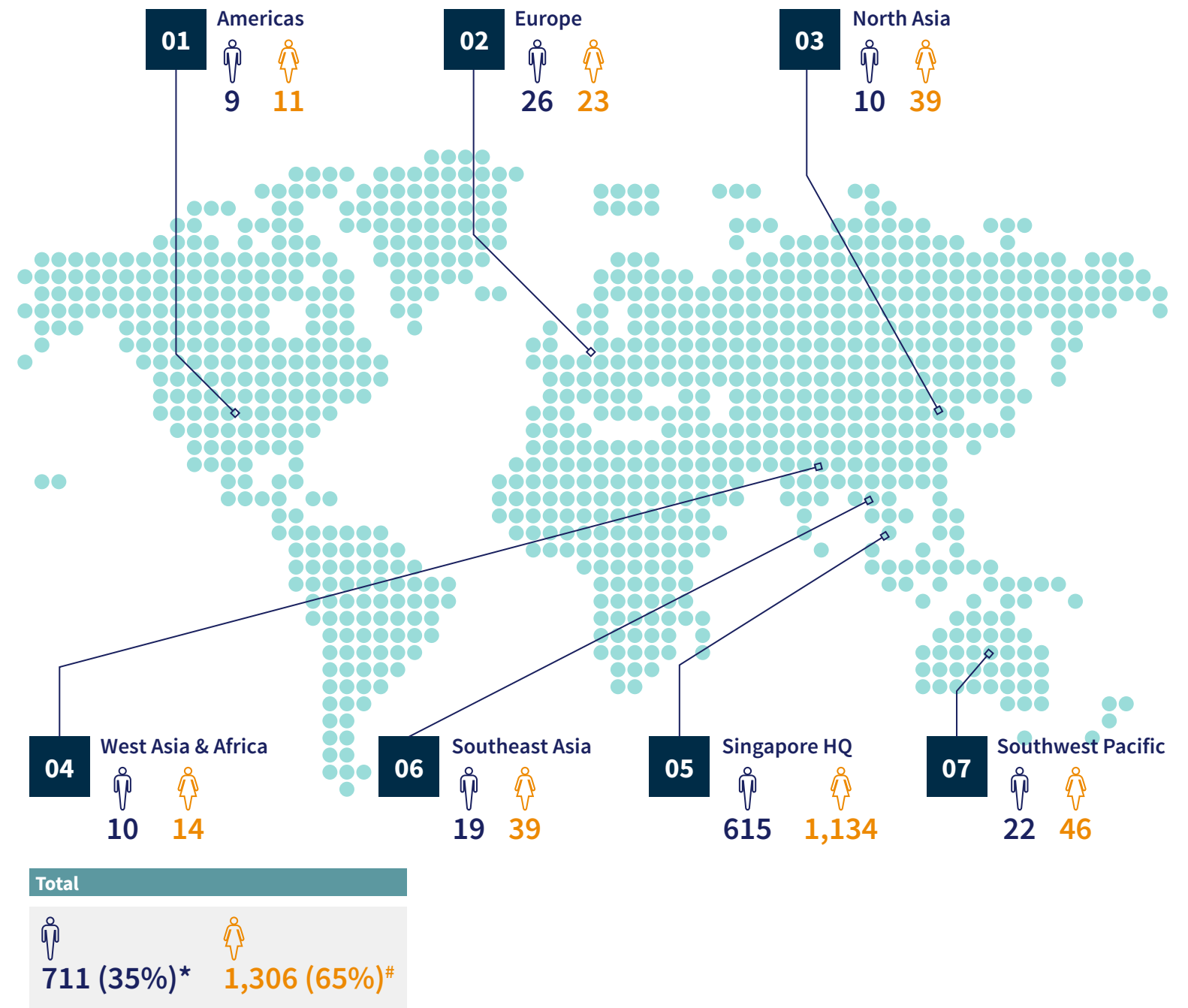
Crew members who are successfully accepted into the FQ/GQ scheme don a nametag bearing the French or German flag and operate on specific flight sectors requiring their language skills. They also undergo annual refresher training and have their language proficiency assessed at least once a year.

### Partnership With SkillsFuture Singapore

Our Cabin Crew Training School is a recognised training organisation through a collaboration with SkillsFuture Singapore (SSG) and offers many Workforce Skills Qualifications (WSQ)-accredited courses, including the Leadership and People Management Programme, and Provide Advice on Wine Service course. Nationally-recognised WSQ Advanced Certificates are issued to participants who successfully complete the course and pass the assessment. Our crew members have also benefited from the many other WSQ-accredited in-house courses. Over 200 cabin crew have earned a Diploma in Leadership and Management since October 2013 when we launched the last module of the Leadership and Management Diploma Programme.

As part of the collaboration, new cabin crew members who graduate from the 15-week Cabin Crew Readiness Programme (CCRP) will be awarded Statements of Attainment under the Service Excellence WSQ framework. The collaboration ensures that the CCRP is benchmarked against national standards and reinforces the importance of empowering employees with nationally-recognised certifications for training and development. Following further programme enhancements, CCRP graduates now attain full Service Excellence Level One certification. With the WSQ certification, the skillsets of our cabin crew members are translated into recognised qualifications which will stay with them, even if they leave the organisation. SIA aims to continuously benchmark and align in-house training programmes to increase the number of such certifications. This initiative enhances SIA's ability to continue attracting the best talents and supports our operational needs as we grow.

Total number and rate of new employee hires by region and gender





\* Refers to the rate (%) of total number of male new hires/ total number of new hires  
# Refers to the rate (%) of total number of female new hires/ total number of new hires



# STAKEHOLDER ENGAGEMENT: EMPLOYEES

## Total number and rate of employee turnover, by region and gender

		
Americas	10	23
Europe	18	20
Singapore (Head Office)	344	688
North Asia	13	36
Southeast Asia	16	42
Southwest Pacific	14	32
West Asia & Africa	13	13
<b>Total</b>	<b>428</b> (@33%)	<b>854</b> (^67%)

@ Refers to the rate (%) of total number of male employee turnover/total number of employee turnover

^ Refers to the rate (%) of total number of female employee turnover/total number of employee turnover

## New employee hires by age group

Above 50  
20  
+1%

30 to 50  
218  
+11%

Below 30  
1,779  
+88%

**Total**  
**2,017**

+ Refers to the rate (%) of new employee hires by each respective age group/total number of new hires

## Employee departures by age group

Above 50  
209  
+16%

30 to 50  
521  
+41%

Below 30  
552  
+43%

**Total**  
**1,282**

\* Refers to the rate (%) of employee departures by each respective age group/total number of employee departures

## Total number of employees who were entitled to parental leave, by gender

 **2,097**  **870**

## Total number of employees who took parental leave, by gender

 **1,375**  **792**

## Total number of employees who returned to work after parental leave ended, by gender

 **1,375**  **608**

## Total number of employees who returned to work after parental leave ended and who were still employed 12 months after their return to work, by gender

 **1,347**  **593**

## Return to work rate of employees who took parental leave, by gender

 **100%**  **76.8%**

## Retention rate of employees who took parental leave, by gender

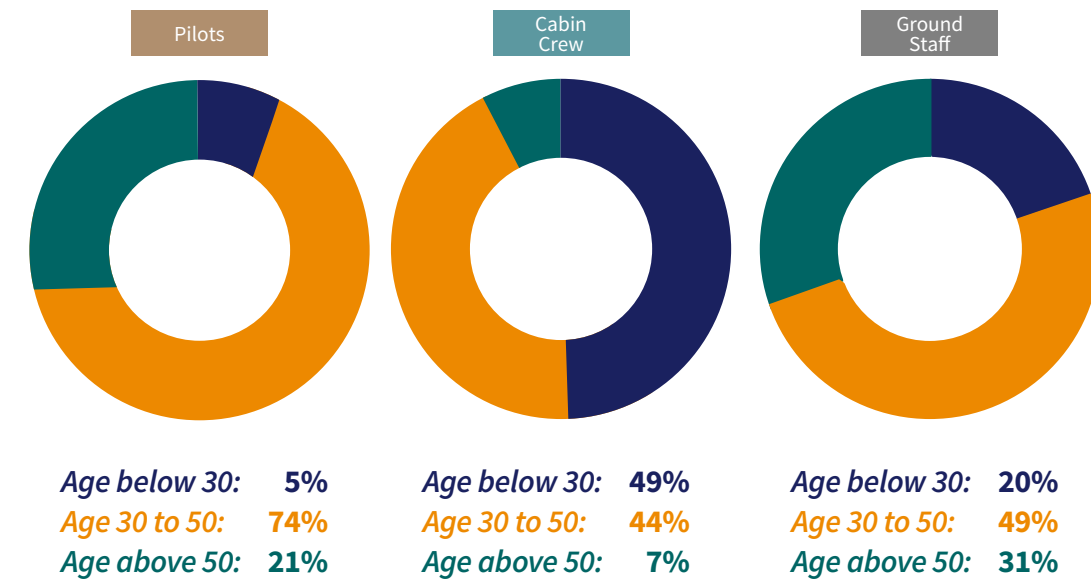
 **98%**  **74.9%**

## Percentage of employees per employee category, by diversity category such as gender and age group

### Gender

 **48%**  **52%**

### Age Group



## Percentage of individuals on SIA Board, by diversity categories such as gender and age group

### Gender

For FY2016/17 from 1 April 2016 to 31 August 2016\*

 **89%**  **11%**

\* Mrs Christina Ong retired from the SIA Board on 1 September 2016.

For FY2016/17 from 1 September 2016 to 31 March 2017

 **100%**

### Age Group

Age above 50:  
**100%**

# STAKEHOLDER ENGAGEMENT: CUSTOMERS

## Customer Service and Engagement

Service excellence is one of the three main pillars on which SIA's brand promise is built. We believe in listening to our customers through verbal and written feedback, focus groups, and surveys.

Social media has become an important channel through which we interact with our customers, who have high expectations of the SIA brand promise. As with many organisations, customers expect real-time service recovery and quick responses to their feedback on social media.

Our various social media channels, such as Facebook, Google+, Instagram, LinkedIn, Twitter and YouTube, as well as WeChat and Weibo in China, provide additional points of contact for greater online customer engagement. Our social media channels also allow us to communicate important travel information to customers as well as to obtain feedback to improve our products and services. Since September 2014, a dedicated 24/7 Social Media Engagement Unit has been in place to enhance communications with our customers.

Click on the links below to get connected:



We have a dedicated Customer Affairs (CA) Department which attends to feedback and enquiries from customers. Where necessary, investigations are carried out and CA's target is to respond to customers within 10 working days. In the event of service lapses, appropriate service recovery actions are taken to resolve issues, address customer concerns and restore confidence in the SIA brand promise. In line with SIA's pursuit of excellence, CA shares its insights with various business units at regular meetings to review the Airline's service and product offerings as well as operational processes. CA's long-term goal is to further leverage technology and data analytics in order to enhance customer experience.

We conduct surveys and focus group studies to measure customer satisfaction through on-board and on-ground customer points of contact. Relevant departments then use the

information to enhance product quality or services. One example of how we listened to our customers during the past financial year was when we launched our "Deliciously Wholesome" in-flight meal programme in April 2016. It was introduced after we noticed a rising preference among our customers for healthier meal choices, based on feedback and focus groups with our frequent travellers. The menu features dishes rich in nutrients, vitamins and essential minerals which can help restore and rejuvenate the body, especially on long-haul flights. Some of the dishes were created by SIA's International Culinary Panel (ICP).

The ICP comprises award-winning chefs from around the world, who work closely with SIA's own chefs to explore the latest dining trends and create the diverse selection of meals served on board our flights. On average, the ICP chefs create about 30 new in-flight dishes for SIA annually. SIA also

has a Wine Panel, comprising three renowned consultants, who help the Airline select high-quality wines and champagnes through blind tasting.

In 2016, Amsterdam became the inaugural long-haul destination for our new-generation Airbus A350 aircraft. The aircraft has also enabled the launch of new services to Dusseldorf in Germany and the resumption of non-stop flights to the United States, with daily Singapore-San Francisco services. During the year in review, SIA also launched a "Capital Express" service that links Singapore with the capitals of Australia and New Zealand. We also announced new services to Stockholm, which will be launched in May 2017. All these network-related initiatives, as well as those of our subsidiary airlines, were undertaken to provide additional travel options to our customers and support the further development of the Singapore hub.

## Transforming Customer Service

In the face of ever-increasing competition and customer expectations, SIA launched the "Transforming Customer Service" (TCS) initiative in 1999, with a vision to invigorate the entire organisation towards stellar customer service, win new customers and retain existing ones. This drive is also emphasised by our Cabin Crew Division's "Service Over and Above the Rest" (SOAR) programme, which aims to motivate our cabin crew to deliver exceptional service to our customers.

In an increasingly competitive marketplace, we recognise it is imperative that we further strengthen the Airline's service culture. We are currently reviewing a unified service theme, driven by the SIA core values, for both the TCS and SOAR programmes. As part of this initiative, respective business units would set meaningful service standards in their operational areas that involve customer interaction. The aim is to achieve consistent delivery of service excellence both on the ground and in the air. We believe this is key in the transformation of our customer service mindset. We aim to launch this unified theme in the first quarter of FY2017/18.

Structured training programmes will be aligned with the objectives of the unified service theme, which serve to reinforce a service culture steeped in SIA's core values. All these measures ensure that we stay committed to our mission since our founding, which is to provide air transportation services of the highest quality. The Airline will continue to recognise exemplary individuals and teams whose outstanding service performance has contributed significantly to SIA's service excellence, through regional service

awards events and the pinnacle annual service awards conferred by the CEO.

## Customer Privacy

Our Customer Contact Services Department (CCSD) may collect and access customer data such as personal particulars and travel history with SIA when servicing customers' reservation and ticketing requests. Hence, customers would expect SIA to respect the confidentiality of such information and safeguard it.

CCSD abides strictly by SIA's Privacy Policy, which is available on our website, as well as the guidelines laid out by the Personal Data Protection Act (PDPA) of Singapore.

Any collection, use and disclosure of customer data is to enable CCSD to handle customer requests according to their respective needs.

When servicing our customers, our customer service representatives (CSRs) are required to adhere to appropriate verification and authentication procedures to ensure that customer data is not revealed to unauthorised personnel through the various channels of interactions, for example, phone calls, emails and faxes. These processes have been drawn up in consultation with the Company's Legal Department to ensure strict compliance with the PDPA.

CCSD also adheres to internal processes for the appropriate handling of customer data in compliance with the PDPA.

Audit processes such as monthly call calibrations are in place to ensure that our vendors comply with our policies pertaining to the protection of customer data. Non-compliance may result in complaints lodged against

SIA with the Personal Data Protection Commission (PDPC).

The audit processes highlighted instances where CSRs had misinterpreted the customer data protection guidelines which resulted in complaints from customers. Such incidents are usually committed by new employees who are not familiar with the policies. Non-compliance cases are clarified with the relevant CSRs and vendors to prevent future occurrences.

CCSD regularly reviews processes and customer feedback to identify issues pertaining to protecting customer data. Any issues identified will be re-evaluated in consultation with the Legal Department and relevant CCSD staff to better align them with SIA's Privacy Policy and the PDPA.

The CA Department also abides strictly by SIA's Privacy Policy. In the course of handling customer feedback, CA will need to access customer data such as personal particulars and the customer's travel history with the Airline. Customers expect the Airline to treat such personal data as confidential.

Complaints, queries, withdrawal of consent, requests for access, corrections and updates in relation to personal data must be handled according to established internal organisational processes. These processes have been drawn up in consultation with the Legal Department to ensure strict compliance with the PDPA.

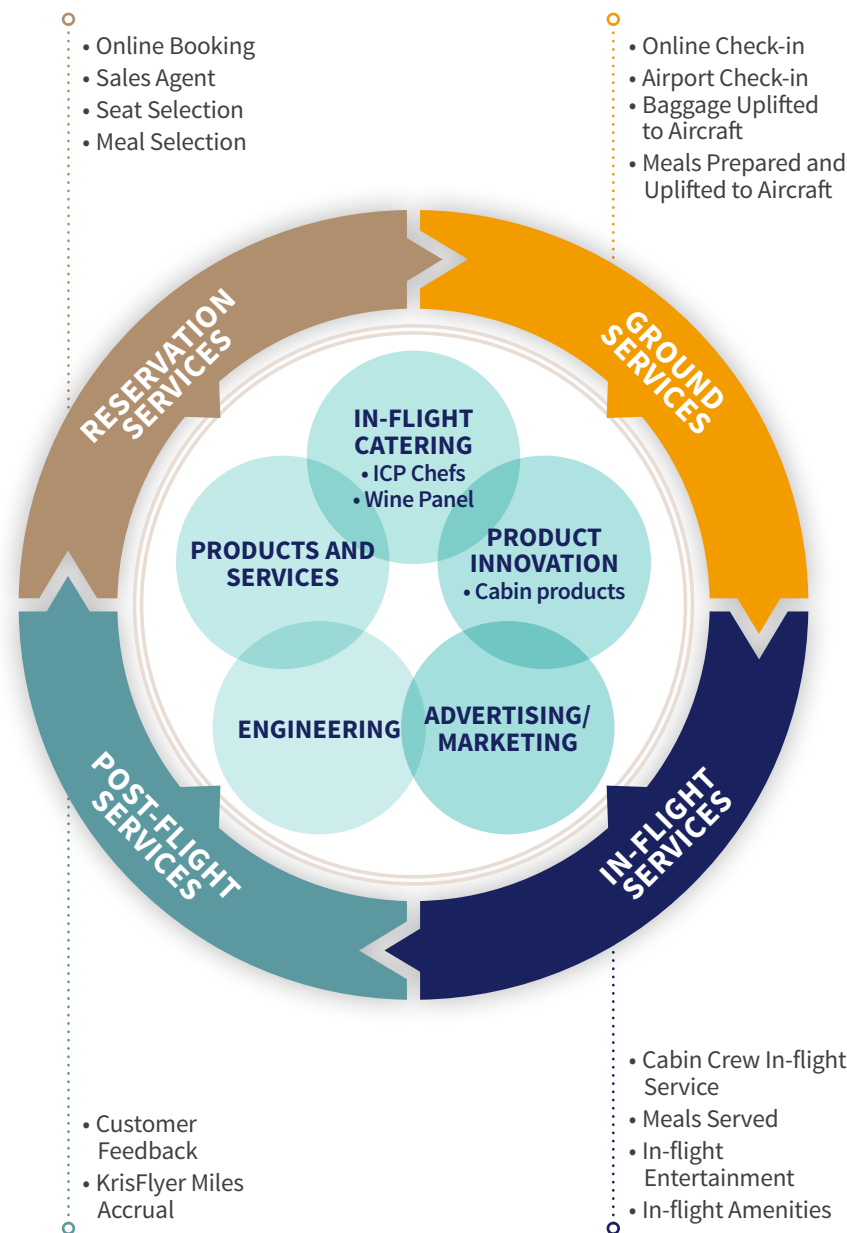
Such compliance cultivates confidence among customers who entrust the Airline with their personal data. This facilitates the provision of a safe, smooth, efficient and customised experience for SIA's customers.



# STAKEHOLDER ENGAGEMENT: SUPPLIERS

## SIA's Supply Chain

We strive to integrate sustainability throughout our customer experience and engagement process, across various touchpoints starting from when a customer decides to purchase a ticket to travel with SIA. Together with partners and suppliers within the supply chain, we constantly explore ways to improve sustainability across all aspects of our operations.



SIA's supply chain is supported by various areas of the business that are responsible for key aspects of our customers' experience, such as Product Innovation, Marketing and Engineering. We work closely together to provide a reliable product and excellent service, which our customers have come to expect from us. Our commitment to providing air transportation services of the highest quality begins on the ground when a customer makes a booking with us, then at check-in, followed by on board the aircraft, and finally assisting customers who have feedback and require post-flight services.

### Supply Chain Expenditure

Singapore Airlines has more than 11,000 suppliers worldwide. The supply chain is managed by several departments. Fuel costs, aircraft maintenance and rental, in-flight food and beverages, and ground operations and handling, make up the majority of our supply chain expenditure. SIA also outsources certain key airline-related operations such as aircraft cleaning and maintenance, catering, certain customer contact services and ground handling to third-party service providers. Approximately 65 per cent of SIA's operating expenditure goes to the top 10 suppliers below, listed in alphabetical order:

- 1 [Airbus](#)
- 2 [Changi Airport Group \(Singapore\)](#)
- 3 [Chevron](#)
- 4 [ExxonMobil Aviation](#)
- 5 [Rolls-Royce PLC](#)
- 6 [SATS Ltd](#)
- 7 [Shell Eastern Petroleum](#)
- 8 [SIA Engineering Company Limited](#)
- 9 [Singapore Petroleum Company](#)
- 10 [The Boeing Company](#)

In line with our focus on sustainability, SIA has adopted the following best practices in our engagement with suppliers:

### Suppliers' Compliance with Applicable Laws

We have provisions in our purchasing contracts that require our suppliers to commit and warrant that the items supplied are in compliance with all applicable laws and related requirements, including but not limited to labour laws, employment laws and industrial laws.

### Bio-Degradable Material

We welcome proposals from suppliers that include bio-degradable/recyclable materials as alternatives to more commonly used raw materials such as plastics and aluminium.

### Sourcing Suppliers with Sustainable Business Practices

We encourage suppliers to submit proposals which are environmentally friendly. For example, we request suppliers to declare in their bid submission whether their paper products comply with Forest Stewardship Council (FSC) guidelines. Such proposals will be favourably considered during the product assessment and selection stage.

The FSC is an international non-profit, multi-stakeholder organisation established in 1993 to promote responsible management of the world's forests. Its main tools for achieving this are standard-setting, independent certification and labelling of forest products.

One of our targets is to source seafood from local suppliers who have been given the stamp of approval by the Marine Stewardship Council - a global non-profit organisation that certifies responsibly caught seafood. In addition, we aim to support more small and medium-sized enterprises (SMEs) in Singapore and procure items that are locally made.

### Environmental Management

Environmental management is one of the key parameters in our assessment of suppliers. We conduct visits to factory sites of potential new suppliers in order to assess whether they have proper environmental management practices in place, such as ISO 14001. Errant suppliers will be barred from doing business with Singapore Airlines.

### Lightweight Design

Our Product Innovation Department engages SIA Engineering Company, a subsidiary of SIA, to build, repair and modify our aircraft cabin interiors as well as seat mock-ups. We are constantly exploring lighter-weight designs of cabin and in-flight items such as cutlery as this helps reduce the amount of fuel needed for flights, which in turn helps to reduce emissions. We also look to technological advancements that enable lightweight design and definition of aircraft cabin interiors, seats and in-flight entertainment systems.

### Recycling of Obsolete/Scrap Products

We work with suppliers to collect obsolete items such as paper-based products, plastic and metal for recycling, where possible.

### Engineering Spares

Although the procurement of engineering spares has been outsourced, SIA's engineering policy is to source for spares only from Original Equipment Manufacturers (OEMs) and their accredited agents. For engineering components, repair organisations are required to be certified and approved by renowned authorities such as the US FAA, Europe's EASA, Canada's TCCA, Hong Kong's CAD and Australia's CASA before any procurement is carried out.

Consistent with our Safety Management System (SMS) practices, we have in place key performance indicators (KPIs) for warehousing operations to monitor performance in all aspects, including quality, safety, health and the environment.

While we have outsourced warehouse operations to supply chain company Bolloré (formerly SDV), our Engineering Division continues to chair a joint monthly Warehouse Safety Committee to ensure compliance with our health, safety and environmental standards. Bolloré is included in our ISO accreditation by TUV SUD PSB Pte Ltd, a globally recognised company that provides product testing, inspection and certification services.



# STAKEHOLDER ENGAGEMENT: SUPPLIERS

## Basic Requirements for Catering and Handling Services

It is mandatory for our caterers to comply strictly with local laws and regulations with respect to hygiene, safety and security. Facilities used for storage, preparation, production and transportation of meals and beverages must meet the standards set by the International Air Transport Association (IATA), the International Civil Aviation Organization (ICAO), and the Hazard Analysis and Critical Control Points (HACCP) concept developed and administered by the International Flight Catering Association (IFCA) and International Flight Services Association (IFSA).

All catering and ground handling companies must comply with the IATA Aircraft Handling Manual (AHM) to ensure ground safety.

A copy of the aircraft handling safety standards is included as part of the contract, and catering and ground handling staff will receive adequate training to operate our aircraft. Each supplier is required to have a system of monitoring the training needs of each employee to ensure proficiency. Examples of such training include opening aircraft doors, driving Ground Support Equipment (GSE), handling catering equipment in high lifts and IATA dangerous goods awareness.

## Reducing Food Wastage

To reduce food wastage, we engage our caterers to ascertain the amount and type of food wasted and adjust our uplift accordingly.



## Improving Quality of Service to Our Customers

Besides monitoring the performance of suppliers through the Service Level Agreements (SLA) in our contracts, feedback from customers about their ground and in-flight experience is obtained in order for us to improve the quality of services we offer.

## Anti-Corruption Practices

We have included clauses on anti-corruption and anti-bribery practices in new contracts since June 2012 which mandate that all suppliers, including, but not limited to, ground handling agents and caterers, must comply with all local laws where they operate. This applies and is not limited to the acceptance of offers made in the form of payments, gifts or other transfers of value, directly or indirectly, to any government official or private person in order to secure any improper advantage or to influence any decision or act, directly or indirectly. In addition, suppliers are to inform us immediately should they learn of any such violations.

To further enhance transparency of dealings by our staff and to facilitate a channel for any violations to be reported, a “whistle-blowing” clause has been included in contracts which requires both organisations to be committed to resolving the case whilst protecting the identity of the whistle-blower.



## Suppliers' Code of Conduct

Suppliers are required to comply with a Code of Conduct that forms part of the contract. Based on the principles of the United Nations Global Compact related to Human Rights, Labour, the Environment and Anti-Corruption, and taking into account operational, social and environmental issues, the Code of Conduct was developed in accordance with our business values and with the intention of promoting sustainable development. The Code can be found on page 40 of this report.

## Evaluation of Suppliers

Suppliers are evaluated on both cost and quality of products and services. To aid the evaluation process, the Ground Handling and Catering Contracts Department requires suppliers to provide background information on the company and its current operations/clients. In addition, suppliers who participate in our request for proposal exercises are deemed to have agreed with the terms set out in the Code of Conduct which also covers labour standards. We have also made it our long-term target to conduct spot checks on suppliers when opportunities arise.





# SUPPORTING OUR COMMUNITIES

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Supporting our  
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# COMMUNITY ENGAGEMENT

SIA recognises the importance of actively supporting and investing in the communities we serve. For many years, we have been supporting charities as well as non-profit organisations through cash donations, complimentary or rebated air tickets and staff volunteerism. We firmly believe in sponsoring initiatives that promote education, sports, the arts, the environment and conservation.

### Community Projects in Singapore

SIA has a longstanding commitment to help grow the Singapore arts scene and we continued this tradition by contributing to the Singapore Symphony Orchestra, Singapore Dance Theatre, Singapore Lyric Opera and Singapore Chinese Orchestra. We have also worked closely with the National Arts Council on various community arts projects. In 2016, Singapore Airlines was named 'Friend of the Arts' by the National Arts Council, for our contribution to Singapore's art scene. SIA is also a longstanding supporter of Community Chest, a non-profit organisation that raises funds for many charities in Singapore.

In the educational sector, SIA continues to support numerous initiatives which provide students with opportunities to achieve their full academic potential. SIA contributed to a charity cycling event organised by Club Rainbow (Singapore), which raised funds for tuition services, programmes and educational seminars for children suffering from a range of major chronic and potentially life-threatening diseases. Since 1973, we have also been supporting the National University of Singapore with the SIA Gold Medal Award, which goes to an outstanding student in the Faculty of Arts and Social Sciences.

SIA also actively contributes to the local community. We have participated in Community Chest's annual Fu Dai event, since its inception. During the event, volunteers pack festive goodie bags and deliver them to the less fortunate. In 2016, we were awarded the SHARE Platinum Award for our contributions.

**SIA KrisFlyer and Make-A-Wish Singapore Partnership**  
In February 2017, KrisFlyer, the SIA Group's frequent flyer programme, and Make-A-Wish Singapore embarked on a partnership which enables KrisFlyer members to donate their KrisFlyer miles for charitable purposes. The donated KrisFlyer miles will go towards supporting flights on SIA and subsidiary SilkAir for wishes of Make-A-Wish Singapore's beneficiaries that involve overseas travel. The scheme is in addition to the support that SIA has provided directly to Make-A-Wish beneficiaries.



Photo credit: Make-A-Wish Singapore





# COMMUNITY ENGAGEMENT



SIA has been the exclusive airline partner for this large-scale project aimed at restoring and protecting one of the world’s most threatened and bio-diverse ecosystems.

Photo credit: Burung Indonesia by Eka Tregnawan

**Harapan Rainforest Initiative**

The Harapan Rainforest (also known as Hutan Harapan) Initiative covers nearly 100,000 hectares of tropical rainforest located on the border between Jambi and South Sumatra provinces in Indonesia. Since August 2010, SIA has been the exclusive airline partner for this large-scale project aimed at restoring and protecting one of the world’s most threatened and bio-diverse ecosystems. Despite past intensive logging activities, Hutan Harapan is still home to more than 1,350 different species, of which 133 are globally threatened. Some of the endangered species include the Sumatran Tiger (*Panthera tigris sumatrae*) and the Sumatran Elephant (*Elephas maximus sumatranus*).

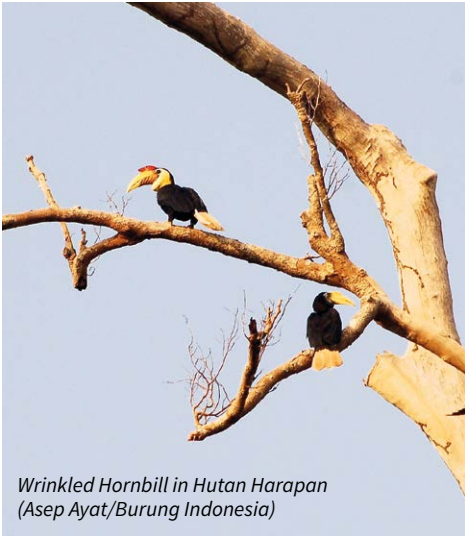
The Harapan Rainforest Initiative is driven by a consortium of three organisations, namely Burung Indonesia, the Royal Society for the Protection of Birds (RSPB) and BirdLife International.

In 2008, it was certified as Indonesia’s first Ecosystem Restoration Concession (ERC) and received a legal permit from the Ministry of Forestry. With the strong support of the Indonesian government, the Harapan Rainforest Initiative was able to implement programmes to achieve sustainability, including a revised forest rehabilitation approach, a new community cooperation plan and an income generation plan that will diversify income sources for the maintenance of the rainforest.

**Major developments of Hutan Harapan in 2016:**

- **Introduction of Spatial Monitoring and Reporting Tool (SMART)**  
SMART improves the effectiveness of law enforcement patrols as it allows staff to monitor and intervene in forest fires, illegal logging activities and identify poaching traps. This has resulted in appropriate actions being taken.
- **Forest fire management system and early warning system**  
With the installation of an early warning system, 80 per cent of hotspots detected were successfully extinguished - an 18 per cent increase from the year before. This was attributed to quicker emergency responses and better management of resources and equipment.
- **Restoration efforts**  
Through a combination of Assisted Natural Regeneration (ANR) and local community engagement, over 4,000 hectares of forest were restored in 2016.
- **Establishment of five field offices**  
The field offices allow staff to have easier access to key areas of the rainforest for the purpose of forest protection and research.
- **Land use and resource management**  
Agreements were signed with more than 200 families from six community groups, including Batin Sembilan, a local indigenous tribe, to develop agroforestry partnerships, which help to create a diverse, sustainable and profitable rainforest.

- **Elephant conservation**  
As part of a long-term conservation project, a male elephant was relocated to Hutan Harapan in November 2016. Satellite images show that it has joined a herd of females in the western part of Hutan Harapan. In time to come, the Harapan team hopes to include other key wildlife species such as tigers, tapirs and hornbills in their conservation plan.



Wrinkled Hornbill in Hutan Harapan (Asep Ayat/Burung Indonesia)



# COMMUNITY ENGAGEMENT

### Community Projects Around the World

SIA serves over 60 destinations in more than 30 countries. Many of our overseas offices work with their local charities to make a difference to the communities they operate in. SIA is aware of the importance of building strong and sustainable relationships in these communities and strives to do so in the most meaningful ways possible. In the following pages, we highlight some of these overseas initiatives that serve a good cause.



#### China

To raise awareness for children with brittle bone disease in China, SIA and the China-Dolls Center for Rare Disorders organised a Mannequin Challenge in Beijing to raise funds. Over 100 participants from the public, industry partners and the media stood motionless while holding ceramic handicrafts. As a result of this event, a total of RMB15,000 was raised for the “Little Fish Rehabilitation Program,” which is designed to help children with brittle bone disease with their recovery.



#### India

The SIA Mumbai team, which consists of staff from SIA, SIA Cargo and SIA Engineering Company, in collaboration with Concern India Foundation, facilitated a Sports Day for over 200 disabled children in January 2017. The children participated in track events moderated by a government-accredited agency – Special Olympics Bharat. SIA staff provided assistance to children during the races, cheered them on and treated them to delicious Indian delicacies during the event. All

children received participation certificates and winners received medals for their achievements.

In partnership with the Rural Health Care Foundation (RHCF), SIA’s Kolkata station organised a health screening exercise for Sundia Kamarhati Nimno Buniyadi School, which is located 60km from the city centre, in August 2016. More than 250 children received basic health screening including dental and eye check-ups. An interactive session which educated children on the importance of proper health care and hygiene was also conducted.



#### Japan

SIA Japan stations spread Christmas cheer by organising an annual Christmas visit to children warded at Narita Red Cross Hospital and Fukuoka Children’s Hospital. Children, parents and staff at the hospitals were greeted by Santa Claus and a Singapore Girl, and received their early Christmas presents which consisted of soft toys, colouring books and aircraft models.



More than **250** children received basic health screening in India

Total of RMB **15,000** was raised for the “Little Fish Rehabilitation Program” in China



# COMMUNITY ENGAGEMENT



## South Korea

Since 2012, SIA Korea has partnered the Jongno Community Welfare Centre to provide visually-handicapped children with unique experiences, including cooking classes, visits to the airport, a strawberry farm and museums. In May 2016, 34 staff took 27 children from the Community Welfare Centre to Mosan Farm in Paju Gyeonggi province to join a dairy farm experience programme. At the farm, children were given an opportunity to feed milk and hay to calves, milk cows, and make their own cheese and ice cream. Some SIA Korea staff also arranged for the children's parents to enjoy a movie and lunch, providing them with a break from their usual caregiving roles.



## The Netherlands

SIA's Amsterdam team introduced an innovation-driven competition for elementary school children in line with the launch of the Airbus A350 aircraft to the Dutch capital. Students were asked to submit ideas for a "dream airplane" of the future that SIA might one day operate. The entries were evaluated by a panel which consisted

of representatives from SIA, Aviodrome and Schiphol Airport. Children from three elementary schools were shortlisted for a presentation at Aviodrome and were also invited to go on a tour of the aviation theme park. SIA presented the winning school with EUR1,000 to be used for innovation projects.



## The Philippines

In the Philippines, SIA has been sponsoring Bantay Bata's Bantay Edukasyon Program for the past 14 years. Since 2003, SIA has provided financial support to needy children from Luzon, Visayas and Mindanao, to enable them to receive school supplies, transportation and allowances for their educational needs. To date, over 1,400 children have benefitted from the programme and many are now pursuing meaningful jobs in teaching and nursing.



Many of our overseas offices work with their local charities to make a difference to the communities they operate in.

Over **1,400** children granted scholarships in the Philippines

34 SIA staff took **27** children to Mosan Farm in South Korea



# COMMUNITY ENGAGEMENT

### SilkAir Community Projects

#### Collaboration with St. Andrew's Autism Centre

SilkAir partnered St. Andrew's Autism Centre (SAAC) to launch Colours Project, a pilot retail initiative that seeks to explore potential employment pathways for adults at SAAC with moderate to severe autism. Passengers on SilkAir flights or visitors to SilkAir's online SkyShop could purchase canvas tote bags designed by students and clients of SAAC. All proceeds from the sale went to SAAC's Colours Project. The partnership was from December 2016 to February 2017.

#### Coastal security and safety in India

In 2016, SilkAir co-sponsored the Indian Coast Guard in Kochi and Trivandrum during their motorcycle rally by donating INR50,000 to educate and spread awareness on coastal security and safety. A blood donation drive and an environmental walkathon also took place at the rally.

#### Funds raised for terminally ill orphans

SilkAir supported the Global Public School by organising its annual charity event to raise funds and support Sevagram – a charity institution established in 1989 for orphans, the aged and terminally ill cancer patients.

### Orphanage visit and dinner during Ramadan

SilkAir staff in Balikpapan, Bandung, Lombok, Makassar, Manado, Medan, Palembang, Pekanbaru, Semarang and Yogyakarta visited an orphanage in their region during the month of June 2016, as part of Ramadan celebrations. Staff as well as partner agents were invited for the visits. Stations staged musical performances and hosted dinner for children at the orphanages, putting a smile on every child's face.

### Child's Dream

SilkAir signed a Memorandum of Understanding with Child's Dream Foundation in January 2015 for a three-year partnership. The Chiang Mai-based charity helps to improve healthcare and education for underprivileged children and provides socioeconomic opportunities for families living in impoverished communities. Under this partnership, SilkAir provides air tickets to Child's Dream staff travelling for work to destinations served by the airline. In addition, SilkAir provides free transportation of cargo donations made to the beneficiaries. SilkAir staff also did volunteer work in Snor Village in Siem Reap, Cambodia, where they helped to repaint the only school in the village.



Photo credit St. Andrew's Autism Centre





# CARING FOR THE ENVIRONMENT

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**Caring for the  
Environment**

**33**  
Managing Our  
Environmental Impact

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# MANAGING OUR ENVIRONMENTAL IMPACT



**Singapore Airlines is dedicated to providing air transportation services of the highest quality. Beyond that, there is also a long-term responsibility to help protect the environment. SIA has in place programmes to ensure that sustainable practices are implemented across the Company.**

*Photo credit:  
Boeing Illustration*

## Sustainability Policy

Singapore Airlines is dedicated to providing air transportation services of the highest quality. Beyond that, there is also a long-term responsibility to help protect the environment. SIA has in place programmes to ensure that sustainable practices are implemented across the Company. We constantly explore ways to further reduce our carbon footprint in all of our operations.

We ensure that our operations are carried out in a responsible manner through a framework designed to manage issues related to carbon emissions, waste, noise, and the consumption of energy and resources.

## Climate Change

The year 2016 was the warmest year on record. The US National Aeronautics and Space Administration (NASA) confirmed this using two climate indicators – global surface temperatures and Arctic sea ice extent – which broke numerous records during the first half of 2016.

Scientists have attributed rising temperatures in recent years to the increasing levels of carbon dioxide, a greenhouse gas (GHG), in the atmosphere. The United Nations Intergovernmental Panel on Climate Change (UNIPCC) estimates that global emissions from the aviation industry will increase from the current two per cent to three per cent by 2050. Additionally, the UNIPCC estimates that global temperature will rise by four degrees Celsius by the year 2100, if no significant reduction of anthropogenic GHG emissions is achieved.

At the 2015 Paris Climate Conference or COP 21, a landmark agreement dealing with climate change was made between governments. This significant step has provided positive momentum for the aviation industry to develop a global market-based measure (MBM) to reduce carbon emissions. At the 39th International Civil Aviation Organization (ICAO) Assembly, the aviation industry made history by adopting a global MBM with the “Carbon Offsetting and Reduction Scheme for International Aviation” (CORSIA).

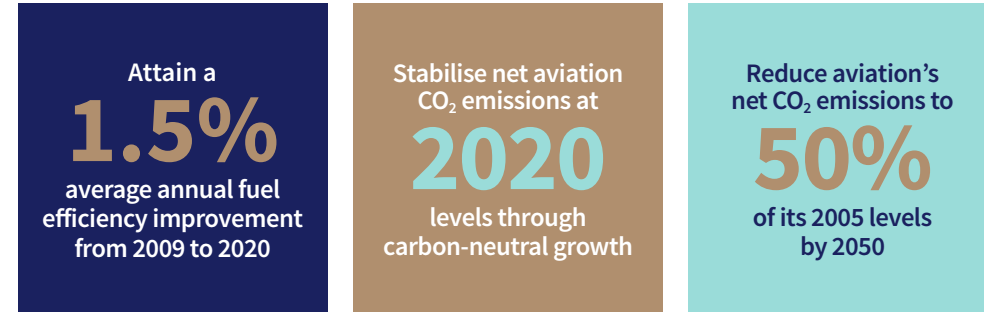
The aviation industry is continuously exploring new ways to reduce its carbon footprint through a four-pillar strategy.



# MANAGING OUR ENVIRONMENTAL IMPACT

## Four-Pillar Strategy

The aviation industry aims to achieve three global goals:



SIA supports the industry's climate change goals and has adopted the four pillars into our operations. The four pillars are: improved technology, operational measures, improved infrastructure and a global market-based measure.

We have implemented a comprehensive fuel productivity programme which includes modification of engines to improve fuel efficiency as well as performance improvement packages to reduce airframe drag. In addition, we plan the most fuel-efficient routes for our flights. These fuel-saving measures, together with regular fleet renewal, help to reduce our emissions. We are also an active member of the Sustainable Aviation Fuel Users Group (SAFUG), which works to accelerate the development and commercialisation of sustainable aviation fuels.

### Pillar 1. IMPROVED TECHNOLOGY

#### Fleet Modernisation

SIA is committed to operating a modern and fuel-efficient fleet. During the year, SIA took delivery of 10 A350-900s. Five A330-300s were removed from the fleet and returned to lessors. As at 31 March 2017, SIA's fleet comprised 106 aircraft, with an average age of seven years and eight months, compared to the industry average of 13 years and three months\*. In addition, SIA has on firm order five A380-800s, 30 787-10s and 56 A350-900s. In February 2017, SIA announced a letter of intent with Boeing for 20 777-9s and 19 additional 787-10s.

Average age of aircraft (months), as at 31 March	2016-17	2015-16	2014-15	2013-14
<b>SIA Passenger Fleet</b>	<b>92</b>	89	85	81
<b>SIA Cargo Freighters</b>	<b>160</b>	164	150	147
<b>SilkAir</b>	<b>51</b>	48	53	71
<b>Scoot</b>	<b>19</b>	8	148	195
<b>Tigerair</b>	<b>71</b>	58	46	36

\* FlightGlobal, ACAS (Aircraft information and forecast data system) [April 2017]





# MANAGING OUR ENVIRONMENTAL IMPACT

## Sustainable Aviation Fuel Users Group (SAFUG)

SAFUG was established in September 2008 to accelerate the development and commercialisation of sustainable aviation fuels. Since September 2011, SIA has been an active member of SAFUG, as we believe that sustainable aviation biofuels are key to the industry's carbon-neutral growth goal beyond 2020. It is expected that carbon reduction from using sustainable aviation fuels could be up to 80 per cent based on a full carbon life cycle. SAFUG members make up approximately 33 per cent of commercial aviation fuel demand. We engage SAFUG regularly to discuss and be updated on the latest biofuel developments taking place globally.

### SIA has pledged to advance and adopt aviation biofuels produced in a sustainable way that:

- Exhibit minimal impact on biodiversity.
- Meet a sustainability standard, with respect to land, water and energy use.
- Do not displace or compete with food crops.
- Provide a positive socioeconomic impact.

SIA is committed to collaborating with government agencies and stakeholders to overcome supply and infrastructure challenges that may hinder the commercial use of sustainable aviation fuels.

## Pillar 2. OPERATIONAL MEASURES

### Fuel Productivity Initiatives

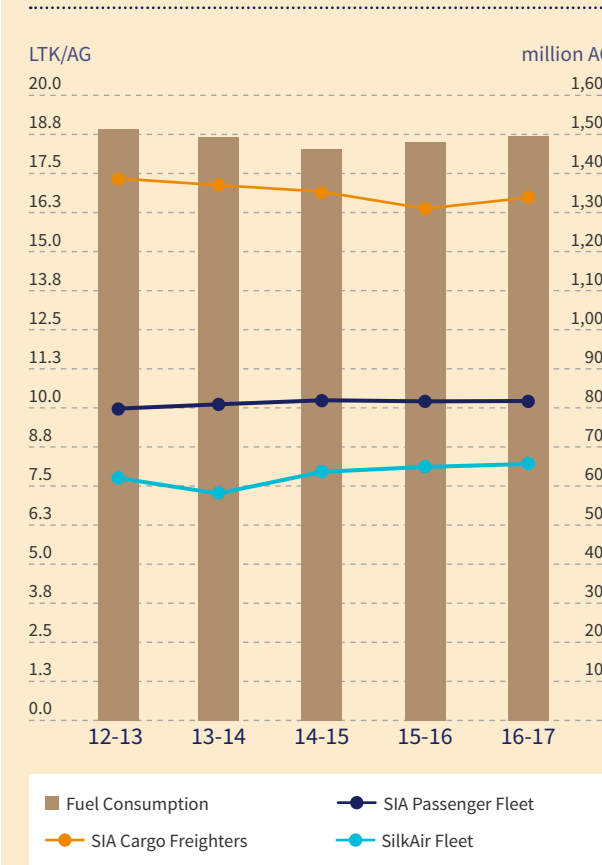
SIA is committed to improving fuel productivity of our flight operations through various initiatives, which aim to reduce carbon emissions. We report direct GHG emissions from fuel used in flight operations and measure GHG emissions intensity ratio by grams of carbon dioxide emitted per load-tonne-kilometre.

We constantly explore fuel productivity and savings initiatives for the future as part of our ongoing commitment to sustainability. For example, we target to achieve fuel savings of approximately 3,425 tonnes on our Boeing 777-300ER fleet through tailored water uplift. We will be installing in-flight entertainment systems and Economy Class seats made of lighter material on our Boeing 777 fleet. This is expected to save 2,440 tonnes of fuel. The targeted fuel savings for both initiatives are projected savings for five years and the initiatives will commence from 2018 onwards.

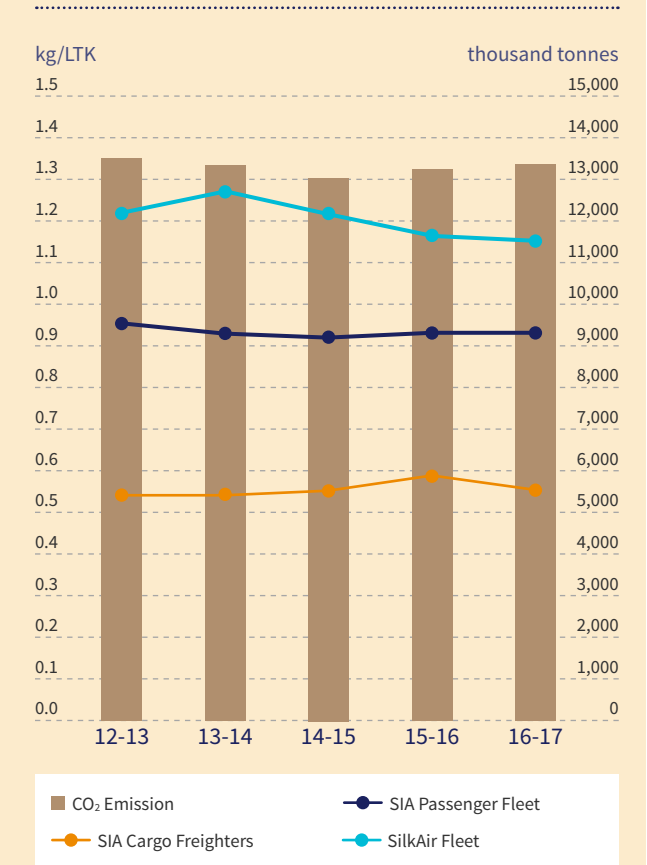
### Currently, SIA's key initiatives from our fuel productivity improvement programme include:

- > Adopt engineering measures that improve fuel efficiency, such as fleet-wide engine washing, which have led to 10,400 tonnes of fuel savings per year. Modifying the A380 Trent 900 engine in order to enhance performance has led to 10,010 tonnes of fuel savings per year.
- > Adopt improvements in flight operation procedures, such as 'continuous descent' operations, to minimise fuel use without compromising safety.
- > Apply Data Analytics to expand and improve SIA's fuel conservation initiatives to accurately measure performance in addition to identifying and prioritising opportunities for further fuel productivity improvement.
- > Develop performance improvement packages for airframes and engines to reduce airframe drag, hence improving engine fuel efficiency.
- > Embark on initiatives both within SIA and with Original Equipment Manufacturers (OEMs) to reduce the weight of aircraft. For example, customisation of water uplift based on flight sector requirements through a tailored potable water programme and removal of unutilised overhead storage compartments located in between the galleys of our 777-300ERs. These initiatives save 2,400 tonnes of fuel per year.
- > Employ mobile ground power units and pre-conditioned air units during nightstops and long transits to reduce reliance on aircraft auxiliary power units. This is expected to save at least 2,400 tonnes of fuel per year.
- > Engage in route-planning procedures actively to determine the most fuel-efficient routes possible.
- > Implement the Centre of Gravity Optimisation initiative into our Load Planning System, which is programmed to automatically derive a preferred centre of gravity position for loading of cargo pallets and containers, leading to improved fuel efficiency in our aircraft operations.
- > Improve flight operation procedures that reduce fuel burn for A380s at London's Heathrow Airport. SIA's A380 aircraft departing Heathrow now use less power when taking off, resulting in fuel saving and less CO<sub>2</sub> and NO<sub>x</sub> being emitted, while complying with the airport's strict noise procedure guidelines.
- > Maintain a modern and fuel-efficient fleet. The A350-900, known for its superior operating efficiency, entered our fleet in March 2016.
- > Optimise flight operations and flight planning systems leading to better route selection.
- > Participate in the ASPIRE programme (details on ASPIRE programme are available on page 36).
- > Participate in international discussions on route restructuring to establish new airways for more efficient routings.

### Fuel Consumption



### CO<sub>2</sub> Emissions





# MANAGING OUR ENVIRONMENTAL IMPACT

## Pillar 3. IMPROVED INFRASTRUCTURE

### ASPIRE Programme

SIA has been participating in the Asia and Pacific Initiative to Reduce Emissions (ASPIRE) programme since our first 'green flight' demonstration on 31 January 2010, which operated from Los Angeles to Singapore via Tokyo. The ASPIRE programme is a unique partnership between air navigation service providers that share the aim of reducing carbon emissions from fuel burn in all phases of flight. This requires implementing best practices and initiatives in air traffic management and flight operation procedures. Examples include measures that permit pilots to take full advantage of atmospheric conditions, such as prevailing winds, to reduce separation between aircraft and shorten flight time. In October 2016, SIA's new "Capital Express" service between Singapore, Canberra and Wellington was unveiled as the latest addition to the ASPIRE Programme.

Under the programme, our Singapore-Canberra-Wellington and vice versa flights utilise the range of ASPIRE practices, including: making use of favourable winds, reducing airborne holding, enabling efficient 'continuous descent' arrivals and reducing taxiing times. Over the course of a year, an estimated 1,500 tonnes of fuel and 4,600 tonnes of carbon emissions are expected to be saved across the four sectors. Our daily flights between Singapore and other destinations in the Southwest Pacific, including Auckland, Christchurch, Melbourne and Sydney, are also operated under the ASPIRE programme.

## Pillar 4. GLOBAL MARKET-BASED MEASURE (MBM)

As the three pillars will take time to be developed, a global MBM will be needed to reduce the sector's carbon emissions in the interim. ICAO States agreed at the 39th Assembly in October 2016 to implement a global MBM in the form of the "Carbon Offsetting and Reduction Scheme for International Aviation" (CORSIA).

CORSIA consists of a global offsetting scheme to be applied to international aviation, with 66 states representing more than 86.5 per cent of international flight operations volunteering to participate from 2021. The scheme will work on a three-year compliance cycle starting from 2021. The first two phases which will take place from 2021 to 2026 are voluntary, with Singapore being one of the states that will be participating in these phases, after which the scheme becomes mandatory.

SIA recognises that CORSIA will play an integral role in ensuring that carbon emissions are only accounted for once and will eliminate duplicate economic measures. SIA supports the ongoing efforts to implement the scheme in an equitable and practical manner.

### Aircraft Noise

When it comes to aircraft noise management, SIA focuses on the reduction of noise at the source – aircraft engines. Compared to models produced 10 years ago, modern jet aircraft are about 50 per cent quieter. Continuous improvements are being made to further reduce engine noise emissions.

On 1 January 2006, ICAO introduced a new Chapter 4 noise standard which is more stringent and at least one third quieter than the previous Chapter 3 standard. This is part of ICAO's Balanced Approach to Aircraft Noise Management to reduce noise at the source. The continuous improvement of noise certification strives to ensure that the latest noise reduction technology available is incorporated into aircraft design, so that the benefits are reflected in noise reductions around airports.

SIA supports the Balanced Approach. Our fleet of A330, A350, A380 and 777 aircraft, as well as Scoot's 787s, SilkAir's A319s, A320s and 737-800s, and Tigerair's A319s and A320s, all meet the latest ICAO Chapter 4 noise standard.

### Aircraft Emissions

ICAO sets the international standards for NO<sub>x</sub>, CO<sub>2</sub>, hydrocarbons and exhaust levels from aircraft engine emissions under ICAO Annex 16, Volume II. In February 2016, the new CO<sub>2</sub> standard was finalised by ICAO. This standard is applicable to new aircraft type designs as of 2020 and new deliveries of current in-production aircraft types from 2023.

SIA supports the new CO<sub>2</sub> standard as it has the potential to meet the aviation industry's long-term commitment to reduce CO<sub>2</sub> emissions.

The current NO<sub>x</sub> standard endorsed in 2004, applicable to new engines from 2008, is 12 per cent stricter than previous standards. The passenger aircraft fleets for SIA, SilkAir, Scoot and Tigerair, as well as SIA Cargo freighters, all meet the stringent 2004 ICAO CAEP/6 Emission Standards for NO<sub>x</sub>.

### Ground Emissions

All new and existing vehicles on the ground powered by diesel or petrol comply with requirements set by Singapore's National Environmental Agency (NEA) on motor vehicle emissions. In addition, vehicles undergo regular maintenance and inspections. For example, diesel-powered vehicles undergo an annual Chassis Dynamometer Smoke Test (CDST) to ensure the smoke opacity limit meets local standards.

In addition, to conserve fuel and promote better air quality, staff are reminded to switch off engines while their vehicles are idling in order to adhere to anti-idling engine regulations.

### Conservation Efforts by Subsidiaries

Energy conservation efforts are also being made by our subsidiaries. SIA had a facility maintenance contract with SIA Engineering Company (SIAEC), under which we managed SIAEC's hangars, leased offices at Changi Airport, Engine Test Facility and Training Academy. With the cessation of the contract in October 2016, SIAEC has embarked on the management of its own premises, while embracing principles and best practices of conservation efforts implemented over the years. Our Properties team continues to manage SilkAir's leased premises located at Changi Airport.

### Environmental Management System

#### Energy Efficiency in the Office and Maintenance Hangars

In FY2016/17, SIA continued to implement energy conservation initiatives to reduce energy consumption. Our FY2016/17 energy-saving initiatives focused largely on managing the air-conditioning and lighting within our buildings. An example was the replacement of high bay lighting for hangar operations. These facilities are monitored closely using sub-metres and the building automation system to provide detailed energy information.

Our conservation efforts also include monitoring our water usage, waste management and efficiency of chillers. Data collection and mining is crucial for identifying new conservation initiatives.

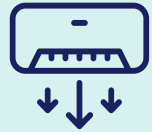
We are guided by the electricity conservation adoption and reporting standard and methodologies of electricity conservation from Singapore's Energy Market Authority.



# MANAGING OUR ENVIRONMENTAL IMPACT

## Energy Conservation best practices

In our yearly review of energy requirements for our buildings and facilities, we have identified opportunities to better optimise energy consumption in order to prevent wastage. These were some of our energy-saving efforts in FY2016/17:



### Air-conditioners

- > Ensuring that our upcoming new data centre will be fitted with an efficient Computer Room Air-Conditioning (CRAC) dual coil system which utilises both chilled water and refrigerant. With constant monitoring of the building's heat load requirements, the air conditioners will be able to run efficiently during peak and off-peak loads.
- > Increased chilled water set point in chillers from 7.3 to 8.0 degrees Celsius.
- > Installed pre-cooled coils and variable speed motors for air handling units (AHUs), which resulted in improved energy savings and humidity control.
- > Implemented shorter operating hours for building chillers, AHUs and fan coil units (FCU) without compromising operational requirements.
- > Replaced older air-cooled chiller systems with more energy-efficient water-cooled chiller systems complete with building management system for Hangar 3, reducing energy consumption of the chiller systems by 50 per cent.



### Water

- > Conducted regular water audits and submission of water efficiency management plan to the Public Utilities Board (PUB) annually.
- > Introduced sub metering at areas with high water consumption within SIA premises to monitor water usage. Along with daily analysis of meter readings, this allows for better identification of water-saving opportunities and water leakage within our premises.
- > Monitored daily water consumption to ensure any leaks are detected early.
- > Displayed educational posters provided by PUB at shower rooms and public hand wash areas in the canteen.
- > Harvested rain water for Airline House, SIA's Head Office. Rainwater is collected and used to water plants and flush toilets. This initiative resulted in water savings of 12,000 cubic metres per year at Airline House.



### Lighting

- > Replaced high bay lighting for hangar operations. In FY2016/17, there was an increase in lighting lux level requirements from 350lux to 700lux by the operators within the maintenance hangars. SIA took the opportunity to introduce dimmable LED high bay lights to replace the sodium metal halide lamps for Hangars 3 and 6. Not only did we manage to meet the new lux level requirements, we were also able to save energy despite the increase in the number of light fittings.
- > The ongoing LED high bay lights replacement for Hangar 1 is expected to result in a 30 per cent reduction in energy consumption.



Before Replacement – Average 350lux.



After Replacement – Average 750lux. The lighting system is dimmable and the lighting levels are preset to 500lux and 750lux.



After replacement – Average 500lux.

Photographs taken by SIAEC during lux level test conducted in April 2016.

## Waste management

In FY2016/17, we disposed of 4,334 tonnes of waste accumulated from our office buildings. Toxic industrial waste (TIW) generated mostly from our aircraft maintenance activities is labelled and segregated from general waste, which is then collected by licenced general waste collectors and sent for incineration in the waste-to-energy plants. A licenced TIW collector is engaged to remove and treat the TIW before final disposal. In addition, no industrial effluents are generated from our commercial activities and all waste water is discharged to government-run water reclamation plants for treatment.

SIA has set a target to achieve a 30 per cent reduction in waste generation from our buildings by FY2020/21 as compared to base year FY2010/11. In order to meet the overall waste reduction target, departments have set their own targets, such as to reduce paper use in technical crew duty processes and for flight voyage reports to go paperless within three to five years. Longer-term targets include exploring waste reduction initiatives such as food waste recycling and working towards paperless in-flight menus. To improve our waste management practices, SIA incorporates the three R's in our daily activities:

### REDUCE

We observe the following green practices to maximise efficient use of resources:

- > A "Reduce Wastage" campaign, aimed at increasing awareness among cabin crew about waste reduction on flights, was launched in 2016.
- > Displaying reference materials digitally on screens instead of printing them on paper for meetings.
- > Printing double-sided documents.
- > Storing documents, files and archives electronically.
- > Using electronic methods of communication whenever possible.

### REUSE

- > Using envelopes designed for multiple use for internal correspondence.
- > Using printed paper that is no longer needed for drafting and note-taking purposes.

### RECYCLE

- > Recycling bins are conveniently located around offices and canteens for recycling waste such as paper, magazines, newspapers and aluminium cans.
- > Recycling used carton boxes, magazines, newspapers and glass bottles collected from our flights.





# MANAGING OUR ENVIRONMENTAL IMPACT

## Environmental Awareness Events Electronic-Waste Recycling Event

A new campaign, “Let’s Erase E-waste!” was launched in June 2016. The two-week campaign aimed to raise awareness among staff that old electronics should be recycled. Electronics contain many precious metals such as beryllium, copper, gold, lead, nickel, palladium and zinc, which can be found in circuit boards. By recycling unwanted electronics, these natural materials can be used to manufacture new electronics, while plastic castings can be melted down to make other products.

A total of 1,495kg of electronics was collected from this drive, with household items making up approximately 500kg.

## Environmental Challenge for Schools (ECS)

SIA also works with the National Environment Agency (NEA) to inspire the next generation of Singaporeans to be active in environmental care. Under the revamped Environment Challenge for Schools (ECS) spearheaded by NEA, SIA partnered with Dunman Secondary School to work on a project which turns food waste into compost. The students came to SIA’s premises and presented their project. They gave out compost which they made by themselves and engaged staff with games to raise awareness of food waste.

**A new campaign, “Let’s Erase E-waste!” was launched in June 2016. The two-week campaign aimed to raise awareness among staff that old electronics should be recycled.**

Total of  
**1,495kg**  
of electronics  
was collected





# MANAGING OUR ENVIRONMENTAL IMPACT

## Environmental Performance On The Ground

SIA's ongoing efforts to conserve and optimise usage of resources have proven successful. Our overall consumption of electricity and vehicular fuels has been reduced over the years. Details are available in the summary of environmental statistics.

Operating Statistics	FY16-17	FY15-16	FY 14-15	Fuel Productivity & CO <sub>2</sub> Emissions	FY16-17	FY15-16	FY 14-15	Resources Utilisation	FY16-17	FY15-16	FY 14-15
<b>SIA Group</b>				<b>Singapore Airlines, SilkAir and SIA Cargo</b>				<b>Carbon Emissions - Ground Operations</b>			
Total Group Revenue (S\$ million)	<b>14,868.5</b>	15,228.5	15,565.5	Fuel Consumption (million AG)	<b>1,491.90</b>	1,476.29	1,459.90	Water Consumption (,000 m <sup>3</sup> )	<b>234.0</b>	250.4	264.9
Average Number of Employees	<b>25,194</b>	24,350	23,963	Fuel Productivity (LTK/AG)	<b>10.61</b>	10.57	10.64	Electricity Consumption (Gwh)	<b>48.8</b>	52.1	54.2
<b>Singapore Airlines, SilkAir and SIA Cargo</b>				<b>SIA Passenger Fleet</b>				<b>Waste Generated in SIA Group #</b>			
Overall Load (million tonne-km)	<b>15,825.3</b>	15,605.8	15,557.4	CO <sub>2</sub> emissions (thousand tonnes)	<b>14,069.12</b>	13,921.88	13,767.39	From Fossil Fuel (tonnes)	<b>8,283</b>	8,128	7,904
Overall Capacity (million tonne-km)	<b>23,504.2</b>	22,865.7	22,607.8	CO <sub>2</sub> emissions (kg/LTK)	<b>0.89</b>	0.89	0.89	From Electricity Used (tonnes)	<b>21,050</b>	22,530	24,386
Overall Load Factor (%)	<b>67.3</b>	68.3	68.8	<b>SilkAir Fleet</b>				<b>Recyclables #</b>			
<b>Singapore Airlines</b>				Fuel Consumption (million AG)	<b>1,288.06</b>	1,276.99	1,269.14	General Waste (tonnes)	<b>4,334</b>	3,950	4,827
Passenger Carried (thousand)	<b>18,990</b>	19,029	18,737	Fuel Productivity (LTK/AG)	<b>10.18</b>	10.17	10.20	Toxic Waste (litres)	<b>88,800</b>	54,200	69,200
Revenue Pax-km (million)	<b>92,913.8</b>	94,267.4	94,209.2	CO <sub>2</sub> emissions (thousand tonnes)	<b>12,146.81</b>	12,033.04	11,968.44	<b># Figures are from SIA's operations in Singapore</b>			
Available Seat-km (million)	<b>117,662.3</b>	118,366.5	120,000.8	CO <sub>2</sub> emissions (kg/LTK)	<b>0.93</b>	0.93	0.92	Used Cooking Oil (kg)	<b>3,435</b>	5,140	7,600
<b>SilkAir</b>				<b>SIA Cargo Freighters</b>							
Passenger Carried (thousand)	<b>4,106</b>	3,836	3,553	Fuel Consumption (million AG)	<b>84.99</b>	78.15	73.51	Used Carton Boxes (kg)	<b>672,820</b>	575,810	610,490
Revenue Pax-km (million)	<b>7,138.0</b>	6,516.2	5,864.9	Fuel Productivity (LTK/AG)	<b>8.15</b>	8.06	7.71	Glass Bottles (kg)	<b>299,136</b>	206,090	177,340
Available Seat-km (million)	<b>10,086.3</b>	9,117.8	8,355.2	CO <sub>2</sub> emissions (thousand tonnes)	<b>801.47</b>	736.95	693.27				
<b>SIA Cargo</b>				CO <sub>2</sub> emissions (kg/LTK)	<b>1.16</b>	1.17	1.22				
Cargo and Mail Carried (million kg)	<b>1,248</b>	1,170.1	1,124								
Cargo Load (million tonne-km)	<b>6,895.8</b>	6,510.9	6,347.2	Fuel Consumption (million AG)	<b>118.85</b>	122.15	117.25				
Cargo Capacity (million tonne-km)	<b>10,912.3</b>	10,513.3	10,024.9	Fuel Productivity (LTK/AG)	<b>17.0</b>	16.40	17.23				
				CO <sub>2</sub> emissions (thousand tonnes)	<b>1,121</b>	1,151.90	1,105.68				
				CO <sub>2</sub> emissions (kg/LTK)	<b>0.55</b>	0.58	0.55				



# SINGAPORE AIRLINES' SUPPLIER CODE OF CONDUCT

01

## Compliance with Laws and Regulations

- Accounting practices
- Competition compliance
- Intellectual property
- Disclosure

Suppliers' business operations, as well as all products and services supplied to Singapore Airlines Limited ("Singapore Airlines"), must fully comply with the laws and regulations of the countries where suppliers' operations are based as well as where goods and services are provided to Singapore Airlines.

All financial and business records must be accurately maintained in accordance with applicable laws and regulations, as well as generally accepted accounting principles.

Fair competition must be practiced in accordance with local laws and activity that restricts competition must be avoided. Commercial decisions, including prices, terms of sale, division of markets and allocation of customers, must be made independent of understandings or agreements with competitors.

02

## Ethics and Conflict of Interest

- Anti-corruption
- Financial integrity
- Confidentiality
- Relationship of business partners with company

Business dealings must be handled with integrity, transparency and honesty. No form of fraud, corruption, bribery, extortion or other behaviour involving improper benefits will be tolerated. Any situation that has actual, perceived or potential conflict of interest must be disclosed to Singapore Airlines.

Any information used in the business relationship with Singapore Airlines that is nonpublic and proprietary must be protected against loss and infringement. Any form of disclosure or use other than for officially stated purposes must first be authorised by Singapore Airlines.

Any form of relationship with a competitor, distributor, supplier, travel agency or any other entity with which Singapore Airlines has a business relationship must not interfere with the provision of products and services to Singapore Airlines and should demonstrate high standards of ethical business behaviour.

03

## Safety and Quality

- Health and safety
- Quality of products and services

Health and safety protection policies and management systems must be in place by suppliers to provide a secure working environment. They must be designed to promote the general health of employees and reduce work-related injury and illness. For example, protective equipment and tools must be provided and replaced/maintained regularly.

The safety of all products and services must be ensured through appropriate policies, implementation and monitoring.

Policies and management systems must be developed to ensure that the quality of all products and services are as specified in the supply agreement.

04

## Environment

- Compliance with laws and regulations
- Engagement in environmental management processes

Local environmental laws and practices such as those pertaining to waste disposal, air emissions and pollution must be complied with. Suppliers must endeavour to minimise the impact of their operations on the environment.

Environmental management is a key parameter that Singapore Airlines looks at when selecting its suppliers.

05

## Labour Standards

- Equal opportunity
- Non-discrimination
- Minimum age/child labour/forced labour
- Working hours
- Wage standards

Employees must not be subjected to discrimination based on race, national origin, ethnicity, religion, gender, age, marital status, sexual orientation, disability or any other reason.

- > All employees must meet the local legal minimum labour age.
- > Forced, coerced, bonded, indentured, involuntary prison labour or otherwise must not be used.
- > Employee working hours, including considerations for voluntary overtime work, and the granting of leave of any form, must be in accordance with applicable local and/or national laws.
- > Salaries must not be less than standards specified by local laws.

06

## Subcontractors and Other Service Providers

- Compliance with Code of Conduct
- On-time payment

Subcontractors and service providers must also adhere to the principles set out in this Code of Conduct. Subcontractors and service providers must be paid accurately and promptly.

07

## Communication, Documentation and Inspection

- Employee awareness of Code of Conduct
- Language translation

Employees must understand the requirements of this Code of Conduct, which must be made available in the local language where necessary.

*This Code of Conduct does not create any binding obligations on Singapore Airlines.*



# MATERIAL TOPICS AND BOUNDARIES

SIA Material Topics	GRI Standards Topics	Topic Boundary: Internal* and External** (GRI103-1b and GRI103-c)	Management Approach (GRI103-1a, GRI103-2 and GRI103-3)
<b>CUSTOMER FOCUS</b>	Customer Privacy	SIA, customers, suppliers	Stakeholder Engagement: Customers, <b>Pg 23</b>
<b>ENVIRONMENT</b>	Materials	SIA, suppliers	Stakeholder Engagement: Suppliers, <b>Pg 24</b>
	Energy	SIA, suppliers	Managing Our Environmental Impact, <b>Pg 32-39</b>
	Water	SIA, suppliers	Managing Our Environmental Impact, <b>Pg 37</b>
	Biodiversity	Communities where SIA operates	Supporting Our Communities, <b>Pg 28</b>
	Emissions	Communities where SIA operates, suppliers	Managing Our Environmental Impact, <b>Pg 33-36, 39</b>
	Effluents and Waste	Communities where SIA operates, suppliers	Managing Our Environmental Impact, <b>Pg 37-39</b>
	Environmental Compliance	SIA, suppliers	There were no fines or sanctions during the reporting period
	Supplier Environmental Assessment	SIA, suppliers	Stakeholder Engagement: Suppliers, <b>Pg 24-25</b> Singapore Airlines' Suppliers' Code of Conduct, <b>Pg 40</b>
<b>EMPLOYEES</b>	Employment	SIA	Stakeholder Engagement: Employees, <b>Pg 16-22</b>
	Labour/Management Relations	SIA	Stakeholder Engagement: Employees, <b>Pg 16-17</b> GRI Content Index, <b>Pg 43</b>
	Training and Education	SIA	Stakeholder Engagement: Employees, <b>Pg 19-21</b> Sustainability at Singapore Airlines, <b>Pg 8</b> SIA's Safety Performance, <b>Pg 12-14</b>
	Diversity and Equal Opportunity	SIA	Corporate Governance, <b>Pg 6</b> Stakeholder Engagement: Employees, <b>Pg 16, 21-22</b> Annual Report, <b>Pg 20-21, 76-79</b>
	Non-discrimination	SIA	There were no recorded incidents of discrimination during the reporting period
	Supplier Social Assessment	SIA, suppliers	Stakeholder Engagement: Suppliers, <b>Pg 24-25</b> GRI Content Index, <b>Pg 43</b>

SIA Material Topics	GRI Standards Topics	Topic Boundary: Internal* and External** (GRI103-1b and GRI103-c)	Management Approach (GRI103-1a, GRI103-2 and GRI103-3)
<b>SAFETY</b>	Occupational Health and Safety	SIA	SIA's Safety Performance, <b>Pg 11-14</b> GRI Content Index, <b>Pg 43</b>
	Customer Health and Safety	SIA, customers, suppliers	SIA's Safety Performance, <b>Pg 11-14</b>
<b>SUPPLIERS</b>	Freedom of Association and Collective Bargaining	SIA, suppliers	GRI Content Index, <b>Pg 43</b>
	Child Labour	SIA, suppliers	Singapore Airlines' Suppliers' Code of Conduct, <b>Pg 41</b> GRI Content Index, <b>Pg 43</b>
	Forced or Compulsory Labour	SIA, suppliers	Singapore Airlines' Suppliers' Code of Conduct, <b>Pg 41</b> GRI Content Index, <b>Pg 43</b>
	Human Rights Assessment	SIA, suppliers	Stakeholder Engagement: Suppliers, <b>Pg 24-25</b> , Singapore Airlines' Suppliers Code of Conduct, <b>Pg 40</b>
<b>GOVERNANCE</b>	Anti-corruption	SIA, suppliers	Corporate Governance, <b>Pg 6</b>
<b>SHAREHOLDERS</b>	Market Presence	SIA, shareholders	Stakeholder Engagement: Employees, <b>Pg 16, 21-22</b>
	Economic Performance	SIA, shareholders	Annual Report, <b>Pg 2, 44-59</b>

\* Refers to stakeholders within the organisation  
 \*\* Refers to stakeholders outside the organisation



# GRI CONTENT INDEX

GENERAL STANDARD DISCLOSURES			
GRI Standards	Disclosure	Disclosure Title	Page Reference and Remarks
<b>ORGANISATIONAL PROFILE</b>			
GRI 102: General Disclosure 2016	102-1	Name of the organisation	About Singapore Airlines (Pg 2)
	102-2	Activities, brands, products, and services	About Singapore Airlines (Pg 2), Annual Report (Pg 27-31)
	102-3	Location of headquarters	About Singapore Airlines (Pg 2)
	102-4	Location of operations	Route Network (Pg 4), Historical Timeline of SIA (Pg 3)
	102-5	Ownership and legal form	About Singapore Airlines (Pg 2), Annual Report (Pg 211)
	102-6	Markets served	About Singapore Airlines (Pg 2), Route Network (Pg 4)
	102-7	Scale of the organisation	Stakeholder Engagement: Employees (Pg 16), Managing Our Environmental Impact (Pg 34-40), Annual Report (Pg 99-103)
	102-8	Information on employees and other workers	Stakeholder Engagement: Employees (Pg 16), Stakeholder Engagement: Suppliers (Pg 24) <i>The employee figures in this report have been compiled by SIA's Human Resources Division. Staff on temporary contracts are not included in the employee headcount</i>
	102-9	Supply chain	Stakeholder Engagement: Suppliers (Pg 24-25)
	102-10	Significant changes to the organisation and its supply chain	CEO's message (Pg 1)
	102-11	Precautionary Principle or approach	Managing Our Environmental Impact (Pg 33)
	102-12	External initiatives	Focus on People (Pg 15-25), Supporting our Communities (Pg 26-31), Caring for the Environment (Pg 33-38)
	102-13	Membership of associations	About Singapore Airlines (Pg 2)
<b>STRATEGY</b>			
GRI 102: General Disclosure 2016	102-14	Statement from senior decision-maker	CEO Message (Pg 1), Annual Report (Pg 18-19)
<b>ETHICS &amp; INTEGRITY</b>			
GRI 102: General Disclosure 2016	102-16	Values, principles, standards, and norms of behaviour	About Singapore Airlines (Pg 2), Corporate Governance (Pg 6), Stakeholder Engagement: Employees (Pg 17), Stakeholder Engagement: Suppliers (Pg 24-25), Singapore Airlines' Suppliers' Code of Conduct (Pg 41)
<b>GOVERNANCE</b>			
GRI 102: General Disclosure 2016	102-18	Governance structure	Corporate Governance (Pg 6)
	102-25	Conflicts of interest	Corporate Governance (Pg 6)
<b>STAKEHOLDER ENGAGEMENT</b>			
GRI 102: General Disclosure 2016	102-40	List of stakeholder groups	Sustainability at Singapore Airlines (Pg 7-9)
	102-41	Collective bargaining agreements	Stakeholder Engagement: Employees (Pg 16-17)
	102-42	Identifying and selecting stakeholders	Sustainability at Singapore Airlines (Pg 7-9)
	102-43	Approach to stakeholder engagement	Sustainability at Singapore Airlines (Pg 7-9), Focus on People (Pg 15-25)
	102-44	Key topics and concerns raised	CEO's message (Pg 1), Sustainability at Singapore Airlines (Pg 8-9), SIA's Safety Performance (Pg 11-12)

REPORTING PRACTICE			
GRI 102: General Disclosure 2016	102-45	Entities included in the consolidated financial statements	Overview, About Singapore Airlines (Pg 2), Annual Report (Pg 211)
	102-46	Defining report content and topic Boundaries	Sustainability at Singapore Airlines (Pg 8-9), Material Topics and Boundaries (Pg 41)
	102-47	List of material topics	Sustainability at Singapore Airlines (Pg 8-9), Material Topics and Boundaries (Pg 41)
	102-48	Restatements of information	Annual Report (Pg 110-203)
	102-49	Changes in reporting	Overview
	102-50	Reporting period	Overview
	102-51	Date of most recent report	Overview
	102-52	Reporting cycle	Overview
	102-53	Contact point for questions regarding the report	Overview
	102-54	Claims of reporting in accordance with the GRI Standards	Overview
	102-55	GRI content index	GRI Content Index (Pg 42 - 43), Material Topics and Boundaries (Pg 41)
	102-56	External assurance	Overview

MATERIAL TOPICS			
GRI Standards	Disclosure	Disclosure Title	Page Reference and Remarks
<b>ECONOMIC PERFORMANCE</b>			
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Annual Report (Pg 2, 44-59)
<b>MARKET PRESENCE</b>			
GRI 202: Market Presence 2016	202-2	Proportion of senior management hired from the local community	Stakeholder Engagement: Employees (Pg 16)
<b>ANTI-CORRUPTION</b>			
GRI 205: Anti-Corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance (Pg 6) All ground staff are expected to complete anti-corruption training
	205-3	Confirmed incidents of corruption and actions taken	Corporate Governance (Pg 6)
<b>ENERGY</b>			
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Managing Our Environmental Impact (Pg 36-39)
	302-4	Reduction of energy consumption	Managing Our Environmental Impact (Pg 33-39)
<b>BIODIVERSITY</b>			
GRI 304: Biodiversity 2016	304-3	Habitats protected or restored	Community Engagement (Pg 28)
<b>EMISSIONS</b>			
GRI 305: Emissions 2016	305-4	GHG emissions intensity	Managing Our Environmental Impact (Pg 33-36, 39)
	305-5	Reduction of GHG emissions	Managing Our Environmental Impact (Pg 33-39)
<b>EFFLUENTS AND WASTE</b>			
GRI 306: Effluents and Waste 2016	306-1	Water discharge by quality and destination	Managing Our Environmental Impact (Pg 37, 39)
	306-4	Transport of hazardous waste	Managing Our Environmental Impact (Pg 37, 39)

# GRI CONTENT INDEX

## MATERIAL TOPICS (cont'd)

GRI Standards	Disclosure	Disclosure Title	Page Reference and Remarks
<b>ENVIRONMENTAL COMPLIANCE</b>			
<b>GRI 307: Environmental Compliance 2016</b>	307-1	Non-compliance with environmental laws and regulations	Nil
<b>SUPPLIER ENVIRONMENTAL ASSESSMENT</b>			
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1	New suppliers that were screened using environmental criteria	Stakeholder Engagement: Suppliers (Pg 24-25) All of SIA's suppliers are expected to comply with our Suppliers' Code of Conduct
<b>EMPLOYMENT</b>			
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover	Stakeholder Engagement: Employees (Pg 21-22)
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Stakeholder Engagement: Employees (Pg 17)
	401-3	Parental leave	Stakeholder Engagement: Employees (Pg 22)
<b>LABOUR/MANAGEMENT RELATIONS</b>			
<b>GRI 402: Labour/Management Relations 2016</b>	402-1	Minimum notice periods regarding operational changes	The notice periods to commence negotiations are set up in the respective collective agreements with the unions
<b>OCCUPATIONAL HEALTH AND SAFETY</b>			
<b>GRI 403: Occupational Health and Safety 2016</b>	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	SIA's Safety Performance (Pg 11) <b>For Employee Injury:</b> 2 female General Staff with 44 lost calendar days 1 male Administrative Officer with 44 lost calendar days 385 Cabin Crew (269 females, 116 males) with 6,540 lost calendar days. <b>For Non-Employee Injury:</b> 2 male warehouse staff with 9 lost calendar days 1 male security staff with 1 lost calendar day  SIA reports work-related accidents in accordance with The Workplace Safety and Health Act stipulated by Singapore's Ministry of Manpower.
	403-3	Workers with high incidence or high risk of diseases related to their occupation	Not applicable. No Singapore-based employees in the SIA Group belongs to this category
	403-4	Health and safety topics covered in formal agreements with trade unions	Not applicable
<b>TRAINING AND EDUCATION</b>			
<b>GRI 404: Training and Education 2016</b>	404-1	Average hours of training per year per employee	Stakeholder Engagement: Employees (Pg 20) <b>Gender</b> Male: 84 hours per staff Female: 77 hours per staff <b>Employee Category (SIA Group)</b> Managers & Above: 14 hours per staff Administrative Officers/Executives: 28 hours per staff General Staff (Ground): 49 hours per staff Cabin Crew: 91 hours per staff Pilots: 35 hours per staff <i>These figures are for courses conducted by SIA's Corporate Learning Centre only</i>
	404-2	Programmes for upgrading employee skills and transition assistance programmes	Stakeholder Engagement: Employees (Pg 19-21), SIA's Safety Performance (Pg 12-14)
	404-3	Percentage of employees receiving regular performance and career development reviews	Stakeholder Engagement: Employees (Pg 17)

## DIVERSITY AND EQUAL OPPORTUNITY

<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1	Diversity of governance bodies and employees	Corporate Governance (Pg 6), Stakeholder Engagement: Employees (Pg 22), Annual Report (Pg 20-21, 76-79)
<b>NON-DISCRIMINATION</b>			
<b>GRI 406: Non-Discrimination 2016</b>	406-1	Incidents of discrimination and corrective actions taken	There were no reported incidents during the reporting period
<b>FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>			
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Nil
<b>CHILD LABOUR</b>			
<b>GRI 408: Child Labour 2016</b>	408-1	Operations and suppliers at significant risk for incidents of child labour	Stakeholder Engagement: Suppliers (Pg 24-25) We are in compliance with the Employment Act and laws of Singapore. All of SIA's suppliers are expected to comply with our Suppliers' Code of Conduct
<b>FORCED OR COMPULSORY LABOUR</b>			
<b>GRI 409: Forced or Compulsory Labour 2016</b>	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Stakeholder Engagement: Suppliers (Pg 24-25) We are in compliance with the Employment Act and laws of Singapore. All of SIA's suppliers are expected to comply with our Suppliers' Code of Conduct
<b>RIGHTS OF INDIGENOUS PEOPLES</b>			
<b>GRI 411: Rights of Indigenous People 2016</b>	411-1	Incidents of violations involving rights of indigenous peoples	Nil
<b>NON-DISCRIMINATION</b>			
<b>GRI 412: Non-Discrimination 2016</b>	412-1	Operations that have been subject to human rights reviews or impact assessments	Nil
<b>SUPPLIER SOCIAL ASSESSMENT</b>			
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1	New suppliers that were screened using social criteria	Stakeholder Engagement: Suppliers (Pg 24-25) All of SIA's suppliers are expected to comply with our Suppliers' Code of Conduct
	414-2	Negative social impacts in the supply chain and actions taken	There were no significant actual or potential negative impacts





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MCI (P) 130/05/2017  
IS20170000413  
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