

A grayscale aerial photograph of the Singapore skyline, featuring the Marina Bay Sands hotel tower, the Singapore Flyer, and the Singapore River leading towards the city center.

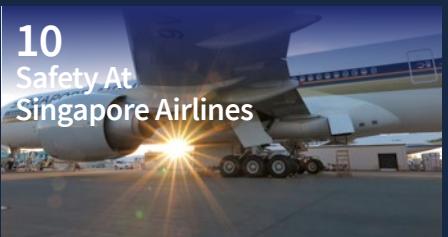
# A Sustainable Story



SINGAPORE AIRLINES | Sustainability Report FY 2014/15

# Contents

Throughout our Report FY 2014/15 you will find various case studies highlighting just part of our contribution to the world around us.

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# Overview

This Sustainability Report aims to inform stakeholders of Singapore Airlines about 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 the process chain, we hope to explore ways to improve sustainability 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 2014/15 from 1 April 2014 to 31 March 2015. The previous Sustainability Report was published in June 2014.

## Reporting Scope

Information and figures in this report refer to the Parent Airline, excluding subsidiaries in the Singapore Airlines Group – SIA Cargo, SIA Engineering Company, SilkAir, Scoot, Tigerair 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 improve on this process continually to ensure that our data collection is effective and robust.

## GRI Guidelines

This report is prepared based on the Global Reporting Initiative's (GRI) G4 reporting guidelines, in accordance with the Core option, where applicable. 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 Vice President Public Affairs, at [public\\_affairs@singaporeair.com.sg](mailto:public_affairs@singaporeair.com.sg).

# CEO's Message



**As we celebrate Singapore's Golden Jubilee this year, the greatest gift we can give to the nation is to continue developing as a responsible group of companies.**

This is a special year for Singapore, as the nation celebrates its 50<sup>th</sup> birthday on 9 August. The cover of this year's Sustainability Report was designed to reflect on how we have been an integral part of Singapore's development over the decades. This report is about more than looking back, however; it is also about demonstrating how we are moving forward.

The industry in which we are operating remains challenging as a result of overcapacity, new competitors, volatility in fuel prices and currency movements. For SIA specifically, we are clear about the challenges that we face, in terms of geography as well as competition from aggressive low-cost and full-service airlines. We are making significant investments in a wide range of strategic initiatives to address these challenges and better position the SIA Group for the future. Many of these new initiatives have been implemented over the past year.

The past year has also seen us moving forward on our sustainability journey, and this marks the second year in which we have adopted the Global Reporting Initiative's G4 guidelines for our annual reporting.

In line with our group portfolio approach under which we have both full-service and low-cost airline operations – through Singapore Airlines and SilkAir, and Scoot and Tigerair, respectively - we are continuing to progressively expand the scope of our reporting. This year we are including employee and fleet information of our subsidiaries.

We have also set new targets related to the environment, such as reducing electricity usage and waste generation in company buildings. For example, we are targeting by FY 2020/21 to reduce electricity usage by 15 per cent and reduce waste generation by 30 per cent.

At the same time we continue to support the industry's efforts to develop sustainable aviation fuels through our membership in the Sustainable Aviation Fuel Users Group (SAFUG), which is focused on accelerating the development and commercialisation of such fuels.

In line with our longstanding policy to maintain a young, modern and efficient fleet, we are also continuing to introduce new aircraft which burn less fuel and are more environmentally friendly, while reducing the amount of fuel used for our flights through operational efficiency measures and weight reduction programmes.

Our staff are our greatest asset and we continue to invest heavily in them through training and development programmes, which are detailed in the pages of this report. Also included in this report are details of engagement activities with shareholders, customers, employees and partners, among others, in addition to details of our extensive corporate social responsibility initiatives, both at home and in our overseas stations. Last year, for example, we organised two major events in the lead-up to Singapore's 50th birthday. Through the SIA Charity Gala held in October 2014 and the SIA Charity Run in November 2014, we helped raise \$2.5 million for the Community Chest of Singapore.

As we celebrate Singapore's Golden Jubilee this year, the greatest gift we can give to the nation is to continue developing as a responsible group of companies.

**GOH CHOON PHONG**  
Chief Executive Officer  
Singapore Airlines

# About Singapore Airlines

**Singapore Airlines has come a long way since our founding in 1972. Now an internationally-respected brand, we have become one of the world's leading carriers with an advanced fleet of aircraft.**

With one of the world's youngest fleets in the air, a network spanning six 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 made a habit of leading the way, and along the way developed a reputation as an industry trendsetter. Our ever-growing list of industry-leading innovations includes the following firsts:

## **First to offer free**

headsets, a choice of meals and free drinks in Economy Class, in the 1970s.

## **First to introduce**

satellite-based inflight telephones, in 1991.

## **First to involve**

a comprehensive panel of world-renowned chefs, the International Culinary Panel, in developing inflight meals, in 1998.

## **First to offer audio and video**

on demand (AVOD) capabilities on KrisWorld in all classes, in October 2001.

## **First to fly**

the A380 from Singapore, in 2007.

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.**

## **Values**

### **PURSUIT OF EXCELLENCE**

We strive for the highest professional standards in our work and aim to be the best in everything we do.

### **SAFETY**

We regard safety as an essential part of all our operations. We maintain and adopt practices that promote the safety of our customers and staff.

### **CUSTOMER FIRST**

Our customers are foremost in our minds all the time. We go the extra mile to exceed their expectations.

### **CONCERN FOR STAFF**

We value our staff and care for their well-being. We treat them with respect and dignity and seek to provide them with appropriate training and development so that they can lead fulfilling careers.

### **INTEGRITY**

We strive for fairness in all our business and working relationships.

### **TEAMWORK**

We work with pride as a worldwide team to achieve success together.

## **Membership Of Associations**

Singapore Airlines is a member of Star Alliance, the International Air Transport Association (IATA) 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 on which he is a Member of the Strategy and Policy Committee. Singapore Airlines is also represented in various committees and working groups in the Association of Asia Pacific Airlines (AAPA).

# Historical Timeline of SIA



The maiden flight of Malayan Airways Limited (MAL), operated by an Airspeed Consul, takes off from Singapore Kallang Airport.



French couturier *Pierre Balmain* designs the sarong kebaya uniform for MSA air stewardesses.



Singapore Airlines becomes the first airline to operate a 747-400 on a commercial flight across the Pacific.



Singapore Airlines launches three-times weekly flights to São Paulo, its first South American destination.

## FLYING FORWARD

MAY  
1947

MAY  
1966

1968

JUN  
1971

1972

JUL  
1981

1989

1995

1999

JUL  
2007

2011

JUL  
2015



MAL, which was renamed Malaysian Airways Limited in 1963, becomes Malaysia-Singapore Airlines (MSA)

MSA's first transcontinental flight on a Boeing 707 takes off for London.



Singapore Airlines moves to the new Singapore Changi Airport from Paya Lebar.



KrisWorld, Singapore Airlines' advanced inflight entertainment system, is launched across all classes.



Singapore Airlines is the first airline to operate the A380 superjumbo, the largest passenger plane in the world.

**FLYING FURTHER**  
**2015**

Today, Singapore Airlines serves over 280 destinations in 70 countries, including services by Singapore Airlines Cargo, SilkAir and codeshare partners.

# Route Network

As at 31 March 2015, the passenger route network for Singapore Airlines and its regional subsidiary SilkAir covers 98 destinations in 35 countries.



# Fleet Information

## Singapore Airlines Passenger Fleet

As at 31 March 2015

AVERAGE AGE OF PASSENGER FLEET  
07 years  
01 month

01.		02.		04.		03.		05.		06.		07.	
AIRBUS	A380-800	AIRBUS	A330-300	BOEING	777-300ER	IN FLEET	ON ORDER	IN FLEET	ON ORDER	IN FLEET	ON ORDER	IN FLEET	ON ORDER
19	5	29	3	25	2					9		10	30
CABIN CONFIGURATION 1		CABIN CONFIGURATION		CABIN CONFIGURATION						CABIN CONFIGURATION		CABIN CONFIGURATION	
Suites: 12		Business: 30		First: 8						Business: 26		Business: 38	
Business: 60		Economy: 255		Business: 42						Economy: 245		Economy: 228	
Economy: 399		Total: 285		Economy: 228						Total: 271		Total: 266	
Total: 471				Total: 278									
In Fleet: 11													
CABIN CONFIGURATION 2													
Suites: 12													
Business: 86													
Economy: 311													
Total: 409													
In Fleet: 8													
ON ORDER	70	IN FLEET	7	CABIN CONFIGURATION						CABIN CONFIGURATION			
				First: 8						Business: 30			
				Business: 50						Economy: 255			
				Economy: 226						Total: 285			
				Total: 284									



Singapore Airlines has 105 aircraft in its fleet. As at 31 March 2015, the average age of its aircraft is 7 years and 1 month. The average age of aircraft for subsidiaries, SilkAir, Scoot and TigerAir, can be found on the next page. The fleet is amongst the youngest and most fuel-efficient in the world.

**TOTAL AIRCRAFT**  
**105**  
in its fleet as at 31 March 2015

**AVERAGE AGE OF AIRCRAFT**  
**7 yrs & 1 month**  
Amongst the youngest & most fuel-efficient in the world

# Fleet Information (cont'd)

## Singapore Airlines Cargo Freighter Fleet

As at 31 March 2015



**01.**  
Boeing  
747-400 Freighter

IN FLEET  
8

## SilkAir Fleet

As at 31 March 2015



**02.**  
Airbus  
A320

IN FLEET  
13

CABIN CONFIGURATION  
Business: 12  
Economy: 138  
Total: 150

**03.**  
Boeing  
737 Max 8

ON ORDER  
31

**04.**  
Airbus  
A319

IN FLEET  
5

CABIN CONFIGURATION  
Business: 8  
Economy: 120  
Total: 128

**05.**  
Boeing  
737-800

IN FLEET 9      ON ORDER 14

CABIN CONFIGURATION

Business: 12  
Economy: 150  
Total: 162



## Scoot Fleet

As at 31 March 2015



**06.**  
Boeing  
777-200

IN FLEET  
4

CABIN CONFIGURATION  
ScootBiz: 32  
Economy: 370  
Total: 402

**07.**  
Boeing  
787-8

ON ORDER  
10

**08.**  
Boeing  
787-9

IN FLEET 2      ON ORDER 8

CABIN CONFIGURATION  
ScootBiz: 35  
Economy: 340  
Total: 375

## Tigerair Fleet

As at 31 March 2015



**09.**  
Airbus  
A320

IN FLEET  
24

CABIN CONFIGURATION  
Total: 180

**10.**  
Airbus  
A320neo

ON ORDER  
39

# 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 Stephen Lee, CEO Mr Goh Choon Phong and six Directors from diverse backgrounds with varied expertise in finance, legal, industry, 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.

The Board currently comprises the following members:

- Mr Stephen Lee Ching Yen Chairman/ Non-executive
- Mr Goh Choon Phong Director and CEO/ Executive
- Mr Gautam Banerjee Independent/ Non-executive
- Dr William Fung Kwok Lun Independent/ Non-executive

- Mr Hsieh Tsun-Yan Independent/ Non-executive
- Mrs Christina Ong Independent/ Non-executive
- Dr Helmut Gunter Wilhelm Panke Independent/ Non-executive
- Mr Lucien Wong Yuen Kuai Non-independent/ Non-executive

Full profiles of Directors are available on pages 16 to 19 and pages 74 to 81 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, the 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 FY 2014/15, 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 65 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 investment 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/investor](http://www.singaporeair.com/investor).

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 investment 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 Investor Relations 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 investment community to reach out to the Company for queries.

The Company's commitment to corporate transparency and investor relations was recognised in 2012, when Singapore Airlines was inducted into the Hall of Fame in the Most Transparent Company Award Category at the 13<sup>th</sup> Investors Choice Awards presented by the Securities Investors Association of Singapore ("SIAS").

## RISK ASSESSMENT AND MANAGEMENT

The Board of Directors is responsible for Risk Governance, which includes oversight of the Enterprise-wide Risk Management Framework, and corresponding processes. Through the Risk Management Process, all risks, including economic, environmental and socio-political, are identified and managed accordingly. The effectiveness of the Risk Management Framework and Risk Management Process is reviewed by the Board Safety & Risk Committee on behalf of the Board of Directors. The Board Safety & Risk Committee meets at least quarterly to review risks and controls, and a report of the key risks is submitted 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/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. Twice each year, a Group-wide risk review is carried out to ensure that risk registers are kept current and risk controls are improved and up to date.

## ETHICS AND INTEGRITY

As part of our commitment to corporate governance principles, Singapore Airlines attaches a very high priority to ethical business conduct in the markets in which we operate. We engage employees, contractors and agents on the basis that their integrity in the conduct of their work is critical to our business and reputation.

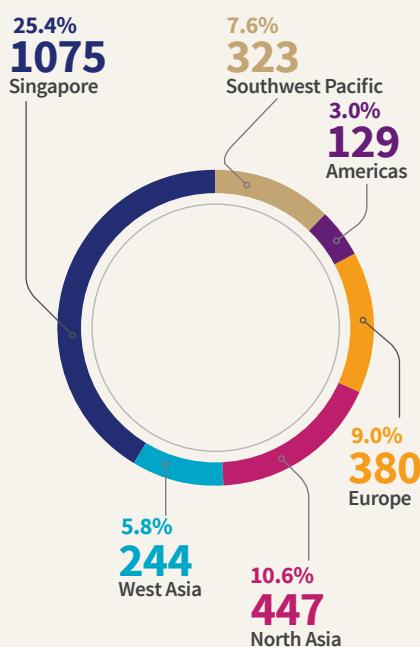
SIA implemented a whistle-blowing programme called "Policy on Reporting Wrongdoing" in October 2005, for staff, stakeholders and the public to raise concerns about possible improprieties in matters of financial reporting or any other matter, in confidence. Staff are reminded through our internal Intranet and a mandatory e-learning training module that under the Policy on Reporting Wrongdoing, they could report suspected matters of

wrongdoing affecting the Company, either through email at 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.

We welcome external comments, questions and thoughts about our Company's ethics and integrity, to be sent through the same email and telephone contacts.

We also have a Suppliers' Code of Conduct, which we expect all 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 section - Stakeholder Engagement: Suppliers.

## % AND NUMBER OF EMPLOYEES WHO HAVE RECEIVED ANTI-CORRUPTION TRAINING, BY REGION



# Sustainability at Singapore Airlines

## Our Sustainability Organisational Structure

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



## Our Sustainability Strategy

SIA's sustainability strategy was formalised by the Management Committee in 2013. We believe that this strategy 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 areas and markets in which we operate. With this in mind, we seek to constantly develop as a responsible corporate citizen.

We will continue to refine our sustainability framework over time.

### 01: SAFETY

Safety is an essential part of our operations and we constantly strive to improve safety practices.

### 01 Safety

### 02

### Managing Environmental Impact

### 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

### 03: SUPPORTING OUR COMMUNITIES

We practice good corporate citizenship and contribute and invest in the communities in which we operate.

### 04

### Stakeholder Engagement



### 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.

<sup>1</sup> Business units include Cabin Crew; Customer Affairs; Engineering; Finance; Flight Operations; Human Resources; Inflight Services; Internal Audit; Legal; Product Innovation; Secretariat; and Safety, Security and Environment.

# Sustainability at Singapore Airlines (cont'd)

## Materiality Assessment

SIA's Sustainability Strategic Working Committee conducted a materiality assessment in 2013, endorsed by SIA's Management Committee, to identify sustainability issues that are pertinent to our business to focus on for our Sustainability Report. Going forward, we aim to expand the materiality assessment to include the sustainable practices of our subsidiaries, so as to identify potential opportunities and create long-term benefits for the SIA Group and stakeholders.



## Stakeholder Engagement

Stakeholder	Key Topics and Concerns	Examples of Our Responses
<b>Employees</b>	Enhancement of internal communications	We are reviewing our communication channels and how we can better reach out to our employees. For example, we are looking to change the format of our twice-yearly Business Meetings to increase attendance and enhance employee understanding of our business strategies.
<b>Customers</b>	Relevant product innovation  Real-time service recovery and prompt responses to feedback	We announced the introduction of a new cabin class, Premium Economy, in February 2015, to cater to customers' needs, based on feedback.  A dedicated 24/7 social media team has been set up for greater online customer engagement.
<b>Shareholders and Investor Groups</b>	Clear and timely communication on Singapore Airlines' operational and financial performance	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. A dedicated investor relations email and hotline are maintained for the investment community to reach out to the Company for queries.  The Company values dialogue with shareholders, and holds analyst and media briefings when announcing half-yearly and year-end results. SIA also meets with analysts and investors on a regular basis through investor conferences and roadshows, as well as ad-hoc meetings and teleconferences.
<b>Suppliers</b>	Ensuring high catering standards  Best practices for ground handling services	Regular meal presentations/audits are conducted to ensure the highest quality of meals.  Regular audit checks are conducted to ensure that ground handlers comply with the established standards and procedures.

# Safety at Singapore Airlines



# SIA's Safety Performance



Stakeholder	Targets	Actual
<b>Flight Incident Report Rates</b> (per 1,000 flights)	below 1.44	A rate of 1.17 was achieved for FY 2014/15
<b>IATA Operational Safety Audit (IOSA)</b>	Every two years	The 6 <sup>th</sup> IOSA was completed in January 2014
<b>Lost time injury frequency rate (LTIFR)</b>	-	i) SIA ground injury = 0.6 per million manhours ii) Cabin Crew inflight injury = 16.8 per million manhours
<b>Line Operations Safety Audit (LOSA) by TLC (The LOSA Collaborative), Klinect Group L.L.C.</b>	Every four years	3 <sup>rd</sup> LOSA completed in December 2013
<b>Departmental &amp; Corporate Risk Register (Operations)</b>	Every six months	Reviewed every six months
<b>Crisis Management Exercise</b>	1	Crisis Management Exercise carried out in November 2014

We believe that it is every employee's responsibility to work towards a strong and positive safety culture and we have put in place Flight Safety and Safety and Health policies to achieve this goal. SIA's Flight Safety policy is founded on the premise that:

- We will consistently provide quality training to our employees.
- Our employees are proficient and comply with applicable regulations and standards.
- Our equipment and operating systems are well maintained and in good working condition.
- We support and promote a strong safety culture and continuous improvement in terms of safety management. We subscribe to the Just Culture principles when handling 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.

- Our safety management systems deal with safety issues in a comprehensive and responsive manner, and are able to inform, educate and strengthen our safety values effectively.

## SAFETY & HEALTH POLICY

We place the greatest importance on the safety of our customers and employees and will do our utmost to provide and maintain a safe and healthy work environment. We:

- Strive to anticipate and eliminate hazards that may result in personal injury or illness and/or loss or damage to property and equipment.
- Take responsible steps to provide the best possible care in the maintenance of equipment and facilities.
- Instil and promote safety consciousness among our employees to prevent accidents and injuries.

Safety is an essential part of all our operations. All employees are collectively responsible for safety and security. We have also put in place a wide range of policies and procedures to ensure the safety of our customers and colleagues.

## 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 gives employees a better appreciation of the roles they play, as well as the contributions they can make towards higher safety standards in the Company. 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 test every three years.

## SAFETY RISK MANAGEMENT

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

# SIA's Safety Performance

(cont'd)

**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.**



## WORKPLACE SAFETY & HEALTH

One of the key components of the Workplace Safety and Health (Risk Management) Regulations is risk assessment of workplaces and the reduction of risks to an acceptable level. To equip employees with the necessary knowledge in carrying out hazard identification and risk assessment, a workplace risk management course was conducted in 2014. Thirty-four staff from various divisions as well as staff from SIA Cargo, SilkAir, Scoot and Singapore Flying College attended the training.

### Staff health initiatives

Audiometric tests were conducted for staff who are exposed to noisy working environments in Engineering & Flight Operations Divisions. Full attendance of nominated staff was recorded.

## GROUND RAMP INCIDENT PREVENTION (GRIP) PROGRAMME

The SIA Ground Ramp Incident Prevention (GRIP) programme is into its 11<sup>th</sup> year. Over 1,500 observations were made in 2014 by teams from various divisions. This programme focuses on preventing ground ramp incidents at our stations.

The objective of the GRIP programme is to:

- Raise awareness of safety practices on the ground.
- Reduce ramp incidents.
- Raise safety competency levels.
- Measure safety performance standards for continual improvement.

Through the GRIP programme, observations are carried out during ramp operations to review compliance with ramp safety regulations and practices without imposing punitive

action on offenders. The aim of these observations, carried out by supervisory employees, is to identify weak and unsafe practices for effective correction through focused education and safety promotion. It also serves to measure our safety levels on the ramp.

The observations help identify common safety lapses to allow corrective action to be taken early. The GRIP programme has helped to inculcate a higher level of safety awareness among employees.

## FLIGHT DATA ANALYSIS PROGRAMME (FDAP)

Flight data is captured in Quick Access Recorders (QAR) in aircraft. This data, capturing much of the aircraft's flight and systems performance, is downloaded from the QAR and used by engineering maintenance staff, as well as flight crew, to support safe operations.



*"The key safety programmes are carried out according to three main thrusts. We run a series of programmes under each thrust to manage safety actively as part of the SIA Safety Management System."*

The data for every flight is screened, focusing on any deviations from the norm. Where such deviations are identified, the data is further analysed and, where necessary, corrective and/or preventive measures are taken.

## CABIN SAFETY OBSERVATIONS (CSO)

The CSO programme is in place to allow us to have a better understanding of the level of cabin safety on our flights. This also enables us to assess and review the effectiveness of the safety procedures currently in place. Employee observers from selected departments go on flights to observe how crew perform their safety duties. The observations are then collated and shared with Cabin Crew Management and crew members. Action plans, where appropriate, are followed up on.

## 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 air crew.

## 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.

## MANAGEMENT EMPHASIS AND 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 (SSE).
- Divisional safety departments/ Safety Action Groups (SAG).

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.

# SIA's Safety Performance

(cont'd)

## SAFETY & SECURITY

### WEEK 2014

The Safety & Security Week was held from 8-12 September 2014 to promote safety and security awareness among SIA Group staff. The theme was "How You Work is How You Live".

Various divisions and units within the SIA Group organised programmes such as Safety Forums, Safety Seminars and Safety Campaigns to promote safety & security at the 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 to ensure they are at the top of their game.

## SIA has a Pilot Development Unit that takes charge of development training programmes for pilots.

### PILOT TRAINING

**01**

**Ab-initio pilot training** conducted by Singapore Flying College: Training cadet pilots with no flying experience to achieve an ATPL (Airline Transport Pilot's Licence) rating.

**02**

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

**03**

**Initial Command Training** for First Officers to become qualified Captains: First Officers who meet the standards to qualify for command are put through a rigorous training 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 CRM (Crew Resource Management)** training is required for all pilots.

**06**

**Initial SEP (Safety and Emergency Procedures)** training is required for all pilots.

## 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 practice manual flying of aircraft 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 is conducted for pilots once every two years. In addition, annual recurrent CRM training is conducted jointly for pilots and cabin crew.

### 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. We also conduct Instructor Pilot Training Programmes for instructor candidates.

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 once every three months either for a training session or a check. This ensures that a pilot's knowledge, flying skills and cockpit management skills are continuously practiced, refreshed and updated. Another key initiative in our pilot development is the launch of the pilot mentoring programme in 2012. 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.

# SIA's Safety Performance (cont'd)

## 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.

## AIRCRAFT MAINTENANCE

SIA complies with recommended Safety Management System (SMS) practices of the Civil Aviation Authority of Singapore (CAAS).

The CAAS SMS elements mirror those prescribed by the International Civil Aviation Organization (ICAO) in the ICAO Safety Management Manual.

Additionally, our Engineering Division has been accredited 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 to SIA.

### BS OHSAS 18001:2007 OCCUPATIONAL HEALTH & SAFETY

**MANAGEMENT SYSTEM** for Provision and Management of Aviation Engineering Support Services to SIA.



**SIA complies with recommended Safety Management System (SMS) practices of the Civil Aviation Authority of Singapore (CAAS).**

## PASSENGER SAFETY

All cabin crew undergo training courses that inculcate safety and security awareness and focus on safe work habits. From the earliest stages of their flying career, cabin crew are educated on the importance of balancing service with safety and security. They also learn about the importance of situational and safety awareness, as well as teamwork and effective communication. Cabin crew undergo Safety and Emergency Procedures (SEP) training, which our pilots undergo as well, and are involved in the Fatigue Risk Management System (FRMS) programme to enhance safety and ensure optimum rest is available for our crew. Resources such as videos, circulars, campaigns and various communication sessions are used to promote safe work habits and increase crew awareness on workplace safety.

## FOOD SAFETY

SIA is committed to serving inflight meals that meet the highest levels of food safety and hygiene. We have a policy of not using Monosodium Glutamate (MSG) in our freshly prepared meals. Our caterers ensure that food sources are 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 AVA Licensed Grade A or B food establishments (in the case of Singapore), or the equivalent (in the case of overseas countries). The Quality Assurance team from our local caterer, SATS, conducts factory audits, especially for high risk food materials, apart from regular sampling laboratory tests and random quality checks on incoming raw materials. In addition, SATS is regularly audited by Medina Quality & Safety Alliance Inflight Services.

# Focus on People



# Stakeholder Engagement:

## 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. We recruit dynamic individuals from diverse backgrounds and are committed to providing our employees with equal opportunities to achieve their full potential.

In 2014, we were awarded the title of Singapore's most attractive employer at the Randstad Awards for the third year running. The Award recognises organisations which Singaporeans want to work for most.

### OUR DIVERSE WORKFORCE

As at 31 March 2015, SIA's employee strength was 13,920, with a 1.7 per cent decrease over the previous year.

### INDUSTRIAL RELATIONS

We work closely with the Airline 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 employment terms are provided to employees. We have collective agreements in place with each of the unions.

About 98 per cent of SIA employees are covered by collective bargaining agreements.

### ALPA-S:

This is the representative body for airline pilots in Singapore. About 96% of the pilot population are part of ALPA-S.

### AESU:

This is the union body for staff in SIA Group of Companies who are executives and above. About 59% of this population are part of AESU.

### SIASU:

Graded/junior staff and cabin crew in SIA Group of Companies fall under this representative body. About 59% of them are members of SIASU.

SIA and these union bodies adopt a collaborative problem-solving approach in our engagements. Regular monthly meetings are held between management and

the unions to address staff and operational issues.

SIA's Chairman and Senior Management meet the unions in quarterly luncheon sessions to discuss the outlook of the Company as well as issues relating to labour-management relations. Union leaders are also invited to Company functions, such as retirement and long service awards ceremonies, and business meetings.

### Total Number of Employees in Our Subsidiaries

<b>SilkAir</b>		<b>1,452</b>
<b>Tigerair</b>		<b>833</b>
<b>SIA Engineering Company</b>		<b>5,151</b>
<b>SIA Cargo</b>		<b>882</b>
<b>Scoot</b>		<b>604</b>

### Total Number of SIA Employees by Employment Type and Gender

	MALE	FEMALE
GROUND EMPLOYEES	1,568	2,667
FLYING CREW	5,134	4,551

### Total Number of SIA Employees by Employee Contract and Gender

	MALE	FEMALE
CONTRACT	1,412	4,658
PERMANENT	5,290	2,560

### Total SIA Workforce by Region and Gender



*As a global airline, SIA is dedicated to providing air transportation services of the highest quality. We recruit dynamic individuals from diverse backgrounds.*

# Stakeholder Engagement:

## Employees (cont'd)

The TOP programme was introduced in 2012 and puts in place a framework that embraces a performance-based culture and a developmental framework that recognises and rewards good performance.

Some of the agreements concluded for FY 2014/15 include the following:

- Service Increment 2014 with AESU & SIASU effective 1 July 2014.
- Service Increment 2015 with ALPA-S effective 1 January 2015.
- Location Meal Allowance with ALPA-S and SIASU effective 1 July 2014 and 1 January 2015.

The efforts under our Workforce Productivity Initiative – Towards Optimal Productivity (TOP) programme for our Singapore-based ground administrative employees are progressing well and the effort to improve productivity at all levels is a continuous process, encompassing all grades of staff. The TOP programme was introduced in 2012 and puts in place a framework that embraces a performance-based culture and a developmental framework that recognises and rewards good performance.

### EMPLOYEE CODE OF CONDUCT

We encourage all employees to embrace and exemplify our core values, i.e. pursuit of excellence, safety, customer first, concern for staff, integrity and teamwork, in the course of their work and dealings with other parties. These core values are constantly reflected in our employees' induction and on-boarding programmes.

All employees are also expected to adhere to an employees' code

of conduct (or staff regulations) which is found on our corporate Intranet.

### CAREER DEVELOPMENT

#### BENEFITS

Full time employees who are based in Singapore enjoy a suite of benefits such as:

- i. Insurance schemes – Group Term Life, Group Personal Accident, Medical Insurance for Dependents of Staff, Voluntary Personal Accident.
- ii. Leave – Compassionate, Matrimonial, Paternity, Maternity, Shared Parental, Childcare, Adoption, National Service, Special leave.
- iii. Medical and Dental care.
- iv. Staff Travel.
- v. Zoo / River Safari pass.
- vi. Holiday Accommodation Subsidy.
- vii. Employee Share Option Plan.

### PERFORMANCE REVIEW

All SIA permanent employees received a regular performance and career development review during FY 2014/15.

### EMPLOYEE HEALTH

To promote a healthy lifestyle and employee well-being, we have put in place several initiatives as part of the SIA Wellness & Health Programme which was officially launched in early 2012. The programme includes health talks and sports sessions.

### EMPLOYEE WELFARE

#### FLEXIBLE WORKING ARRANGEMENT – STAGGERED HOURS

The Company introduced the Staggered Hours scheme for all eligible employees based in Singapore from June 2011. The scheme was implemented as part of our Flexible Work Arrangements Initiatives to achieve the following objectives:

- Take into account employees' personal responsibilities and schedules.
- Provide flexibility and convenience.
- Reduce the strain of long travelling times by employees during peak periods.
- Raise employee morale and improve productivity.

### CABIN CREW

#### CAREER TRANSITION PROGRAMME

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



The following were held during FY 2014/15:



#### TALKS/WORKSHOPS

- a General Health talks, e.g. Cancer awareness talks, cholesterol and hypertension management talks.
- b Healthy Eating talks, e.g. Eat Smart Eat Well, Portion Matters.
- c Mental Wellness talks, e.g. Passion@work, Employee Assistance Workshop, Starting 2015 With A Fresh Piece of Mind.
- d Financial Management talks.
- e Healthy Cooking Demo classes.



#### SPORTS ACTIVITIES

- a Yoga classes.
- b SIA Group Road Run.
- c SIA Group Athletics Meet.
- d SIA Charity Run.



#### OTHER WORKPLACE HEALTH INITIATIVES

- a Free annual basic health screening.
- b Implementation of a counselling helpline service.
- c Colorectal cancer screening.
- d HPB's 1Million KG Challenge Roadshow.

# Stakeholder Engagement:

## Employees (cont'd)

### 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 criteria under the Returning Crew Scheme to return to flying with minimal disruption to their careers, with the crew's previous years of service retained.

### RETURNING GRADUATES SCHEME

We have introduced the Returning Graduates Scheme for cabin crew who would like to pursue further studies in a full-time course leading to a professional certificate, diploma or degree. Crew leaving the Company under this scheme will be granted leave of absence during their study period and upon graduation from their course will be able to return to the Company with their last held rank, seniority and salary maintained.

### 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 which are put in place to provide them with a holistic work experience and opportunities to interact with colleagues.

With the introduction of the Fatigue Risk Management System by CAAS, the inflight rest requirements for cabin crew have been reinforced to ensure that crew members are provided with adequate rest while on duty. We also share tips with our cabin crew on how to manage their lifestyle and get sufficient rest before, during and after flights. An online course has been launched for crew to learn about fatigue and the mandatory rest requirements.

### EXTRACURRICULAR ACTIVITIES (ECA)

There are 29 ECAs for our crew members to select from, depending on their interests. These ECAs boast a total membership of over 8,000, comprising both cabin crew and ground staff in the Cabin Crew division. These ECAs include Performing Arts Circle, Cabin Crew Darters, Deutsche Kultur Gruppe, Cabin Crew Tennis Circle, Wine Appreciation Group and Gourmet Circle.



### COMMUNITY SERVICE

It was a busy year for our employees, many of whom were actively involved in various community service activities such as organising fundraising initiatives (e.g. car wash event), celebrating festivities with community organisations (e.g. Christmas) and helping out in nation-wide charity events.

### EMPLOYEE COMMUNICATIONS AND ENGAGEMENT

We make use of multiple channels to communicate our latest news and happenings to our people.

Examples of our internal communication channels include:

- Outlook, our in-house magazine, which is 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 disseminate information specific to their areas of work.

- Business Meetings for employees are organised twice a year and cover a review of the Group's commercial activities and financial results.

- LCD TVs in employee canteens which broadcast company-related videos and news.

- Other forms of employee communications include regular communication sessions, departmental debriefs, and sessions between senior managers and team members who are two or more levels below them.

One of the main forms of regular feedback is the Organisational Climate Survey (OCS) that we conduct once every two years. The purpose of the survey is to gather employees' feedback on employee engagement and workplace issues. We will be conducting the fifth instalment of the OCS in 2015.

In celebrating Singapore's 50th birthday with the nation, the Company has also planned a series of staff engagement events for our employees. These include the SIA Charity Run in 2014 and SIA Open House in 2015.

**We have introduced the Returning Graduates Scheme for cabin crew who would like to pursue further studies in a full-time course leading to a professional certificate, diploma or degree.**

# Stakeholder Engagement:

## Employees (cont'd)

**There are various programmes in place in the Company to upgrade employee skills. These include on-the-job training, learning and development programmes and continuing education sponsorships.**

### TRAINING

Our people represent a key competitive advantage and we place a strong emphasis on the development of our employees. We invest significant resources each year to train our pilots, cabin crew and ground employees.

For pilots, their average hours of training per year cover both refresher training and training that is mandated by regulatory requirements.

### ON-BOARDING

New administrative officers (AOs) who join the Company attend induction and orientation programmes soon after joining. The objective of the programmes is to provide them with an overview of the Company and the functions of the various divisions. New AOs hired under the generalist scheme will also be put through the SIA Executives Programme which covers extensive training and hands-on experience at our Call Centres and SilverKris Lounge.

Besides learning how key policies and company strategies have developed and evolved over time, the programme provides a good opportunity for new employees to meet others in the Company. As part of the on-boarding programme for AOs, the SIA Mentorship Scheme provides a unique opportunity for newly hired employees to engage with and tap the knowledge and experience of our senior leaders. Through engagement with their mentors who are able to share the SIA work culture, personal

experiences and work values, the new AO has opportunities through the course of the year to become more closely integrated into the SIA family and work culture.

There are various programmes in place in the Company to upgrade employee skills. These include on-the-job training, learning and development programmes and continuing education sponsorships.

Learning programmes are mapped to SIA's Performance Competencies and Core Values. Structured learning roadmaps are planned and developed to provide employees with appropriate learning opportunities at the right time. Besides functional training programmes that equip employees with knowledge and skillsets for their immediate job needs, the Company also takes care to develop employees' leadership and management competencies thus enhancing their growth in the organisation.

Senior employees (VPs and above) are provided opportunities to attend external executive education programmes and seminars to augment their leadership and management competencies and broaden their exposure.

Under its Continuing Education Scheme, SIA provides sponsorships to its employees who are keen to upgrade themselves through attaining higher qualifications. This could be through various certificate, diploma, or degree programmes, which employees

may pursue, at their own time, outside of working hours.

### 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 mandated training, we conduct development 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 continuing 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 Operational Safety section.

### CABIN CREW TRAINING

Our cabin crew members 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. This area of training equips cabin crew with skills to better understand and meet the needs of a wide range of customers.

**Our people represent a key competitive advantage and we place a strong emphasis on the development of our employees.**



# Stakeholder Engagement:

## Employees (cont'd)

**We provide opportunities for cabin crew to develop themselves personally and professionally through our Self-Directed Learning (SDL) programme.**

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, i.e. on their off days 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, we encourage cabin crew to take control of their developmental needs and aim to complement their core skillsets with selected certified professional competencies.

One example is the 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 into senior ranks.

**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 and 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 through 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.

**BASIC TRAINING PROGRAMME FOR**

**15 weeks**

Which comprises classroom and on-the-job training.



**Under its Continuing Education Scheme, SIA provides sponsorships to its employees who are keen to upgrade themselves through attaining higher qualifications.**

# Stakeholder Engagement:

## Employees<sup>(cont'd)</sup>

### FOREIGN LANGUAGE SCHEME

There are two foreign language schemes, namely, French Language (FQ) and German Language (GQ) Schemes.

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 and/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 WORKFORCE DEVELOPMENT AGENCY (WDA)

Our Cabin Crew Training School is a recognised training organisation through a collaboration with the Workforce Development Agency of Singapore and offers many Workforce Skills Qualifications (WSQ) – accredited courses, including Advanced Certificate in Training and Assessment, Leadership and People Management Programme, and Provide Wine Service course. Nationally-recognised Statements of Attainment (SOAs) are issued to participants who successfully complete the course and pass the assessment. The Advanced Certificate in Training and Assessment (ACTA) is a programme consisting of six competency units that provide the workforce in the training industry with the essential skills and knowledge to design and deliver competency-based training programmes and assessment. All our in-house trainers

are ACTA certified. Since the launch of the programme in 2007, more than 6,000 crew members have embarked on the ACTA programme. Our crew members have also benefitted from the many other WSQ-accredited in-house courses. More than 40 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.

SIA recently took the partnership with WDA a step further. As part of the collaboration, new cabin crew members who graduate from the 15-week Cabin Crew Readiness Programme (CCRP) will achieve a nationally-recognised certification under the Service Excellence Workforce Skills Qualifications (SV WSQ) framework. This collaboration which took effect in September 2013 has benefitted

more than 1,000 crew members to date. 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. All new cabin crew members who graduate from the CCRP will be awarded WSQ Statements of Attainment. 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. This initiative enhances SIA's ability to continue attracting the best talent and supports our operational needs as we grow.

SINCE 2007,  
MORE THAN

6,000

Crew members have embarked on the ACTA programme.



**Our crew members have also benefitted from the many other WSQ-accredited in-house courses.**

**Our Cabin Crew Training School is a recognised training organisation through a collaboration with the Workforce Development Agency of Singapore and offers many Workforce Skills Qualifications (WSQ) – accredited courses.**

# Stakeholder Engagement:

## Employees (cont'd)

Total Number and Rate of New Employee Hires by Region and Gender			Total Number and Rate of Employee Turnover by Age Group, Gender and Region			
	percentage (%)	percentage (%)		percentage (%)	percentage (%)	
Americas	6	10.5% 11.1%	10	12	21.1% 13.3%	12
Europe	19	10.8% 5.5%	14	7	4.0% 7.8%	20
Singapore	196	3.3% 9.3%	550	317	5.3% 12.0%	714
North Asia	22	12.5% 9.4%	29	22	12.5% 8.1%	25
Southeast Asia	15	16.5% 13.3%	38	11	12.1% 12.3%	35
Southwest Pacific	8	9.5% 11.4%	28	12	14.3% 10.6%	26
West Asia and Africa	9	6.3% 16.5%	20	23	16.0% 18.2%	22
Total	275	4.1% 9.5%	689	404	6.0% 11.8%	854

\* Rate = Number of New Hires/Number of Staff

22 FOCUS ON PEOPLE

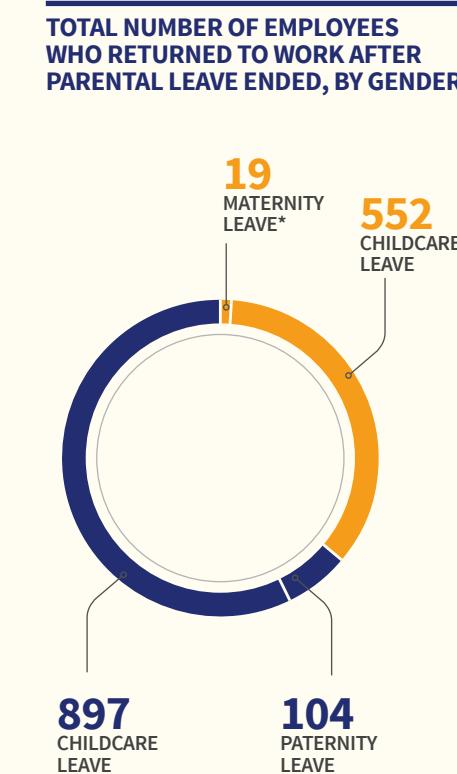
New Employee Hires by Age Group		
Above 50	10	0.14%
30 to 50	114	2.64%
Below 30	840	36.68%
Total	964	6.9%

\* Rate = Number of Departures/Number of Staff

Singapore Airlines | Sustainability Report FY 2014/15 |



\* Maternity leave numbers exclude cabin crew.



\* Maternity leave numbers exclude cabin crew.

Singapore Airlines | Sustainability Report FY 2014/15 |

# Stakeholder Engagement: Customers

## CUSTOMER SERVICE AND ENGAGEMENT

The proliferation of digital media, especially social media, has changed the way our customers consume information. The speed at which customers have access to information has also lifted public expectations. Increasingly, we are finding that customers now expect real-time customer service recovery and quick responses to their online feedback.

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

Click on the links below to get connected:



[Facebook](#) [Google+](#) [Instagram](#) [LinkedIn](#) [Twitter](#) [YouTube](#)



Customer service excellence is one of the three main pillars on which our brand promise is built. We believe in listening to our customers and we do so via various means such as focus groups, surveys and written feedback. Apart from our social media channels, we receive a monthly average of over 7,000 customer feedback comments through channels such as our website, comment forms and letters.

We have a dedicated Customer Affairs Department to handle customer feedback and conduct investigations on matters that require follow-up and service recovery. Issues raised through such feedback are duly addressed with actions being identified and taken to improve our services and processes.

We rely on external expertise in some areas to help pinpoint trends that may impact our customers' tastes and preferences, such as in the area of inflight dining, where we have the help of our International Culinary Panel (ICP) and Wine Panel (WP). Comprising award-winning chefs from the culinary capitals of the world, the ICP was set up in 1998 to work with the Airline's own chefs, to specially create the unique selection of food served on board. The WP with three consultants helps the Airline select wines of quality from diverse regions around the world through blind tasting.

In addition, we conduct surveys and focus group studies to measure customer satisfaction via on-board and on-ground customer points of contact. Relevant departments will then use the data to enhance product quality or services. For example, the design concept of our Sydney SilverKris Lounge, which opened in December 2013, was developed following extensive research that included focus groups with customers. The lounge was modelled after elements of a home because customers frequently tell us that they have a feeling of 'home' as soon as they board our aircraft. Since then, we have received positive feedback from customers about our Sydney lounge and have opened new SilverKris Lounges in Hong Kong and London based on the same design concept. In addition, focus groups enable us to identify product quality issues or services that have declined or to address areas of weakness. We are also unstinting in our investment in training programmes for our service employees to meet the needs of our increasingly sophisticated customers.

Transforming Customer Service (TCS) has defined SIA's service culture since its inception 16 years ago. Implicit in this is an attitude of constant reinvention of service, to serve the ever-changing needs of our customers. The current TCS phase 'Creating Extraordinary Moments' engenders a service culture which starts with discovering the unique needs of a customer, designing the right service just for him or her, and delighting the customer. The annual CEO TCS Awards is held to recognise exemplary individuals and teams whose outstanding TCS performances have contributed significantly to SIA's service excellence.

2014 saw the reinforcement of the 'Creating Extraordinary Moments' mindset through the roll-out of TCS refresher training modules. In the first quarter of 2015, Service Finesse training was introduced to frontliners system-wide to further refine service delivery skills.

These initiatives ensure that we do not deviate from our key objective of providing air transportation services of the highest quality.

## CUSTOMER FEEDBACK

**7,000**

Comments through channels such as website, comment forms & letters.



**2014 saw the reinforcement of the 'Creating Extraordinary Moments' mindset through the roll-out of TCS refresher training modules.**



# Stakeholder Engagement: Suppliers

## SUPPLY CHAIN

**Singapore Airlines has more than 9,600 suppliers worldwide. The supply chain is managed by several departments. Fuel costs, aircraft maintenance and rent, inflight food and beverages, and ground operations and handling make up the majority of supply chain expenditure. Approximately 51 per cent of SIA's operating expenditure goes to the top ten suppliers below.**

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.

## SIA's Top 10 Suppliers:

(not in order of expenditure)



## SOURCING OF SUPPLIERS WITH SUSTAINABLE BUSINESS PRACTICES

We encourage participation from suppliers who are actively engaged in environmentally-friendly activities. For instance, paper-product suppliers which are Forest Stewardship Council (FSC)-certified may be in a more competitive position for contract award consideration, assuming all other factors such as cost, product quality and delivery performance are on par.

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.

### ENVIRONMENTAL MANAGEMENT

Environmental management is one of the key parameters in our assessment of suppliers. Some of the considerations which we look at include the supplier's policy on environmental management, whether the supplier has a formalised environmental management system such as ISO 14001 in place, whether the supplier has set environmental performance goals, whether the supplier has received any awards or commendations related to environmental performance, as well as whether the supplier has been fined or prosecuted for environmental non-compliance in the last three years.

We conduct visits to potential new suppliers' factory sites, when required, to assess their suitability and capabilities.

### CLEANER PRODUCTION/MANUFACTURING TECHNOLOGIES

We are constantly seeking suppliers who are capable of adopting cleaner manufacturing processes. We have begun purchasing batik fabric using a pigment print technique which uses less water during production than the traditional reactive dyeing technique.

### LIGHTWEIGHT DESIGN

We are constantly exploring lighter-weight designs of cabin and inflight items, as this helps reduce the amount of fuel needed for flights.

### RECYCLING OF OBSOLETE/SCRAP PRODUCTS

We work with suppliers to collect obsolete products for recycling purposes where possible.



Certification for contract award consideration.

# Stakeholder Engagement:

## Suppliers (cont'd)

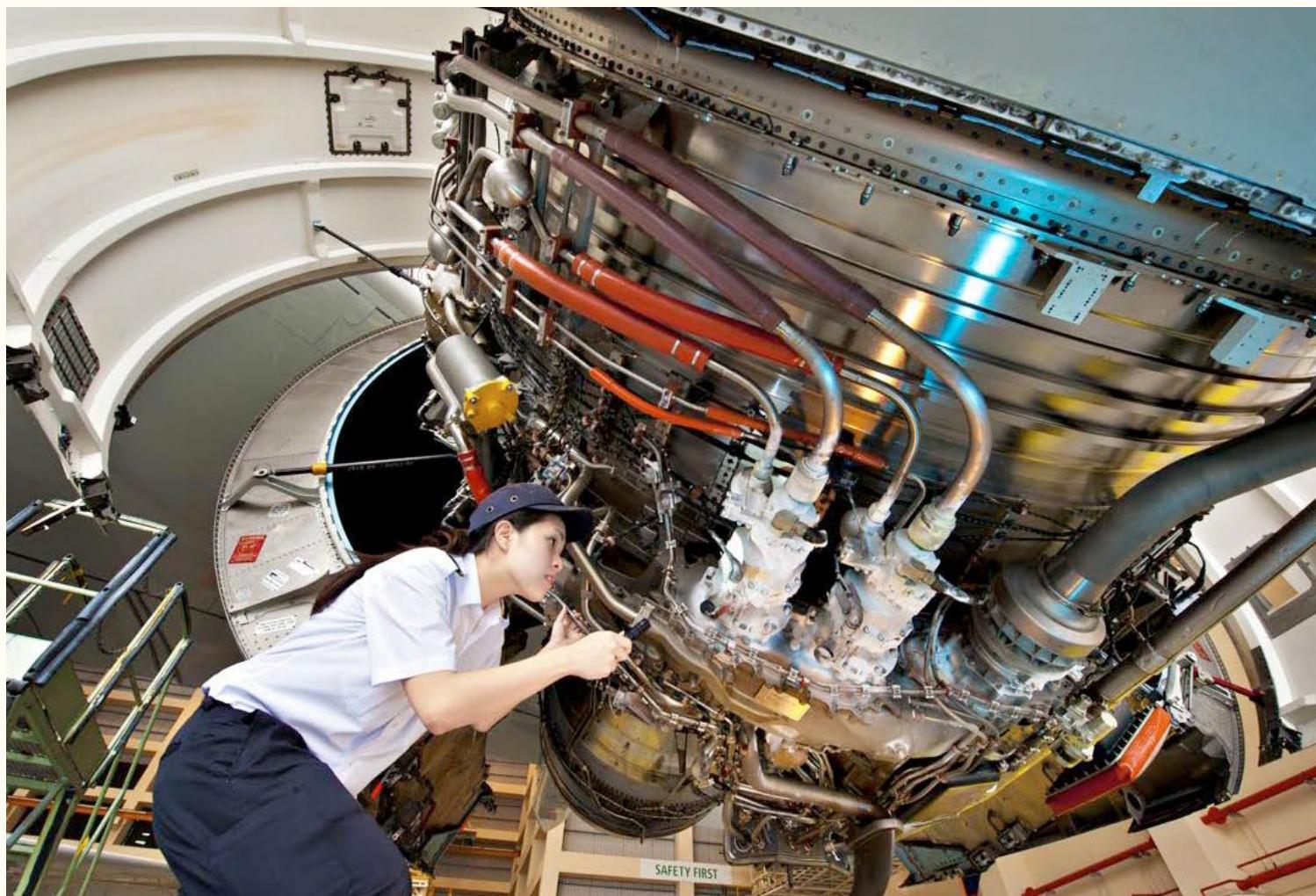


### ENGINEERING SPARES

Engineering spares are sourced from Original Equipment Manufacturers (OEMs) and their accredited agents. For engineering components, repair organisations are required to be certified and approved by their respective authorities from International Civil Aviation Organization (ICAO) contracting states before any procurement is carried out.

We also put in place key performance indicators (KPIs) for warehousing operations to monitor performance in all aspects, including safety, health and environment.

SDV, a supply chain company which we have outsourced our warehouse operations to, has also incorporated our Workplace Health and Safety programme in its operations and our Engineering Division chairs the joint monthly Warehouse Safety Committee to track compliance.



### BASIC REQUIREMENTS FOR CATERING AND HANDLING SERVICES

Our caterers, in the provision of service, must comply strictly with local laws and regulations with regard to hygiene, safety and security. They must ensure that their facilities used for storage, preparation, production and transportation of our meals and beverages meet all the standards as set by the International Air Transport Association (IATA), ICAO and the Hazard Analysis and Critical Control Points (HACCP) concept developed and administered by the International Flight Catering Association (IFCA)/International Flight Safety Association (IFSA).

In addition, as safety is of utmost importance in aircraft handling, we require all contracted catering and ground handling companies to adhere to the standards of the IATA Aircraft Handling Manual (AHM). All catering and ground handling staff shall receive adequate training in operating our aircraft. Examples of such training include opening of aircraft doors, Ground Support Equipment (GSE) driving, handling catering equipment in high lifts and IATA dangerous goods awareness.

### ANTI-CORRUPTION PRACTICES

We have included clauses on "anti-corruption/anti-bribery practices" in all our new contracts from June 2012. Our handling agents must agree to comply with all local laws where they operate, including, but not limited to, 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.

### SUPPLIERS' CODE OF CONDUCT

We have a Code of Conduct which we expect all our suppliers to comply with. 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 41 of this report.

### REDUCING FOOD WASTAGE

We engage caterers in some of our newer contracts to check on the amount and type of food consumed to minimise wastage.

### IMPROVING QUALITY OF SERVICE TO OUR CUSTOMERS

As part of the Service Level Agreements (SLA) in our contracts, we also collect feedback from our customers on a quarterly basis with regard to the quality of meals served on board, as well as cabin and ground handling services.

ANTI-CORRUPTION  
PRACTICES SINCE

2012

For new contracts.



**Our caterers, in the provision of service, must comply strictly with local laws and regulations with regard to hygiene, safety and security.**

# Supporting Our Communities



# Community Engagement

Through the SIA Charity Gala held in October 2014 and the SIA Charity Run in November 2014, the Airline raised \$2.5 million for the Community Chest of Singapore.

As a leading global airline, SIA recognises the importance of contributing actively to the communities we serve. For many years, we have been supporting charities as well as non-profit organisations. We also firmly believe in sponsoring initiatives that promote education, sports, the arts, the environment and heritage conservation. We offer our support through cash donations, complimentary or rebated air tickets, and staff volunteerism.

## SG50 EVENTS

In the lead-up to Singapore's 50th birthday in August 2015, and with the support of about 500 staff volunteers, SIA organised two major events to raise funds for the less fortunate in society.

Through the SIA Charity Gala held in October 2014 and the SIA Charity Run in November 2014, the Airline raised \$2.5 million for the Community Chest of Singapore. The benefit will be doubled with the Singapore Government matching the donation dollar-for-dollar under the Care & Share Movement.

The aviation-themed Charity Run, flagged off by Singapore's then Minister for Manpower Tan Chuan-Jin, featured a 10-kilometre Competitive Run, a 5-kilometre Fun Run and a 300-metre Kids Dash, while the Charity Gala was graced by Singapore's Emeritus Senior Minister Goh Chok Tong.

SIA was also acknowledged as a Diamond Partner in the SG Care & Share 2015 event, which marked the closing of the fund-raising activities of the Care & Share Movement. Several of our employees participated in the Festive Care & Share "Fu Dai" project in January 2015 and distributed goodie bags to the elderly, in celebration of the Chinese Lunar New Year.

## COMMUNITY PROJECTS IN SINGAPORE

SIA has a long-standing commitment to 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.



# Community Engagement (cont'd)



Source: Burung Indonesia & Asep Ayat



Source: Community Chest

We also continued our support for Médecins Sans Frontières (MSF), also known as Doctors Without Borders. MSF is a leading international humanitarian organisation that delivers emergency aid to people in more than 70 countries affected by armed conflict, epidemics, natural disasters and exclusion from healthcare. MSF offers assistance to people based on need, irrespective of race, religion, gender or political affiliation.

SIA is also a longstanding supporter of the Community Chest of Singapore, a non-profit organisation that raises funds for many charities in Singapore. In recognition of our support to the organisation and our contribution for the social service sector, SIA was given the endorsement to feature the Community Chest Award logo in our publicity materials.

In the educational sector, SIA continued to support numerous initiatives, which provide students with opportunities to achieve their full academic potential, including contributing \$5 million to the JY Pillay Global-Asia Programme, which raises local levels of research and fieldwork. In addition, we contribute to the LASALLE College of the Arts,

where the young and talented pursue an arts education.

SIA also maintained its partnership with the Salvation Army Singapore (SAS). Since 2010, we have been donating items left behind by our customers (i.e. uncollected for more than four months) to the SAS. Funds raised from the sale of these items at SAS' Family Thrift Stores go towards the charity's social and community programmes. Between 1 January and 31 December 2014, SAS collected \$51,844 from the sale of SIA's donated items.

## HARAPAN RAINFOREST INITIATIVE

Since August 2010, SIA has been the exclusive airline partner for the Harapan Rainforest (also known as Hutan Harapan) Initiative, a large-scale project aimed at restoring and protecting one of the world's most threatened and biodiverse ecosystems.

Straddling the Jambi and South Sumatra provinces on Indonesia's Sumatra island, the Harapan Rainforest spans almost 100,000 hectares – an area nearly one-and-a-half times the size of Singapore. It is one of the few remaining tracts of lowland rainforest in

Indonesia, which have been threatened by illegal logging or conversion to oil palm or timber plantations. The rainforest is home to over 300 bird species and 55 mammals, including the critically endangered Sumatran tiger, the clouded leopard, the Malayan tapir and the Asian elephant.

Hutan Harapan was established by a consortium of three BirdLife Partners: Burung Indonesia, the Royal Society for the Protection of Birds, and BirdLife International, with the goal of protecting and restoring the biodiversity, ecosystem services and productivity of this unique and increasingly rare lowland rainforest of Sumatra.

Hutan Harapan works with various parties to ensure its success. These include partnerships with the Forestry Research and Development Agency, Forest Landscape Denmark, Batin Sembilan, as well as with local law enforcement teams, and forest rangers. The success of Hutan Harapan is assessed through a government certification by an independent body, PT Ayamaru Sertifikasi. This certification process is a government requirement for all Ecosystem Restoration Concessions (ERCs) to check compliance with various government

# Community Engagement (cont'd)

**As a global airline serving some 60 destinations in over 30 countries, Singapore Airlines is acutely aware of the importance of building strong relationships with both local and national communities that we serve.**

requirements relating to legal regulations and production, ecological and socio-cultural requirements. An audit by an independent certification body is required every five years.

## Major achievements and developments of Hutan Harapan include:

- **On-going work** on forest restoration, protection and fire prevention.
- **Increased collaboration** with communities living in and around Hutan Harapan to stabilise land use, reduce conflicts and support poverty reduction measures.
- **Completion and approval** of a number of key plans including: a revised Land Use Plan; a Strategic Forest Management Plan to guide the management of Hutan Harapan over the next 25 years; and a Business Development Plan for Hutan Harapan.

### ● Development of an Ecosystem Restoration

**Resource Centre** at Harapan by Burung Indonesia to strengthen training, capacity development, knowledge management, communications and policy work, particularly in relation to the effective implementation and scale-up of the Government of Indonesia's Ecosystem Restoration Concession policy.

### ● Increased investment

in a systematic programme of research and monitoring as well as capacity development for research.

In recognition of its pioneering work on ERCs, Burung Indonesia was awarded the 2014 Kenton Miller Award for innovation in Protected Areas Management, at the IUCN World Parks Congress in Sydney in November 2014.

SIA's commitment towards the protection and restoration of the Harapan Rainforest is a reflection of our strong belief that environmental efforts must focus on making a significant contribution to the well-being of our planet, and sustain our shared environment for future generations.

## Australia



## COMMUNITY PROJECTS AROUND THE WORLD

As a global airline serving some 60 destinations in over 30 countries, Singapore Airlines is acutely aware of the importance of building strong relationships with both local and national communities that we serve. Many of our overseas offices work with charities in support of various initiatives and causes.

### Australia

In Australia, SIA is committed to supporting children's causes and the Arts as part of the Airline's long-standing commitment to Australia since 1967.

Making a difference to children in need in Australia and overseas has long been a priority for SIA. The Smith Family and the Lille Fro Foundation were appointed as SIA's official charities in Australia in 2012. Singapore Airlines is a proud corporate partner of The Smith Family, a leading charity in providing disadvantaged children in Australia with tools and support to help them thrive at school and break the cycle of poverty.

# Community Engagement (cont'd)

In 2014, SIA introduced a special SIA Learning for Life Scholarship Fund to sponsor 10 children across Australia, providing financial support for school books, uniforms and excursions, as well as emotional support to encourage these children to stay motivated at school. The Lille Fro Foundation is an Australian charity which provides education to children of impoverished families living in remote geographical locations, and runs a number of projects and community development programmes with nomadic and indigenous communities in the Himalayan region of Ladakh. SIA is delighted to provide travel support to reach these remote communities.

With the support of SIA Holidays, we also auctioned a special FORMULA 1 SINGAPORE AIRLINES SINGAPORE GRAND PRIX prize to raise funds for Variety New South Wales, a children's charity empowering children who are sick, disadvantaged or have special needs.

Bringing major international art exhibitions to Australia, in partnership with Arts Exhibition Australia since 1988, has been the backbone of SIA's support of the Arts in Australia. In 2014, SIA was the principal sponsor of "Italian Masterpieces from Spain's Royal Court, Museo del Prado",



Germany

**SIA continues to support a number of charity projects and non-profit organisations through flight auctions, discounted travel and excess baggage waivers.**

which was held at the National Gallery of Victoria, and "Fashion Icons, Masterpieces from the Collection of Musée des Arts Décoratifs, Paris", at the Art Gallery of South Australia.

Since 1972, SIA has sponsored dance organisations including the West Australia Ballet and Queensland Ballet. We are also one of the main sponsors of the Sydney Dance Company, helping to facilitate its performance tours in Europe, North America and South America.

SIA continues to support a number of charity projects and non-profit organisations through flight auctions, discounted travel and excess baggage waivers.

## Germany

SIA, together with airport authority Fraport, participated in the "Newspaper in the Primary School" project which was aimed at familiarising elementary school children with the newspaper medium, improving their reading and writing skills and influencing positively their view of the aviation industry.

For three months, the children received the local daily newspaper, researched pre-defined airport topics and wrote articles for the daily, on their experiences after visiting the airport. SIA Frankfurt also played host to 20 student "reporters" when they had a look-behind-the-scenes prior to the departure of an Airbus A380.

## Korea

In Korea, SIA and Jong-ro Community Welfare Centre brought 32 disadvantaged children to a strawberry farm located in Ilsan in May 2014. The children had fun picking strawberries and making jam. A total of 33 SIA staff participated in this memorable and meaningful event.

## New Zealand

In New Zealand, SIA adopted Sustainable Coastlines as its official charity. As a partner, SIA will be supporting large-scale coastal clean-up events, educational programmes and campaigns to better protect the marine environment around Aotearoa and the Pacific.

# Community Engagement (cont'd)

**Students are supported through the programme in the Philippines, which provides them with school supplies, clothing, shoes, food and transportation allowances.**

## India

In Chennai, SIA was the sponsor of the top prize of 70,000 KrisFlyer miles for the Melbourne Cup Charity Lunch 2014. The Australian Community in Chennai, in association with the Australian Consulate-General, has been organising the charity event for the past three years, to celebrate the importance of fashion and acknowledge the creative talents of aspiring designers in Chennai.

The beneficiary for the event was MITHRA (Madras Institute to Habilitate the Retarded and Afflicted). MITHRA provides a variety of services such as occupational therapy, physiotherapy, speech therapy, special schooling and vocational training to the mentally challenged. It also offers food and shelter to less-privileged children in Chennai.

## Philippines

Since 2003, SIA has provided more than 1,130 scholarship grants through the Singapore Airlines Scholars programme, in partnership with the Bantay Edukasyon Program. The scholarship recipients are elementary school students aged between 6 and 12 years from across the Philippines.

Students are supported through the programme, which provides them with school supplies, clothing, shoes, food and transportation allowances. Our Filipino staff members meet with the Singapore Airlines scholars three times a year – at the beginning and end of the school year as well as during Christmas. During these visits, the students and staff take turns to perform song and dance numbers as well as skits. Awards are given out at the end of every school year to deserving students based on their academic progress.



## Japan

In Japan, SIA brought some festive cheer to children warded at Narita Red Cross Hospital in December 2014. The children and their parents were visited by Santa Claus and a Singapore Girl, who gave them presents that included an SIA aircraft model and drawing sets. SIA Japan has been organising Christmas visits to the hospital since 2006.

The same Christmas cheer was brought by SIA staff to patients of the new Fukuoka Children's Hospital which was completed in November 2014. SIA staff in Fukuoka also visited a school for under-privileged children and surprised them with colouring books and notebooks that featured Yokai Watch, a popular cartoon character in Japan.

# Community Engagement (cont'd)

**SIA Switzerland and catering partner Gate Gourmet invited a group of children from the Caritas Zurich project for a baking session in December 2014 to spread festive Christmas cheer.**

## Switzerland

In Switzerland, SIA organised a charity event in July 2014 for the Caritas Zurich project, which helps children from less privileged backgrounds in the canton of Zurich, by pairing them with volunteer godparents to provide encouragement and support. The children were given a tour of SIA's A380 aircraft. The group also had the chance to view and take photographs of the aircraft from the apron to get a better sense of its dimensions. This was followed by a tour of Zurich Airport and lunch at an airport restaurant, after which the children were each presented with a goodie bag. SIA Switzerland and catering partner Gate Gourmet also invited a group of children from the Caritas Zurich project for a baking session in December 2014 to spread festive Christmas cheer. The children enjoyed a tour of SIA's A380 aircraft and were treated to a delicious meal.

## United Kingdom

In the UK, SIA supports a community project named Chiswick Pensioners Alone At Christmas. This 29-year-old initiative features an annual Christmas party for about 60 senior citizens that aims to alleviate their feelings of loneliness during the festive period. A volunteer from the Home Care Service who began the project had observed that elderly people experiencing loneliness were more likely to go into residential care or pass away after the holiday period. By matching the donations collected for the initiative each year, SIA contributes to the local community of senior citizens by helping to keep their spirits up during the festive season.

In December 2014, SIA UK held a Christmas Jumper Day (where staff came to work in their festive jumpers) to bring Christmas cheer to the office and to raise donations for the Save The Children charity. The charity runs an annual national campaign to encourage groups of people around the country to make donations to children in 120 developing countries across the world.



## USA

In the USA, SIA, in partnership with our International Culinary Panel (ICP) Chef Alfred Portale of Gotham Bar & Grill, helped GrowNYC raise funds for its cause. We donated SIA Business Class tickets, which were auctioned at a charity dinner. All proceeds went into setting up "learning gardens" for public schools in the five boroughs of New York. GrowNYC is a non-profit organisation that focuses on improving the city's quality of life through environmental programmes ranging from building community gardens and hosting local farmers' markets, to teaching primary school students about the environment and improving recycling awareness.

For the third consecutive year, SIA also partnered with Suzanne Goin, another of our ICP chefs, to support Alex's Lemonade Stand, a grassroots organisation devoted to providing support for children with cancer. SIA provided two Business Class tickets to Tokyo valued at more than US\$16,000 at a gala fundraising auction in support of the charity.

# Caring for the Environment



# Managing Our Environmental Impact

**SIA believes that we have a long-term responsibility to help protect the environment.**

## ENVIRONMENTAL POLICY

SIA is dedicated to safely and reliably flying passengers and freight around the world. We also believe that we have a long-term responsibility to help protect the environment. As part of our commitment to environmental conservation, we:

### DUCATE

our staff on the importance of caring for the environment.

### ENSURE

that we comply with environmental codes of practice set by regulatory authorities and are transparent about our environmental policies and action plans.

### ESTABLISHED

an environmental action programme to oversee matters related to environmental management, as well as to work with key suppliers on issues related to energy and resource consumption, carbon emissions, effluent discharge, waste management and noise.



# Managing Our Environmental Impact (cont'd)

## CLIMATE CHANGE

### RISKS AND CHALLENGES

According to IATA, the industry supports 58 million jobs and \$2.4 trillion in economic activity and is responsible for 35 per cent of world trade by value<sup>1</sup>. These economic benefits, however, affect the environment. Over 95 per cent of carbon emissions from the aviation industry come from the burning of jet fuel. The UN Intergovernmental Panel on Climate Change (IPCC) has forecast that such emissions from the aviation industry will increase from the current two per cent to three per cent in 2050.

The UN IPCC estimates that with no significant reduction of anthropogenic greenhouse gas (GHG) emissions, global temperature is projected to further increase by more than four degrees celsius at the end of this century. In the aviation industry, GHG emissions are in the form of CO<sub>2</sub> emissions that come from the combustion of aviation fuel. The aviation industry has come a long way in reducing its emissions by adopting IATA's Four-Pillar Strategy<sup>2</sup>.

The first three pillars of technology, operations and infrastructure play crucial roles to meet the industry's environmental targets in the long term. However, these initiatives will take time and resources to be developed. As an interim measure, the fourth pillar, i.e., a single global market-based measure (MBM), is required to meet the emissions gap in the aviation industry.

In the short term, the aviation industry is committed to improving its fuel efficiency by an average of 1.5 per cent per year by 2020. From 2020, the industry will cap its net carbon emissions to achieve carbon neutral growth (CNG) and, by 2050, to reduce its net emissions by 50 per cent (compared to 2005 levels).

SIA supports the industry's collective approach and has implemented a comprehensive fuel efficiency programme to mitigate the rising CO<sub>2</sub> emission levels through fleet renewal and more efficient operational measures.

Following a landmark resolution by IATA member airlines at the 2013 IATA AGM, ICAO Member

States agreed at the 38<sup>th</sup> ICAO Assembly to develop a global MBM for international aviation, to be adopted by the next ICAO Assembly in 2016 and ready for implementation from 2020.

The development of an MBM at a global level through ICAO should prevent the proliferation of overlapping national and/or regional MBMs (e.g. emissions trading schemes, taxes & levies). Given the globally competitive nature of the airline industry, a global MBM must preserve fair competition, minimise market distortions and carbon leakages, and minimise administrative complexity.

**SIA is dedicated to safely and reliably flying passengers and freight around the world.**

## FLEET MODERNISATION PROGRAMME

During the year, SIA took delivery of three 777-300ERs and five A330-300s, one of which entered service subsequently in April 2015. Two 777-200s were leased to other carriers. One A330-300, one 777-200 and one 777-200ER were returned to lessors. The average age of SIA's passenger aircraft was 7 years and 1 month as at 31 March 2015, compared to the industry average\* of 12 years and 1 month.



Average Age of Aircraft (months) 31 March 2015	2014-15	2013-14	2012-13	2011-12
<b>SIA Passenger Fleet</b>	85	81	80	74
<b>SIA Cargo Freighters</b>	150	147	140	135
<b>SilkAir</b>	53	71	80	75
<b>Scoot<sup>#</sup></b>	148	195	188	-
<b>Tiger Airways</b>	46	36	30	20
<b>Industry-wide*</b>	145	147	148	163

# Scoot commenced operations in June 2012

\* Source: Flightglobal, ACAS (Aircraft information and forecast data system) [April 2015]

<sup>1</sup> Based on the latest report from the Air Transport Action Group, compiled in association with Oxford Economics.

<sup>2</sup> Four-pillar strategy: technology improvements, more efficient operations, infrastructure improvements and global market-based measure.

# Managing Our Environmental Impact (cont'd)

## FUEL PRODUCTIVITY

As part of our efforts to reduce the effects of climate change caused by increased GHG in the atmosphere, SIA constantly studies ways to reduce fuel consumption of our aircraft. In terms of GHG emissions intensity, we report on the direct GHG emissions from fuel used in flight operations. The GHG emissions intensity ratio is measured by grams of carbon dioxide emitted per load-tonne-kilometre.

**Key initiatives in our fuel productivity improvement programme include:**

**1**

**Regular fleet renewal**, to ensure the aircraft fleet is technologically advanced and fuel efficient.

**2**

**Engineering measures** that improve fuel efficiency include fleet-wide engine wash which generated 10,400 tonnes of fuel savings per year, and modifications to enhance the A380's Trent 900 engine performance which generated 10,010 tonnes of fuel savings per year.

**3**

**Participating in the ASPIRE programme** (more information on the ASPIRE programme is available in the subsequent section).

**4**

**Adopting 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, saving fuel and emitting less CO<sub>2</sub> and NOx, while complying with the airport's strict noise procedure guidelines.

**5**

**Improving flight operation procedures**, such as tailored arrivals and continuous descent operations, that minimise fuel use without compromising safety.

**6**

**Engaging route-planning procedures** that determine the most fuel-efficient routes possible.

**7**

**Actively participating in international discussions** on route restructuring to establish new airways for more efficient routings.

**8**

**Developing performance improvement packages** for airframes and engines to reduce airframe drag, thereby improving engine fuel efficiency.

**9**

**Working on initiatives** both within SIA and with Original Equipment Manufacturers (OEMs) to reduce the weight of aircraft. For example, removal of Boeing 777-300ER overhead cross aisle stowage which generated 2,400 tonnes of fuel savings per year.

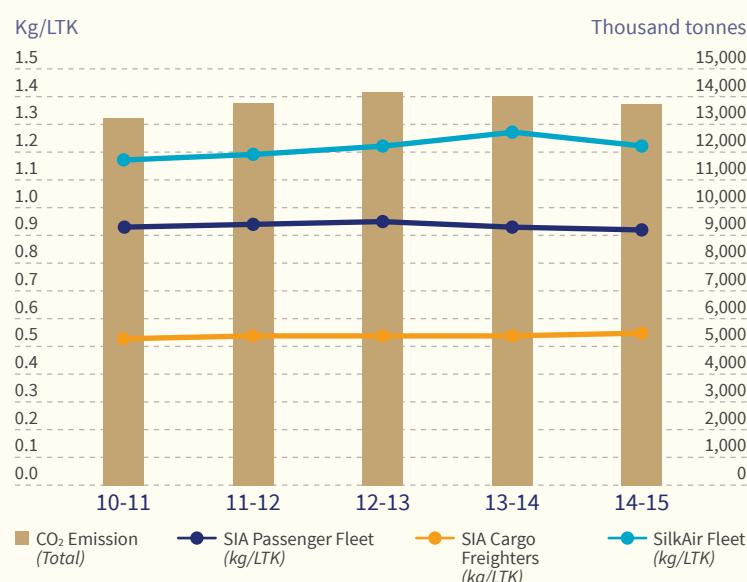
**10**

**Employing mobile ground power units and pre-conditioned air units** during long transits and nightstops to reduce reliance on auxiliary power units.

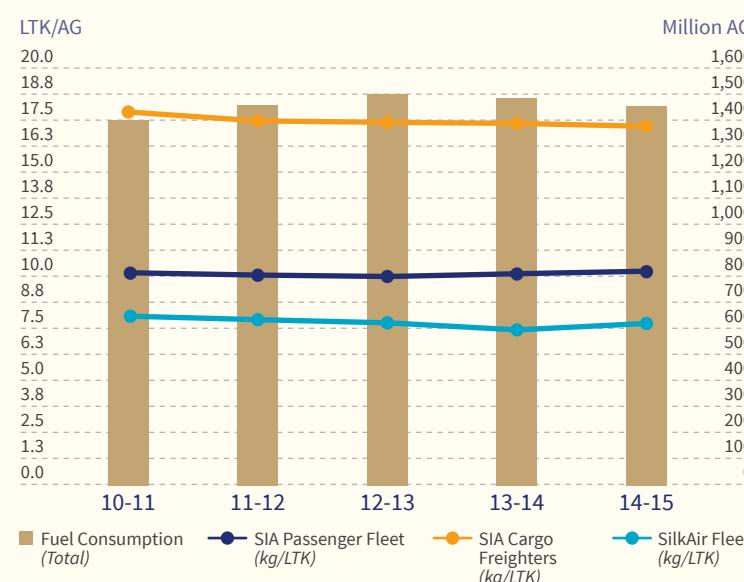
**11**

**Improving flight operations and flight planning systems**, which result in better route selection planning. These efforts contribute to savings of around \$3.6 million a year.

## CO<sub>2</sub> EMISSIONS



## FUEL PRODUCTIVITY



**As part of our efforts to reduce the effects of climate change caused by increased GHG in the atmosphere, SIA constantly studies ways to reduce fuel consumption of our aircraft.**

# Managing Our Environmental Impact (cont'd)

SAVINGS OF  
  
**1million**  
Per year, under ASPIRE programme.



**The Asia and Pacific Initiative to Reduce Emissions (ASPIRE) programme is a partnership between air navigation service providers focused on environmental stewardship in the region.**

## ASPIRE PROGRAMME

The Asia and Pacific Initiative to Reduce Emissions (ASPIRE) programme is a partnership between air navigation service providers focused on environmental stewardship in the region. Under the 'ASPIRE-Daily City Pair' programme, regular 'green' flights are conducted between pairs of airports throughout the Asia-Pacific region, one of the fastest-growing aviation markets in the world.

The first multi-sector demonstration green flight under the ASPIRE programme was SQ11 which was operated from Los Angeles to Singapore via Tokyo on 31 January 2010. Efficiency measures such as using a User Preferred Route (UPR) generated by a flight planning system were employed. The aviation authorities in Singapore, the United States and Japan also worked together to ensure optimal air traffic conditions. In total, six per cent less fuel was used compared to a similar flight – 10,686 kg of fuel was saved, corresponding to 33,769 kg of carbon emissions.

The ASPIRE Programme has also included the Oceania region since 15 September 2012. Selected daily flights operating between Singapore and Melbourne and between Singapore and Sydney are under the ASPIRE Programme, and more recently this was extended to New Zealand flights covering Auckland and Christchurch. In total, these flights contributed to savings of about \$1 million per year.

<sup>1</sup> Source: Sustainable Aviation Fuel Users Group website [April 2015] URL: <http://www.safug.org/safug-pledge/>

## SUSTAINABLE AVIATION FUEL USERS GROUP (SAFUG)

SIA believes the use of sustainable aviation fuels has the potential to meet the industry's carbon neutral growth goals as well as reduce the dependence on fossil fuels. It is expected that carbon reduction from moving to sustainable aviation fuels could be up to 80% on a full carbon life-cycle basis, compared with traditional jet fuel. We are a member of SAFUG, which is focused on accelerating the development and commercialisation of sustainable aviation fuels. Currently, SAFUG represents approximately 33 per cent<sup>1</sup> of commercial aviation fuel demand. As a member of SAFUG, SIA has pledged to advance and adopt aviation biofuels produced in a sustainable manner 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.
- Do not require any special fuel handling equipment, distribution systems, or changes to engine design.

SIA is committed to working in partnership with government agencies and stakeholders across its value chain to overcome any supply and infrastructure challenges that may hinder the commercial use of sustainable aviation fuels.

## AIRCRAFT GAS EMISSIONS

ICAO sets the international standards for levels of NOx, CO<sub>2</sub>, hydrocarbons and exhaust from aircraft engine emissions under ICAO Annex 16, Volume II. The NOx emission standard has changed several times over the past decade to ensure that the best low-emission technologies are used in new engines. A new standard was endorsed in 2004, applicable to new engines from 2008, which is 12 per cent stricter than the previous standard and will provide a 40 per cent reduction in NOx emissions compared to the first standard. The passenger fleets for SIA, SilkAir, Scoot and Tigerair, as well as SIA Cargo's freighters, all meet the stringent 2004 ICAO CAEP/6 Emission Standards for NOx.

## AIRCRAFT NOISE EMISSIONS

Today's aircraft are 50 per cent quieter compared to 10 years ago. Research initiatives target a further 50 per cent reduction by 2020.

ICAO introduced a more stringent noise certification standard on 1 January 2006 for all new aircraft. The ICAO Chapter 4 standard is approximately one third or 10 EPNdB quieter than the Chapter 3 standard. SIA's A380-800s and 777-300ERs, Scoot's 787-9s, SilkAir's A319s/320s and 737-800s, as well as Tigerair's A320s, are certified with the ICAO Chapter 4 noise standard. SIA's A330-300s, 777-200s, 777-300s and Scoot's 777-200s are certified with the ICAO Chapter 3 standard for noise, but they also meet the more stringent Chapter 4 requirements.

# Managing Our Environmental Impact (cont'd)

## ENVIRONMENTAL MANAGEMENT SYSTEM

Environmental Management Systems (EMS) certified according to the ISO 14001:2004 standard have been implemented in the Engineering and Flight Operations Divisions, as well as in SIA Engineering Company. Objectives and measurable targets are set for the environmental action programmes under the EMS. These are reviewed and updated periodically to ensure legal compliance and consistency with our commitment to reducing pollution. Operations that have an environmental impact are regularly monitored. Measurements are also taken to ensure that the applicable controls are documented and implemented in compliance with the EMS.

Staff are also provided with training to enhance their roles and competencies in the management systems. For example, new staff are enrolled in a training course for ISO14001 to gain a better overview of the EMS. Environmental messages are broadcast regularly on SIA's electronic bulletin boards, in order to remind staff of their environmental responsibilities.

## ENERGY AND RESOURCE CONSERVATION MEASURES

Our energy-saving initiatives focus largely on the air-conditioning, ventilation, lightings and lifts within our buildings. We monitor these facilities closely by using meters and the building automation system to extract data for reporting purposes. Our conservation efforts also extend to our water usage, waste management and efficiency of our chillers. For reporting standards and methodologies of electricity conversion, we take reference from the Singapore Energy Market Authority.

With an emphasis on optimal usage of resources and environmental protection, a wide spectrum of measures have been put in place under the new Office Management System (OMS) rolled out across SIA premises. The OMS features innovative designs and best office practices that maximise space utilisation while reducing energy consumption. Besides providing a flexible workplace that can accommodate different work styles and operational requirements, the OMS incorporates many environmentally-friendly features that focus on resource conservation and waste minimisation.

### Key features of the OMS include:

- Energy-efficient lighting and controls such as:

- > T5 tubes with reflector covers to increase illumination.
- > Exit lights that use low-energy light-emitting diode (LED) technology.
- > LED or energy-saving bulbs instead of tungsten halogen for downlights.
- > Motion sensors for lavatory lighting.
- > A smart lighting management system, which is programmed to automatically switch off after office hours.
- > A zonal lighting system.

- Energy-saving air-conditioning system, equipped with:

- > Variable speed controlled chiller plants with environmentally friendly refrigerants.
- > Pre-cooled coils and variable speed motors for Air Handling Units, which result in improved energy saving and humidity control.

- Reduction of water consumption through flow restrictors and dual flush valves, which are installed in lavatories.

- > Recycled water is used in cooling towers of buildings and for landscape watering. No chemicals are added to the water stored in the cooling towers. Rainwater is also collected and used for watering plants and flushing toilets. The yearly consumption of water used in Airline House, one of our main buildings, is close to 98,000 cubic metres.

- Emulsion paints that emit less volatile organic compounds used for internal walls.

- Carpet tiles with a high content of recycled materials.

- Ceiling and partition boards made from recycled materials.

In addition, external glass facades are installed with solar films to reduce heat transmitted into the buildings and at the same time allow the use of natural light. Natural ventilation is preferred as compared to mechanical ventilation in terms of building design. In addition, the new chiller systems and fire-protection systems use environmentally friendly gases/refrigerants which minimise the use of GHG. In line with SIA's focus on resource utilisation and environmental protection, we choose to use green materials with low volatile organic compounds (VOC) and high recycled content wherever possible.

### Energy efficiency

During FY 2014/15, our buildings and facilities were upgraded with more energy-efficient equipment and technology. These included:

- Upgrading of lifts to a more efficient model with Variable Voltage Variable Frequency (VVVF) motor.

- Changing of high bay lightings from metal halide lamps to energy-efficient LED lights.

- Replacing neon signs of main buildings to LED technology to reduce energy consumption.

- Installing a heat exchange system at the SilverKris Lounge in Singapore to produce hot water for the showers.

- Replacing an old chiller system with a model of higher efficiency.

The potential energy savings from these initiatives amounted to 80,000 kWhr per month. We have set a target to reduce electricity used (measured in energy intensity per square metre) in SIA buildings by 15 per cent by FY 2020/21, as compared to base year FY 2010/11.

TARGET TO REDUCE ELECTRICITY USED BY

**15%**

By FY 2020/21.



**With an emphasis on optimal usage of resources and environmental protection, a wide spectrum of measures have been put in place under the new Office Management System (OMS) rolled out across SIA premises.**

# Managing Our Environmental Impact (cont'd)



REDUCE WASTE GENERATION BY  
**30%**  
By FY 2020/21.



## RECYCLING

To maximise efficient use of limited resources, staff are encouraged to adopt green office practices, including:

- Printing double-sided documents.
- Storing documents, files and archives electronically.
- Using electronic methods of communication wherever possible.
- Using envelopes designed for multiple use for internal correspondence.
- Recycling paper that has been printed on a single side for notetaking or drafting purposes.

Recycling bins are conveniently located around offices and canteens for recyclable waste such as paper, magazines, newspapers and aluminium cans.

SIA's Intranet is used as a platform for regular updates to staff. It also provides informative environmental articles on topics such as waste minimisation.

## INVOLVEMENT IN CORPORATE AND SCHOOL PARTNERSHIP (CASP)

SIA continued to participate in the National Environment Agency's (NEA) Corporate and School Partnership (CASP) programme through an environmental project at Dunman Secondary School – a plastic waste minimisation project through the creation of an edible water bottle made from ingredients safe for consumption. For our participation, SIA received the Sustained Partnership Gold Award for the seventh year.

## WASTE MANAGEMENT

In FY 2014/15, we disposed of a total of 4,827 tonnes of waste accumulated from our main buildings. The waste is collected by licenced general waste collectors and sent for incineration in the waste-to-energy plants. Toxic industrial waste (TIW) generated mainly from our aircraft maintenance activities is labelled and segregated from general waste. A licenced TIW collector is engaged to remove and treat the waste before final disposal. In addition, no industrial effluents are generated from our commercial activities and all waste water is discharged to government water reclamation plants for treatment. We have set a general target to reduce waste generation in SIA buildings by 30 per cent by FY 2020/21 compared to base year FY 2010/11.

## GROUND EMISSIONS

All new diesel-powered vehicles operating in Singapore must follow NEA requirements to meet the Euro V exhaust emission standard. Likewise, new petrol-powered vehicles are required to meet the Euro IV exhaust emission standard and must be equipped with a three-way catalytic converter as part of the NEA's motor vehicle requirements, from April 2014.

For our existing fleet of vehicles, an annual inspection is conducted by an external party to verify that exhaust levels meet the local standards.

In addition, our employees are reminded to adhere to the anti-idling engine regulations which require vehicle engines to be switched off when stationary, to promote better air quality.

# Managing Our Environmental Impact (cont'd)

## CONSERVATION EFFORTS WITH SUBSIDIARIES

Energy consumption and conservation efforts are also taken on by subsidiaries. SIA currently has a facility maintenance contract with SIA Engineering Company (SIAEC), under which we manage SIAEC's Hangars, leased offices at Changi Airport, Engine Test Facility at Loyang, and Training Academy at Loyang. This contract will expire in 2016. Our Properties team also manages SilkAir's leased premises located at Changi Airport.

## ENVIRONMENTAL PERFORMANCE ON THE GROUND

SIA's ongoing efforts to conserve and optimise usage of resources has 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

#### SIA GROUP

	2014-15	2013-14	2012-13
Total Group Revenue (\$ million)	15,565.5	15,243.9	15,098.2
Average Number of Employees	23,963	23,716	23,189

### SINGAPORE AIRLINES, SILKAIR AND SIA CARGO

	2014-15	2013-14	2012-13
Overall Load (million tonne-km)	15,557.4	15,778.1	16,047.3
Overall Capacity (million tonne-km)	22,607.8	22,889.7	23,188.4
Overall Load Factor (%)	68.8	68.9	69.2

### SINGAPORE AIRLINES

	2014-15	2013-14	2012-13
Passenger Carried (thousand)	18,737	18,628	18,210
Revenue Pax-km (million)	94,209.2	95,064.3	93,765.6
Available Seat-km (million)	120,000.8	120,502.8	118,264.4

### SILKAIR

	2014-15	2013-14	2012-13
Passenger Carried (thousand)	3,553	3,411	3,295
Revenue Pax-km (million)	5,864.9	5,516.1	5,223.1
Available Seat-km (million)	8,355.2	7,926.9	7,096.3

### SIA CARGO

	2014-15	2013-14	2012-13
Cargo and Mail Carried (million kg)	1,124.0	1,117.8	1,144.6
Cargo Load (million tonne-km)	6,347.2	6,419.3	6,763.6
Cargo Capacity (million tonne-km)	10,024.9	10,273.6	10,661.0

### Fuel Productivity & CO<sub>2</sub> Emissions

#### SIA & SILKAIR FLEET AND FREIGHTERS

	2014-15	2013-14	2012-13
Fuel Consumption (million AG)	1,459.90	1,490.85	1,506.58
Fuel Productivity (LTK/AG)	10.64	10.56	10.60
CO <sub>2</sub> emissions (thousand tonnes)	13,767.39	14,059.26	14,207.55
CO <sub>2</sub> emissions (kg/LTK)	0.89	0.89	0.89

### SIA PASSENGER FLEET

	2014-15	2013-14	2012-13
Fuel Consumption (million AG)	1,269.14	1,294.14	1,293.51
Fuel Productivity (LTK/AG)	10.20	10.09	9.97
CO <sub>2</sub> emissions (thousand tonnes)	11,968.44	12,204.23	12,198.24
CO <sub>2</sub> emissions (kg/LTK)	0.92	0.93	0.95

### SILKAIR FLEET

	2014-15	2013-14	2012-13
Fuel Consumption (million AG)	73.51	72.48	65.54
Fuel Productivity (LTK/AG)	7.71	7.40	7.74
CO <sub>2</sub> emissions (thousand tonnes)	693.27	683.51	618.11
CO <sub>2</sub> emissions (kg/LTK)	1.22	1.27	1.22

### SIA CARGO FREIGHTERS

	2014-15	2013-14	2012-13
Fuel Consumption (million AG)	117.25	124.23	147.52
Fuel Productivity (LTK/AG)	17.23	17.37	17.42
CO <sub>2</sub> emissions (thousand tonnes)	1,105.68	1,171.52	1,391.19
CO <sub>2</sub> emissions (kg/LTK)	0.55	0.54	0.54

### Resources Utilisation

	2014-15	2013-14	2012-13
Water Consumption ('000 m <sup>3</sup> )	264.9	272.0	268.3
Electricity Consumption (Gwh)	54.2	54.8	56.9
Petrol ('000 litres)	148	197	228
Diesel ('000 litres)	2,909	3,217	3,161
Paper Consumption – A4 paper (ream)	64,001	67,878	64,900

### Carbon Emissions – Ground Operations

	2014-15	2013-14	2012-13
From Fossil Fuel (tonnes)	7,904	8,817	8,744
From Electricity Used (tonnes)	24,386	27,287	29,284

### Waste Generated in SIA Group<sup>#</sup>

	2014-15	2013-14	2012-13
General Waste (tonnes)	4,827	4,996	5,082
Toxic Waste (litres)	69,200	62,000	55,200

### Recyclables<sup>#</sup>

	2014-15	2013-14	2012-13
Used Cooking Oil (kg)	7,600	8,350	14,160
Used Carton Boxes (kg)	610,490	562,340	562,000
Used Magazine (kg) estimates	379,230	221,640	134,155
Old Newspapers (kg) estimates	322,820	337,160	490,941
Glass Bottles (kg)	177,340	184,073	208,630

# Figures are from SIA's operations in Singapore

**SIA's ongoing efforts to conserve and optimise usage of resources has proven successful. Our overall consumption of electricity and vehicular fuels has been reduced over the years.**

# Singapore Airlines' Suppliers' Code of Conduct

 1 Compliance with Laws and Regulations	 2 Ethics and Conflict of Interest	 3 Safety and Quality	 4 Environment	 5 Labour Standards	 6 Subcontractors and / Other Service Providers	 7 Communication, Documentation and Inspection
<ul style="list-style-type: none"> <li>• Accounting practices</li> <li>• Competition compliance</li> <li>• Intellectual property</li> <li>• Disclosure</li> </ul> <p>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.</p> <p>All financial and business records must be accurately maintained in accordance with applicable laws and regulations, as well as generally accepted accounting principles.</p> <p>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.</p>	<ul style="list-style-type: none"> <li>• Anti-corruption</li> <li>• Financial integrity</li> <li>• Confidentiality</li> <li>• Relationship of business partners with company</li> </ul> <p>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.</p> <p>Any information used in the business relationship with Singapore Airlines that is non-public 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.</p> <p>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.</p>	<ul style="list-style-type: none"> <li>• Health and safety</li> <li>• Quality of products and services</li> </ul> <p>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.</p> <p>The safety of all products and services must be ensured through appropriate policies, implementation and monitoring.</p> <p>Policies and management systems must be developed to ensure that the quality of all products and services are as specified in the supply agreement.</p>	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> <li>• Engagement in environmental management processes</li> </ul> <p>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.</p> <p>Environmental management is a key parameter that Singapore Airlines looks at when selecting its suppliers.</p>	<ul style="list-style-type: none"> <li>• Equal opportunity</li> <li>• Non-discrimination</li> <li>• Minimum age/child labour /forced labour</li> <li>• Working hours</li> <li>• Wage standards</li> </ul> <p>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.</p> <ul style="list-style-type: none"> <li>&gt; All employees must meet the local legal minimum labour age.</li> <li>&gt; Forced, coerced, bonded, indentured, involuntary prison labour or otherwise must not be used.</li> <li>&gt; 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.</li> <li>&gt; Salaries must not be less than standards specified by local laws.</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with Code of Conduct</li> <li>• On-time payment</li> </ul> <p>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.</p>	<ul style="list-style-type: none"> <li>• Employee awareness of Code of Conduct</li> <li>• Language translation</li> </ul> <p>Employees must understand the requirements of this Code of Conduct, which must be made available in the local language where necessary.</p> <p><i>This Code of Conduct does not create any binding obligations on Singapore Airlines.</i></p>

# Material Aspects and Boundaries

SIA Material Aspects	GRI G4 Aspects	Aspect Boundary: Internal and External (G4-20 and G4-21)	DMA References	SIA Material Aspects	GRI G4 Aspects	Aspect Boundary: Internal and External (G4-20 and G4-21)	DMA References
<b>CUSTOMER FOCUS</b>	Customer Privacy	SIA, customers	GRI Content Index Pg 44	<b>SUPPLIERS</b>	Supplier Assessment for Labour Practices	SIA, suppliers	Stakeholder Engagement: Suppliers, Pg 24-25
					Child Labour	SIA, suppliers	Stakeholder Engagement: Suppliers, Pg 24-25
	Energy	SIA, suppliers, customers	Caring for the Environment, Pg 37-40		Forced or Compulsory Labour	SIA, suppliers	Stakeholder Engagement: Suppliers, Pg 24-25
	Biodiversity	Communities where SIA operates	Managing our Environmental Impact Pg 28-29		Supplier Human Rights Assessment	SIA, suppliers	Stakeholder Engagement: Suppliers, Pg 24-25, Corporate Governance, Pg 7
	Emissions	Communities where SIA operates	Managing our Environmental Impact Pg 35-37, 40		Human Rights Grievance Mechanisms	SIA, suppliers	Nil
	Effluents and Waste	Communities where SIA operates	Managing our Environmental Impact Pg 38-40				Corporate Governance, Pg 7
	Compliance	SIA, suppliers	There were no fines or sanctions during the reporting period				
	Supplier Environmental Assessment	SIA, suppliers	Stakeholder Engagement: Suppliers, Pg 24-25				
	Environmental Grievance Mechanisms	SIA, suppliers	No grievances filed during reporting period				
	Employment	SIA	Stakeholder Engagement: Employees, Pg 17-22				
<b>ENVIRONMENT</b>	Labour/Management Relations	SIA	The notice periods to commence negotiations are set up in the respective collective agreements with the unions	<b>GOVERNANCE</b>	Anti-corruption	SIA, suppliers	Corporate Governance, Pg 7
	Occupational Health and Safety	SIA	SIA's Safety Performance, Pg 11				
	Training and Education	SIA	Stakeholder Engagement: Employees, Pg 17-18, 21				
	Diversity and Equal Opportunity	SIA	Corporate Governance, Pg 7, Annual Report, Pg 16-19, 74-81, Stakeholder Engagement: Employees, Pg 16-22				
	Labour Practices Grievance Mechanisms	SIA	There were 2 cases reported in FY 2014/15. 1 case was resolved and 1 still being reviewed by Ministry of Manpower				
	Non-discrimination	SIA	Nil				
<b>EMPLOYEES</b>				<b>SHAREHOLDERS</b>	Economic Performance	SIA, shareholders	Annual Report, Pg 2, 44-59
					Market Presence	SIA, shareholders	96.5% of our senior management (Vice Presidents, Management Pilots and above) are Singapore Citizens/ Permanent Residents

# GRI Content Index

GENERAL STANDARD DISCLOSURES			STAKEHOLDER ENGAGEMENT			SPECIFIC STANDARD DISCLOSURES		
G4 Code	Description	Page Reference and remarks				Material Aspects	DMA and Indicators	Page Reference and Remarks
<b>STRATEGY AND ANALYSIS</b>								
<b>ORGANISATIONAL PROFILE</b>								
G4-1	Statement from senior decision maker	CEO's message Pg 1, Annual Report Pg 14-15	G4-24	List of stakeholder groups engaged by the organisation	Focus on People Pg 17-24	<b>ECONOMIC</b>		
G4-3	Name of organisation	About Singapore Airlines Pg 2	G4-25	Basis for identification and selection of stakeholders with whom to engage	Focus on People Pg 17-24	<b>Economic Performance</b>		
G4-4	Primary brands and products	Overview, Annual Report Pg 24-29	G4-26	Approach to stakeholder engagement	Focus on People Pg 17-24	G4-EC1	Direct economic value generated and distributed	Annual Report Pg 2, 44-59
G4-5	Location of organisation's headquarters	About Singapore Airlines Pg 2	G4-27	Report key topics and concerns raised through stakeholder engagement	Sustainability at Singapore Airlines Pg 9	<b>Market Presence</b>		
G4-6	Countries of operation	Route Network Pg 4	<b>REPORT PROFILE</b>			G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	96.5% of our senior management (Vice Presidents, Management Pilots and above) are Singapore Citizens/ Permanent Residents.
G4-7	Nature of ownership and legal form	About Singapore Airlines Pg 2, Annual Report Pg 211	G4-28	Reporting period	Overview	<b>ENVIRONMENTAL</b>		
G4-8	Markets served	About Singapore Airlines Pg 2, Route Network Pg 4	G4-29	Date of most recent report	Overview	<b>Energy</b>		
G4-9	Scale of organisation	Stakeholder Engagement: Employees Pg 16, Managing our Environmental Impact Pg 40	G4-30	Reporting cycle	Overview	G4-EN3	Energy consumption within the organisation	Managing our Environmental Impact Pg 40
G4-10	Employee statistics	Stakeholder Engagement: Employees Pg 16-22	G4-31	Contact point for questions regarding the report	Overview	G4-EN6	Reduction of energy consumption	Caring for the Environment Pg 33-40
G4-11	Collective Bargaining	Stakeholder Engagement: Employees Pg 16	G4-32	GRI Content Index	GRI Content Index Pg 43-44	<b>Biodiversity</b>		
G4-12	Organisation's supply chain	Stakeholder Engagement: Suppliers Pg 24	G4-33	Assurance	Overview	G4-EN13	Habitats protected or restored	Managing our Environmental Impact Pg 28-29
G4-13	Changes in organisation structure and supply chain	There were no significant changes in the organisation size, ownership and supply chain in FY 2014/15.	G4-34	Governance structure including committees of the highest governance body. Identify any committees responsible for decision making on economic, environmental and social impacts	Corporate Governance Pg 7 Sustainability at Singapore Airlines Pg 8	<b>Emissions</b>		
G4-14	Precautionary approach is addressed	Managing our Environmental Impact Pg 33-40	<b>ETHICS AND INTEGRITY</b>			G4-EN18	Greenhouse gas (GHG) emissions intensity	Managing our Environmental Impact Pg 35-37
G4-15	External principles subscribed to	Focus on People Pg 15-25, Supporting our Communities Pg 26-32, Caring for the Environment Pg 33-40	G4-56	Codes of conduct and codes of ethics	Corporate Governance Pg 7, Stakeholder Engagement: Employees Pg 17, Stakeholder Engagement: Suppliers Pg 25, Singapore Airlines Suppliers' Code of Conduct Pg 41	G4-EN19	Reduction of greenhouse gas (GHG) emissions	Managing our Environmental Impact Pg 40
G4-16	Memberships	About Singapore Airlines Pg 2	<b>Effluents and Waste</b>			G4-EN22	Total water discharge by quality and destination	Managing our Environmental Impact Pg 38, 40
<b>IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES</b>								
G4-17	List entities covered or not covered	Overview	<b>Compliance</b>			G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	Managing our Environmental Impact Pg 39-40
G4-18	Explain process for defining report content	Sustainability at Singapore Airlines Pg 8-9						
G4-19	List of material aspects identified	Sustainability at Singapore Airlines Pg 9						
G4-20	For each material aspect, report the Aspect Boundary within the organisation	Material Aspects and Boundaries Pg 42						
G4-21	For each material aspect report the Aspect Boundary outside the organisation	Material Aspects and Boundaries Pg 42						
G4-22	Report any restatements of information provided in previous reports and reason for such restatements	Annual Report Pg 104						
G4-23	Significant changes in scope and Aspect Boundary from previous report	Overview						

# GRI Content Index (cont'd)

SPECIFIC STANDARD DISCLOSURES		
Material Aspects	DMA and Indicators	Page Reference and Remarks
<b>Supplier Environmental Assessment</b>		
G4-EN32	Percentage of 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>Environmental Grievance Mechanisms</b>		
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	No grievances filed during the reporting period.
<b>LABOUR PRACTICES AND DECENT WORK</b>		
<b>Employment</b>		
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Stakeholder Engagement: Employees Pg 22
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Stakeholder Engagement: Employees Pg 17
G4-LA3	Return to work and retention rates after parental leave, by gender	Stakeholder Engagement: Employees Pg 22
<b>Labour Management Relations</b>		
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	The notice periods to commence negotiations are set up in the respective collective agreements with the unions.
<b>Occupational Health and Safety</b>		
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	SIA's Safety Performance Pg 11
<b>Training and Education</b>		
G4-LA10	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Stakeholder Engagement: Employees Pg 18-21
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Stakeholder Engagement: Employees Pg 17
<b>Diversity and Equal Opportunity</b>		
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Corporate Governance Pg 7, Annual Report Pg 16-19 Stakeholder Engagement: Employees Pg 16-22
<b>Supplier Assessment for Labour Practices</b>		
G4-LA14	Percentage of new suppliers that were screened using labour practices criteria	Stakeholder Engagement: Suppliers Pg 24-25, All of SIA's suppliers are expected to comply with our Suppliers' Code of Conduct.
<b>Labour Practices Grievance Mechanisms</b>		
G4-LA16	Number of grievances about labour practices filed, addressed, and resolved through formal grievance mechanisms	There were 2 cases reported in FY 2014/15. 1 case was resolved and 1 still being reviewed by the Ministry of Manpower.
<b>HUMAN RIGHTS</b>		
<b>Non-discrimination</b>		
G4-HR3	Total number of incidents of discrimination and corrective actions taken	Nil
<b>Child Labour</b>		
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour	Stakeholder Engagement: Suppliers Pg 24-25, All of SIA's suppliers are expected to comply with our Suppliers' Code of Conduct.
<b>Forced or Compulsory Labour</b>		
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour	Stakeholder Engagement: Suppliers Pg 24-25, All of SIA's suppliers are expected to comply with our Suppliers' Code of Conduct.
<b>Supplier Human Rights Assessment</b>		
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	Corporate Governance Pg 7 Stakeholder Engagement: Suppliers Pg 24-25, All of SIA's suppliers are expected to comply with our Suppliers' Code of Conduct.
<b>Human Rights Grievance Mechanisms</b>		
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	Nil
<b>SOCIETY</b>		
<b>Anti-corruption</b>		
G4-S04	Communication and training on anti-corruption policies and procedures	Corporate Governance Pg 7
G4-S05	Confirmed incidents of corruption and actions taken	Nil
<b>PRODUCT RESPONSIBILITY</b>		
<b>Customer Privacy</b>		
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	There were seven complaints received from outside parties and substantiated by the organisation concerning breaches of customer privacy for FY 2014/15.



[www.singaporeair.com](http://www.singaporeair.com)

**REGISTERED ADDRESS**

Airline House, 25 Airline Road, Singapore 819829

**COMPANY SECRETARY**

Ethel Tan  
Tel: +65 6541 4030  
Fax: +65 6546 7469  
Email: [ethel\\_tan@singaporeair.com.sg](mailto:ethel_tan@singaporeair.com.sg)

**INVESTOR RELATIONS**

Tel: +65 6541 4885  
Fax: +65 6542 9605  
Email: [investor\\_relations@singaporeair.com.sg](mailto:investor_relations@singaporeair.com.sg)

**PUBLIC AFFAIRS**

Tel: +65 6541 5880  
Email: [public\\_affairs@singaporeair.com.sg](mailto:public_affairs@singaporeair.com.sg)

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