SIA ANNUAL GENERAL MEETING

Presentation by CEO

26 July 2022

1 Emerging More Resilient, Innovative, and Agile

2 Continued Strengthening of the SIA Core
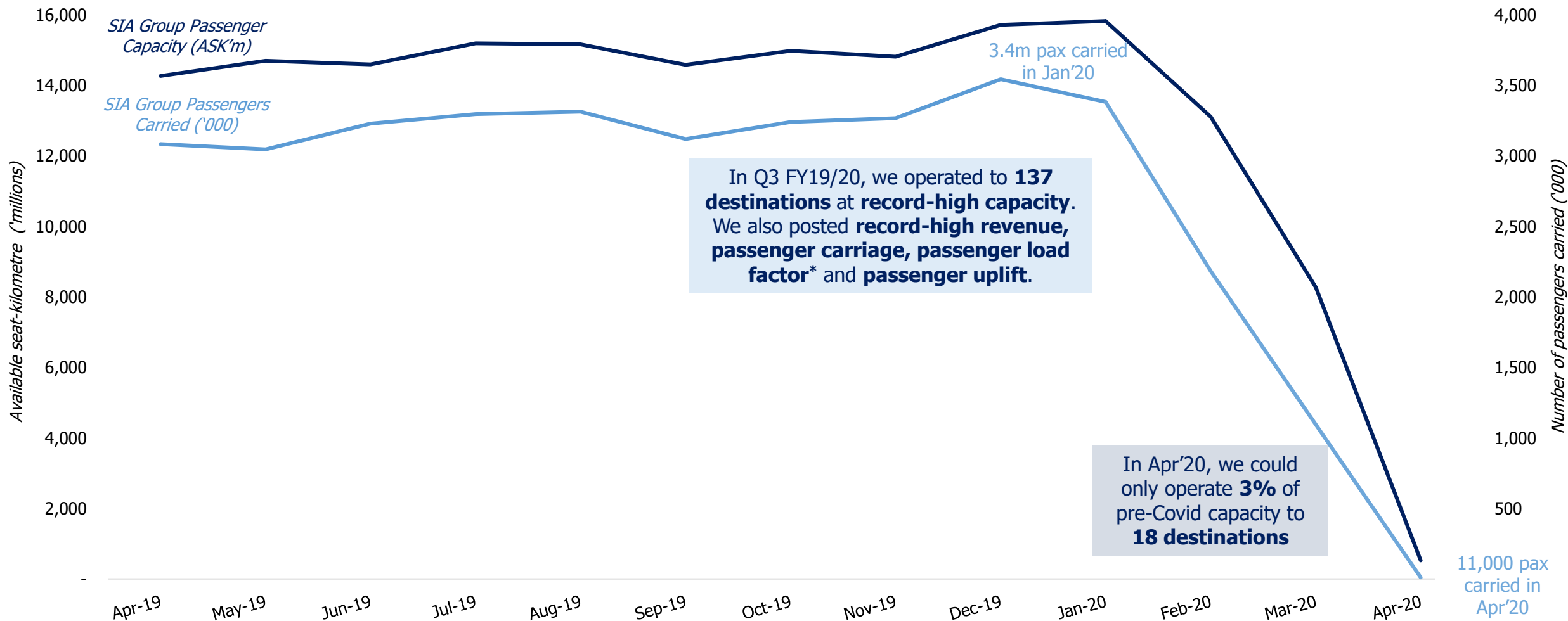
Emerging More Resilient, Innovative, and Agile

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Emerging More Resilient, Innovative, and Agile

Gaining resilience in the face of an unprecedented crisis

SIA Group Passenger Capacity (ASK'm)

SIA Group Passengers Carried ('000)

3.4m pax carried in Jan'20

In Q3 FY19/20, we operated to **137 destinations** at **record-high capacity**. We also posted **record-high revenue, passenger carriage, passenger load factor*** and **passenger uplift**.

In Apr'20, we could only operate **3%** of pre-Covid capacity to **18 destinations**

11,000 pax carried in Apr'20

Available seat-kilometre ('millions)

Number of passengers carried ('000)

Apr-19 May-19 Jun-19 Jul-19 Aug-19 Sep-19 Oct-19 Nov-19 Dec-19 Jan-20 Feb-20 Mar-20 Apr-20

* Highest PLF record achieved in previous quarter Q2 FY19/20 at 85.7%. Q3 FY19/20 PLF was 85.6%.

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Gaining resilience in the face of an unprecedented crisis

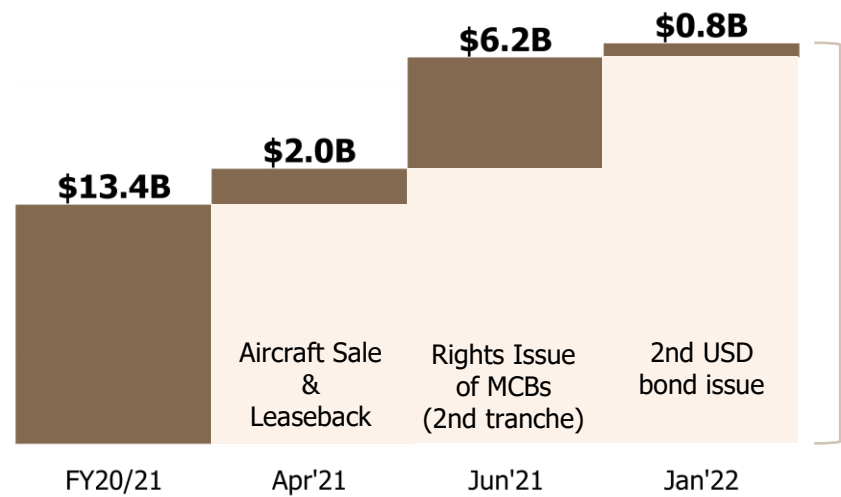## Decisive actions to build a strong financial position

$13.4B — FY20/21

$2.0B — Aircraft Sale & Leaseback — Apr'21

$6.2B — Rights Issue of MCBs (2nd tranche) — Jun'21

$0.8B — 2nd USD bond issue — Jan'22

S$22.4B raised in additional liquidity since 1 Apr 2020

Mar'20: Strict reduction on **discretionary expenditure**

Mar'20: Introduced **staff measures**

Sep'20: **Reduced 20% of staff positions**

Feb'21: Complete **renegotiation of aircraft contracts** to **defer deliveries & >$4b of near-term capex**

Feb'22: **Swapped passenger aircraft orders** for A350F freighter orders to **manage capex**

Expenditure remains closely monitored

Various staff measures to preserve core aviation capabilities

- **Pay cuts** across staff groups
- >20% of SIA Group staff took varying days of **no-pay leave**
- >2,100 SIA Group staff re-deployed on **short-term employment**

- **Minimized involuntary departures**
- **Supported national effort against Covid-19**

Retained core aviation capabilities for a quick and strong recovery

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Innovating to retain world-class leadership

Swiftly re-designing the customer experience

Extensive customer surveys
- Regular surveys from May'20 to identify customers' value drivers during the pandemic
- **'Health Safety'** and **'Seamless Experience'** as new key value drivers

Digital solutions for safe and seamless travel
- **Leveraged technology** to reduce frictions (e.g., digital health verification solutions, automated travel advisories)
- **Rolled out digital solutions** to maintain safe distances (e.g., digital inflight menus)

New policies to provide customers flexibility
- **Introduced** flight credits and complimentary rebooking policy within weeks of the pandemic

SINGAPORE AIRLINES · scoot · ★★★★★ 5-STAR HEALTH AND SAFETY RATING Skytrax Covid-19 Airline Safety Audit 2021 · DIAMOND AIRLINE APEX Health Safety powered by SimpliFlying Audit 2021

Engaging customers in new and creative ways

Created 'Discover Your SIA' experiences when borders were mostly closed
- 15 sold-out **Restaurant A380 @Changi** sessions
- ~2,000 **'Inside Singapore Airlines' tour** participants
- >2,500 **SIA@Home packages** sold on KrisShop

Developed a holistic sensory experience for customers
- *Sight:* iconic SIA batik motif, world-renowned cabin crew
- *Touch:* personal welcomes from crew, comfortable cabin products
- *Taste:* nourishing meals on-board and at our lounges
- *Scent:* **new signature scent Batik Flora**
- *Sound:* **new sonic signature boarding & landing music**

Singapore Airlines tops YouGov's 2021 Best Brand Rankings in Singapore

Singapore Airlines ranked top global carrier, leading Asian firm in Fortune's Most Admired list

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Innovating to retain world-class leadership

Improving our products and services	Advancing our digital blueprint	Developing new business models

New Economy Class dining concept

- Launched **spill-free** bento boxes in Dec'20 for **better heat retention** and **meal variety**
- Reduces weight by **up to 60%** and eliminates almost all **single-use plastics**
- Leftover waste is sent to an **eco-digester** to be converted into fuel pellets as an alternative energy source

New Customer Insights Portal

- Launched new in-house portal in Sep'20 for real-time customer insights
- Leverages **in-house machine-learning** and **sentiment analysis** capabilities
- Used by >400 staff from SIA and key service partners to improve their processes

Corporate Laboratories

- Launched 2 labs with **NUS** and **A*Star** to co-create innovative technologies
- Covers **7 diverse work packages** from operations optimisation to revenue management

Staff-led Innovation

- Launched **GROOM Trailblazer Programme**, a week-long innovation training program
- **Cabin crew digital ecosystem**
  - Awarded 'Best Adoption – Enterprise' in 2021 Techblazer Awards
  - Saved ~1.4m staff hours and reduced ~2.8m paper sheets
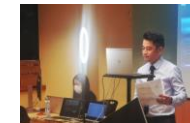 - E.g. **AI-based crew training system** to improve announcement-making and conversational language skills

Pivoted to e-Commerce at KrisShop

- **Exceeded** FY19/20 pre-Covid sales with e-Commerce in FY21/22, despite the loss of travel retail
- **Traffic** to KrisShop.com has **tripled** pre-Covid levels; **average transaction value** has **doubled** pre-Covid levels
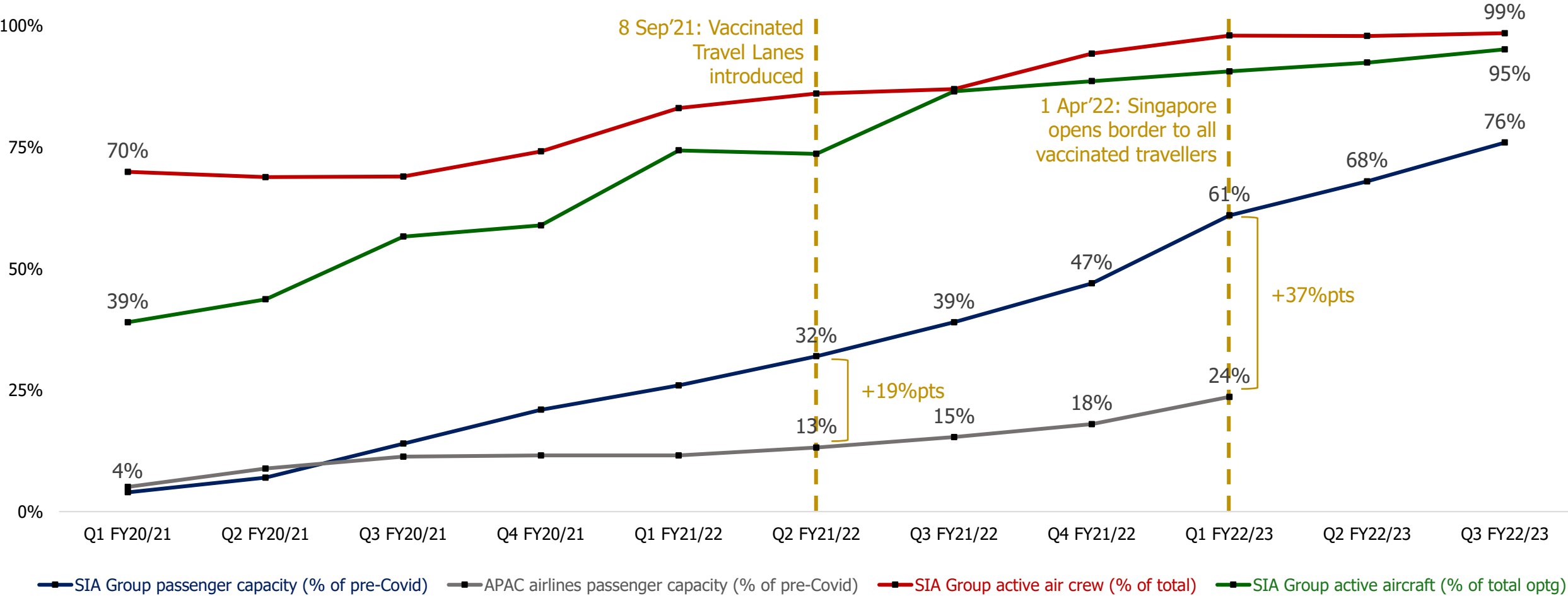
Growing the SIA Academy

- Within 1st year of operations, Academy has trained **>1,500 course participants** with classes confirmed into 2023
- Positive feedback with **>93% satisfaction score** achieved
- Plans to expand in SG and key overseas markets

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Emerging More Resilient, Innovative, and Agile

Moving with agility to steer recovery from a position of strength

Planning multiple steps ahead to lead the air travel recovery

8 Sep'21: Vaccinated Travel Lanes introduced

1 Apr'22: Singapore opens border to all vaccinated travellers

+19%pts

+37%pts

SIA Group passenger capacity values: 4%, ... 32%, 39%, 47%, 61%, 68%, 76%

APAC airlines passenger capacity values: ... 13%, 15%, 18%, 24%

SIA Group active air crew values: 70%, ... 99%

SIA Group active aircraft values: 39%, ... 95%

X-axis: Q1 FY20/21, Q2 FY20/21, Q3 FY20/21, Q4 FY20/21, Q1 FY21/22, Q2 FY21/22, Q3 FY21/22, Q4 FY21/22, Q1 FY22/23, Q2 FY22/23, Q3 FY22/23

— SIA Group passenger capacity (% of pre-Covid) — APAC airlines passenger capacity (% of pre-Covid) — SIA Group active air crew (% of total) — SIA Group active aircraft (% of total optg)
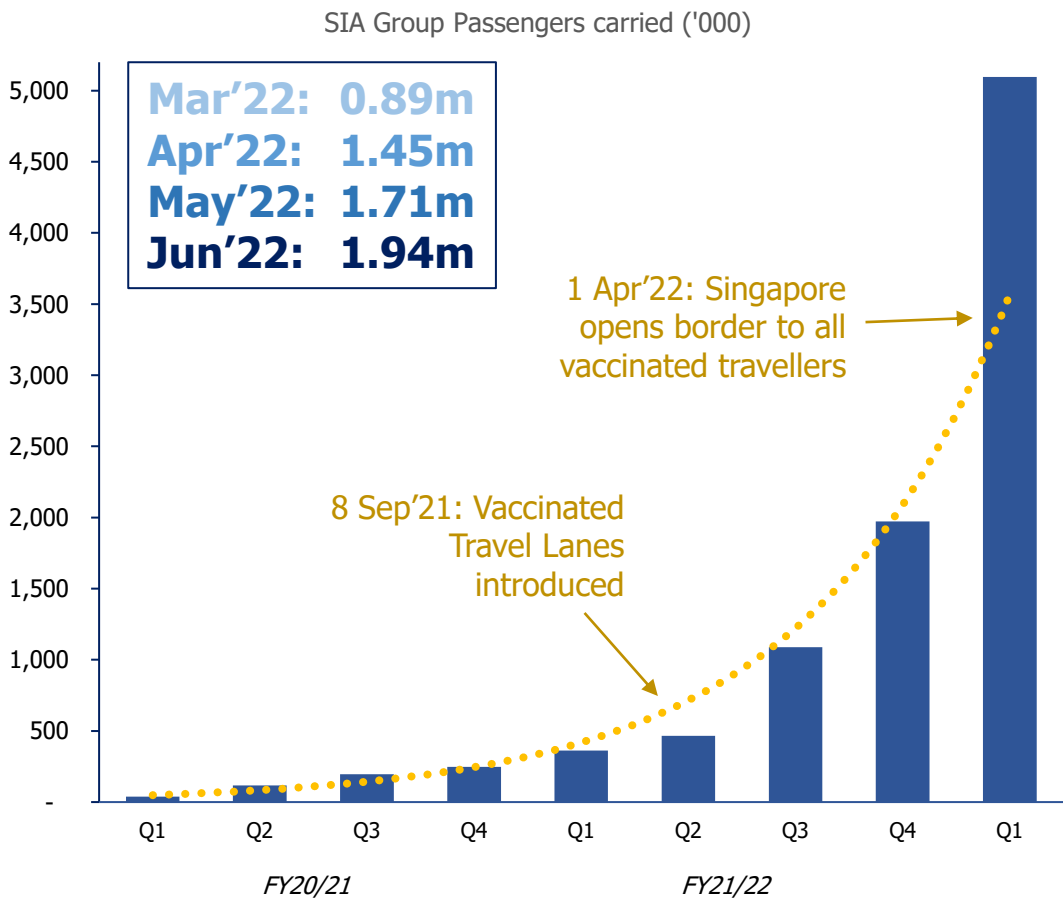
Pre-Covid refers to Jan'20. APAC Airlines data from AAPA Asia Pacific traffic results. Active crew refers to crew who are rostered for flight duties at least once a month. Active aircraft refers to the aircraft deployed on passenger and cargo-only services, including to support operational requirements.

Slide 8

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Emerging More Resilient, Innovative, and Agile

Our recovery is due to the work we have put in over the last two years

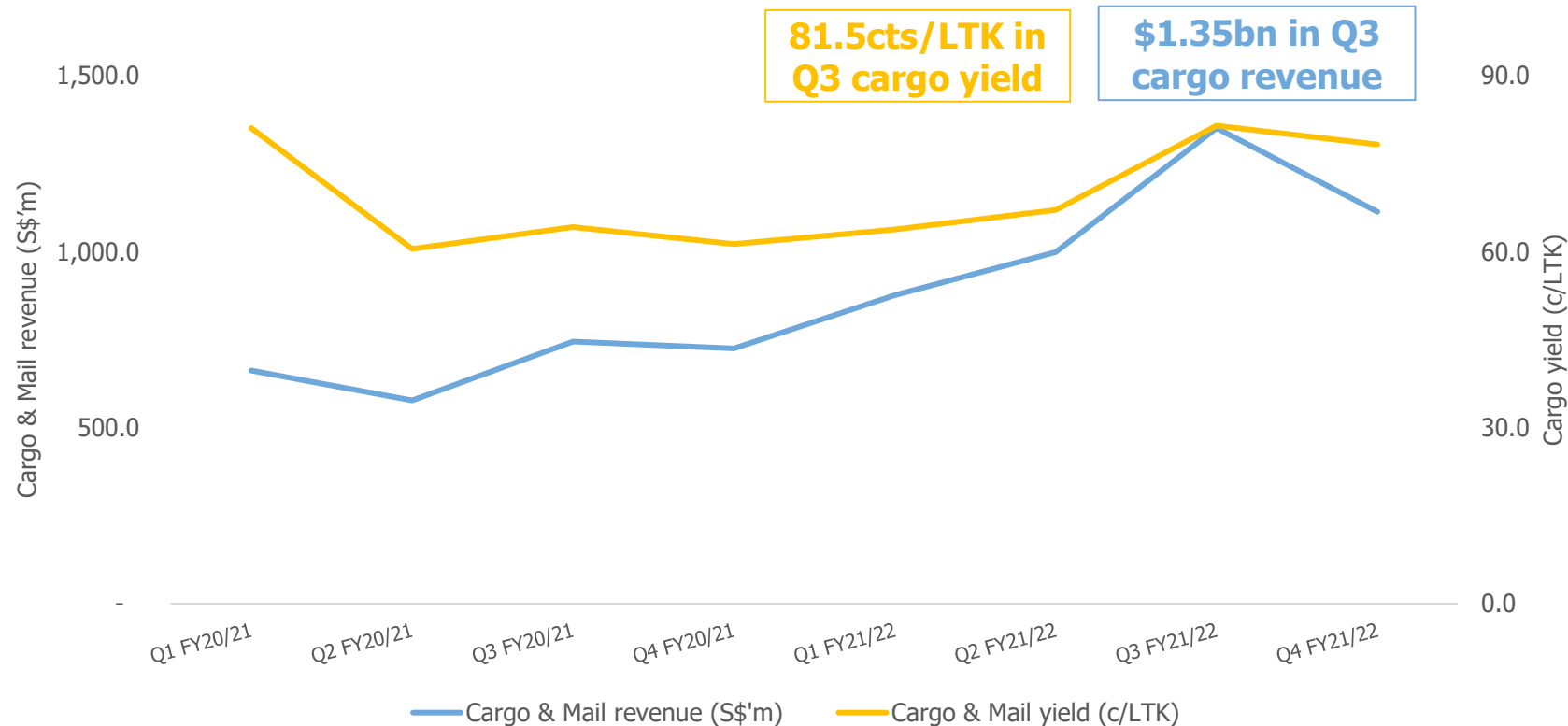### Passengers carried more than doubled Q-o-Q in Q1 FY22/23

SIA Group Passengers carried ('000)

Mar'22: 0.89m
Apr'22: 1.45m
May'22: 1.71m
Jun'22: 1.94m

1 Apr'22: Singapore opens border to all vaccinated travellers

8 Sep'21: Vaccinated Travel Lanes introduced

Q1 Q2 Q3 Q4 | Q1 Q2 Q3 Q4 | Q1
FY20/21 | *FY21/22*

Massive pick-up in passenger load factor

SIA Group passenger load factor

New record achieved for SQ in Jun'22 (87.8%)

10%   17%   33%   45%   79%

Q1 Q2 Q3 Q4 | Q1 Q2 Q3 Q4 | Q1
FY20/21 | *FY21/22*

Slide 9

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Our recovery is due to the work we have put in over the last two years

Record-high cargo financial performance in FY21/22

81.5cts/LTK in Q3 cargo yield

$1.35bn in Q3 cargo revenue

Cargo & Mail revenue (S$'m) — y-axis: 1,500.0, 1,000.0, 500.0, -

Cargo yield (c/LTK) — y-axis: 90.0, 60.0, 30.0, 0.0

x-axis: Q1 FY20/21, Q2 FY20/21, Q3 FY20/21, Q4 FY20/21, Q1 FY21/22, Q2 FY21/22, Q3 FY21/22, Q4 FY21/22

— Cargo & Mail revenue (S$'m)   — Cargo & Mail yield (c/LTK)

- **Record-high quarterly cargo yield and revenue achieved in Q3 FY21/22**
- **Record-high $4.3bn full-year cargo revenue achieved in FY21/22**, +60% vs FY20/21 (+122% vs FY19/20)

Aggressively restoring cargo capacity to seize momentum

- **Operated cargo-only pax flights** to supplement fall in bellyhold capacity
- Removed passenger seats from aircraft to **create modified freighters**

Operating high-value charters

- SIA Group operated **>220** passenger charters and **>1,530** cargo charters in FY20/21-FY21/22

Focusing on time- and temperature- sensitive cargo

- Invested in **specialised capabilities** to handle perishables and pharmaceuticals, which helped us deliver vaccines
- Added new container type to **boost our THRUCOOL capabilities**

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Our recovery is due to the work we have put in over the last two years

Operating cash surplus in FY21/22

■ Monthly operating cashflows (S$'m)
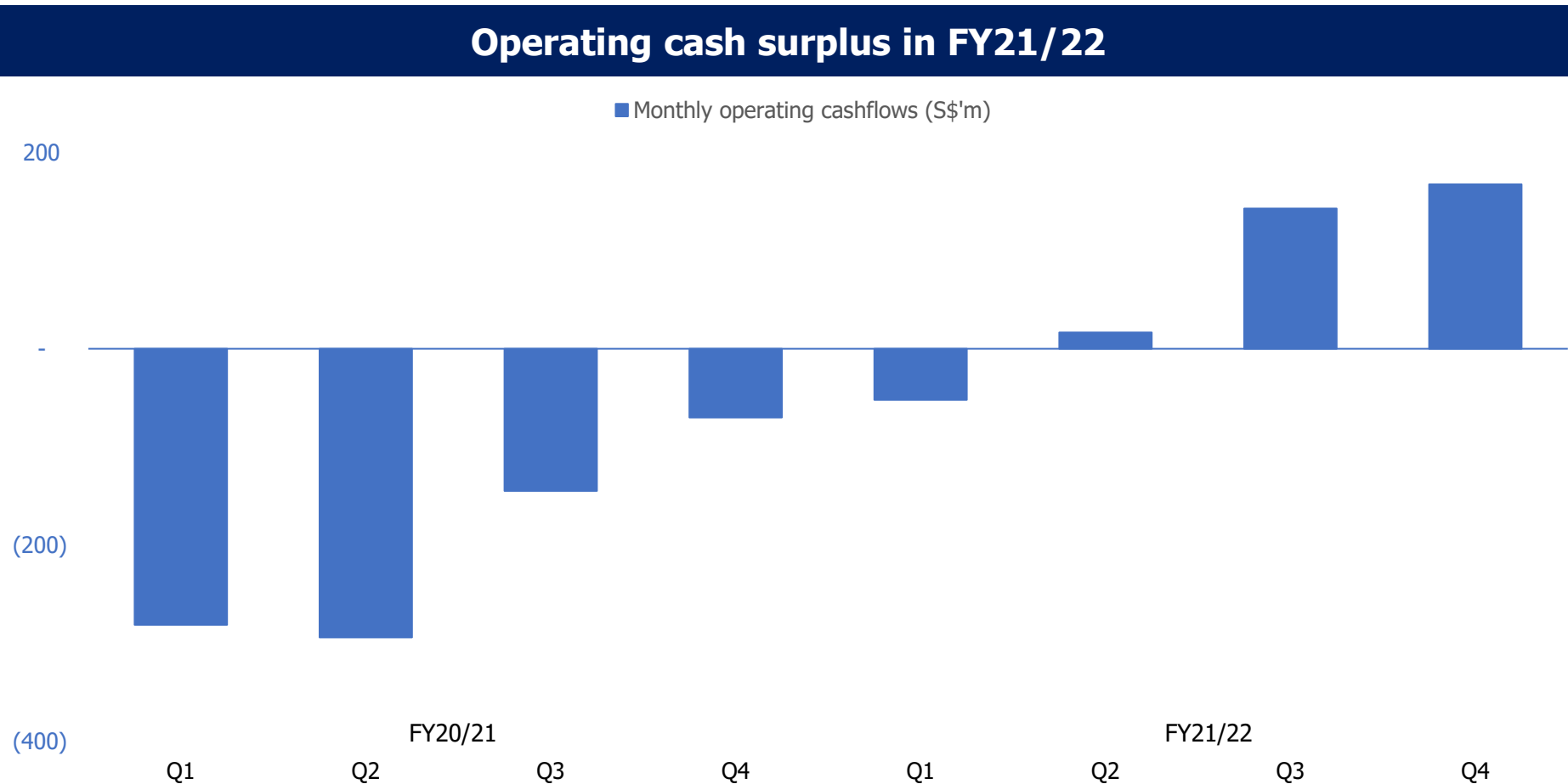
- **Positive operating cashflows in 2H FY21/22,** with $824M operating cash surplus recorded in FY21/22

* Operating cashflows includes net cash provided by operating activities and repayment of lease liabilities, and excludes proceeds from forward sales.

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Continued Strengthening of the SIA Core

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Continued Strengthening of the SIA Core

Transformation programme to help us emerge stronger and fitter

LEAD THE NEW WORLD

Leadership in Products & Services

Top 50 World's Most Admired

☆☆☆

Key Awards

won for our Products and Services

Flexible and quick to rebuild our network

>75% of **pre-Covid destinations restored by Q3 FY22/23**

with the right vehicles for the right markets

Financial Sustainability

>250 initiatives

to achieve a competitive cost base and stronger revenue generating capabilities

Build a dynamic & resilient workforce

+41%

increase in total training hours in FY21/22

UPLIFT 70%

of staff have completed the new UPLIFT programme [1]

Digital Transformation

↑ **Speed**

47%

increase in speed of development cycle time

↑ **Quality**

100%

reduction in coding defect density

Improve productivity and organisational agility

>600,000 staff hours

saved from Business Process Reviews & digital initiatives since FY20/21

85%

feel engaged [2]

92%

are proud[2] to work for SIA

(1) Completed at least 1 module on change management and 1 module on digital innovation; (2) based on the 2022 Organisational Climate Survey

Slide 13

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Continued Strengthening of the SIA Core

Strengthening key pillars for growth beyond the pandemic

Modern cabin products

- All operating **A380s** are fitted with latest cabin products
- Launched **new narrow-body product**
  - **Full lie-flat bed** on Business; personal high-definition touch-screen **seatback IFE monitors** on all classes
- Investment in **industry-leading product** on 777-9 aircraft

Revamped lounge facilities

- ~S$50m invested to **upgrade our flagship T3 SilverKris Lounges**, with thoughtfully designed spaces and carefully curated products;
- **Officially opened on 31 May'22**

Freighter fleet renewal

- **Firm order of 7 A350F aircraft** to replace current 747-400F fleet
  - The A350F will offer **greater flexibility in freighter deployment with improved range**, and burns **up to 40% less fuel***
  - SIA has the option to purchase 5 more A350Fs
- Swapped with 15 A320neo and two A350-900 passenger aircraft
- A350F deliveries to begin in Q4 CY2025, with SIA expected to be the **first carrier to operate the type**

* On similar missions, compared to the aircraft it replaces

New cargo operating model

- Entered into a **Crew and Maintenance Agreement** with DHL Express in Mar'22
- Supports SIA's presence in the **fast-growing e-commerce segment** and provides a foundation for future partnerships with DHLE
- Strengthens Singapore's position as a **key air cargo and e-commerce logistics hub**

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Continued Strengthening of the SIA Core

## Strengthening key pillars for growth beyond the pandemic

Extending beyond our region

- Our **multi-hub strategy**, such as investment in Vistara, allows the Group to participate in traffic growth from other major markets
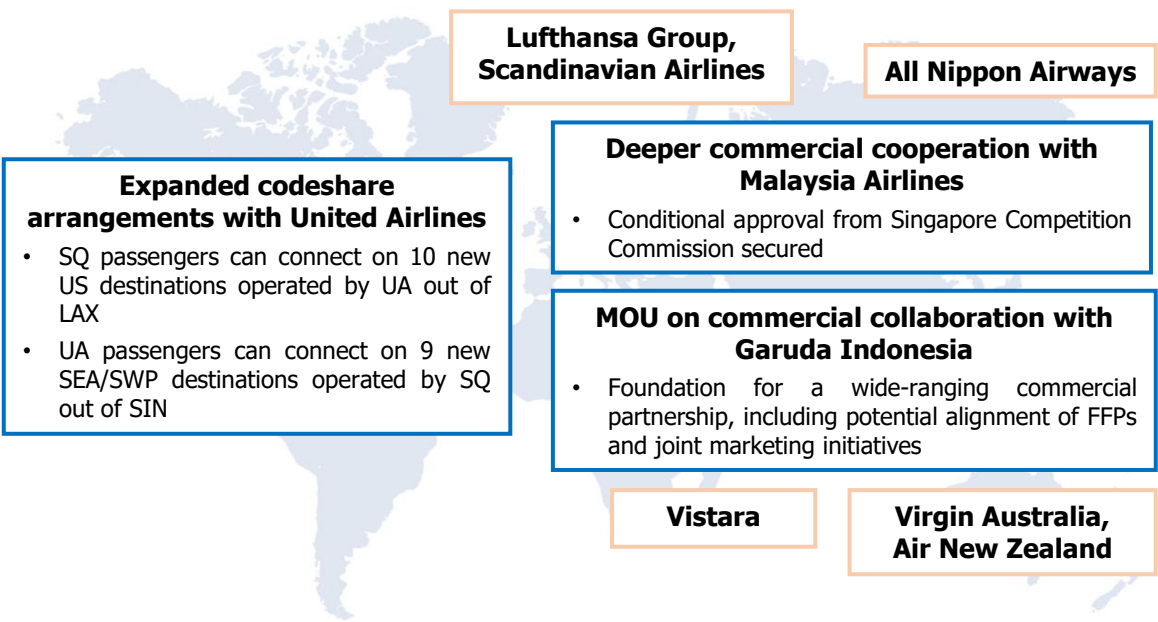
Catering to different passenger profile

- Our portfolio strategy, with an established presence in **both full-service and low cost**, gives us the flexibility to offer the **right products to match demand**

Low Cost   Full Service
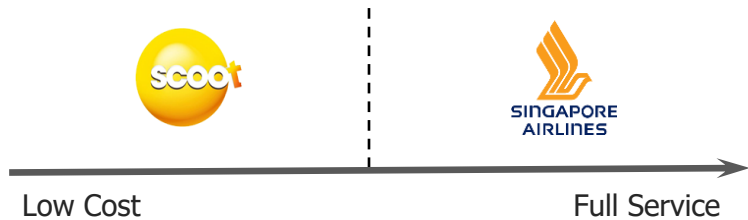
Deepening partnerships to access new markets

- Interlines & codeshares allow SIA to participate in air travel in other markets

- Through 33 codeshare partners connecting passengers to **>200 additional destinations**, we are the **leading Southeast Asia airline group** for the **number of international destinations** [1]

Lufthansa Group, Scandinavian Airlines

All Nippon Airways

Expanded codeshare arrangements with United Airlines
- SQ passengers can connect on 10 new US destinations operated by UA out of LAX
- UA passengers can connect on 9 new SEA/SWP destinations operated by SQ out of SIN

Deeper commercial cooperation with Malaysia Airlines
- Conditional approval from Singapore Competition Commission secured

MOU on commercial collaboration with Garuda Indonesia
- Foundation for a wide-ranging commercial partnership, including potential alignment of FFPs and joint marketing initiatives

Vistara

Virgin Australia, Air New Zealand

(1) As at Jun'22

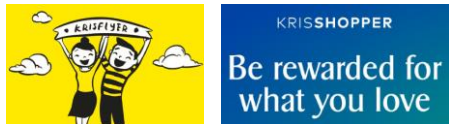# Continued Strengthening of the SIA Core

Strengthening key pillars for growth beyond the pandemic

Strategic transformation of KrisFlyer to SIA Group's rewards programme

➤ **Strengthened KrisFlyer during the pandemic**

KrisFlyer membership +15% vs. pre-Covid levels [1]

➤ **KrisFlyer to anchor SIA Group's loyalty rewards and drive synergies**

When travelling on Scoot
- All KF members now earn both KF and Elite miles when flying on Scoot
- PPS Club & KF Elite members enjoy additional benefits, such as complimentary standard seat selection and priority boarding

When shopping on KrisShop
- KF members can sign up for KrisShopper, to earn up to 4mpd
- KrisShoppers gain access to exclusive promotions and deals

➤ **Kris+ to anchor SIA Group's customer assets & merchant partners for continuous engagement**
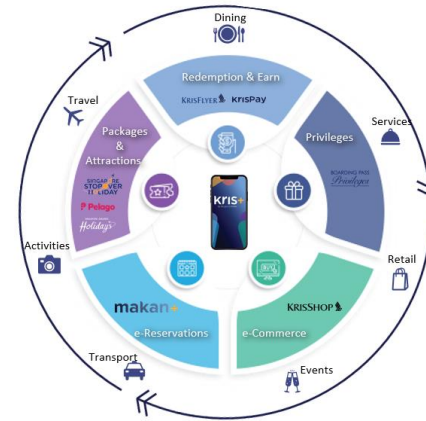
Product feature development
- Rolled out critical product features in FY21/22
- In-app payment, partner vouchers, in-app gamification, KrisShop on Kris+, and 'Makan+' dining reservations feature

Offering more options
- KrisFlyer & Kris+ onboarded >420 merchants across 5 verticals in 15 countries in FY21/22

User acquisition in key markets
- 3x active users YoY in FY21/22
- 4x total downloads YoY in FY21/22

(1) Jun'22 vs Jan'20.

Continued Strengthening of the SIA Core

We continue to progress on our sustainability journey

Long-term commitment to new-gen aircraft

15 yrs 6 mths	**6 yrs 3 mths**	**104**
Global fleet age (at Jul'22) [1]	SIA Group fleet age (at Jul'22)	New-gen aircraft on firm order to be delivered

Advancing the use of Sustainable Aviation Fuels with our partners

2021
Completed a SIN SAF supply chain feasibility study with ecosystem partners

2022-
Piloting use of SAF at Changi Airport

- Joint Pilot with CAAS and Temasek
- SIA will purchase **1.25m litres of neat SAF**, which is being uplifted onto SIA and Scoot flights since 7 July 2022.
- Pilot will **test logistical and infrastructural capabilities**, and **explore potential market solutions** for cost recovery
- Key opportunity to learn how to scale SAF deployment in Singapore
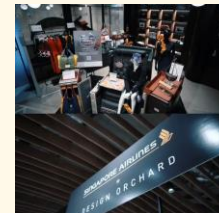
Engaging our communities

CSR

- Partnered 7 organisations to organise **>470 volunteering opportunities for staff** in FY21/22
- >1350 staff participated in the organised activities
- Implemented **CSR Day – 1 day volunteerism leave**

The Upcycling Project

- Parts from retired aircraft upcycled to create **unique retail products and art pieces**, to support educational institutions, artists, and persons with disabilities
- Pop up store ongoing at Design Orchard, Singapore till 18 Aug'22

(1) CAPA

Slide 17

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Thank You