SUSTAINABILITY REVIEW

Future proofing our business
BOARD OF DIRECTORS

His Excellency Mohamed Mubarak Fadhel Al Mazrouei - Chairman
His Excellency Ahmed Ali Al Sayegh
His Excellency Mohamed Khalifa Al Mubarak
His Excellency Mohamed Hareb Sultan Al Yousef
His Excellency Hamad Abdulla Al Shamsi
His Excellency Khalifa Sultan Al Suwaidi
His Excellency Ahmed Ali Matar Al Romaithi
SCOPE

Headquartered in Abu Dhabi, Etihad Aviation Group is a diversified global aviation and travel group with a business model driven by partnership and an innovative approach to growth. Etihad Aviation Group comprises five business divisions – Etihad Airways, the national airline of the United Arab Emirates; Etihad Airways Engineering; Etihad Airport Services; Hala Group and Airline Equity Partners.

The primary focus of this report is on the airline operations and the corporate activities of Etihad Aviation Group and its business divisions. The activities of equity partners and joint ventures are not included.
Sustainability continues to be a high priority for responsible businesses and this is no exception for Etihad Aviation Group. We continue to ensure our compliance to regulations, but are also cognisant of future challenges and other expectations as a global business.

The potential impacts of international aviation activity on the environment continue to be a concern and remain a priority of the sustainability agenda.

We work effectively at improving our fuel efficiency, saving 62,000 tonnes of fuel in 2017 amounting to nearly 195,000 tonnes of carbon dioxide savings. But we know this is not enough, and as such have continued to support the ICAO Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) which we believe is the most effective method to manage emissions from international civil aviation. All being well, we will start collecting data for this system in 2019. As the UAE is signatory to the scheme in its initial voluntary phases, we will be obliged to purchase carbon offsets to cover post 2020 emissions growth, thereby supporting the industry’s ‘Carbon Neutral Growth 2020’ goal.

Sustainable aviation fuels are key to achieving carbon neutral growth in our industry. With a focus on developing sustainable feedstock in the absence of traditional arable land and without the need for freshwater, we harvested our first oil-rich seeds from the ‘seawater energy and agriculture’ pilot facility. Our first flight using the resulting fuel is being planned.

Partnerships are essential to ensure a sustainable future and our outreach with government, industry and community partners is extensive, with many of the projects tying in to our commitment to 2017 as the Year of Giving and 2018 as the Year of Zayed.

We are proud of our accomplishments, and our commitment to sustainability, which we believe is essential for the future of the business.
What does sustainability mean to us?

We see sustainability as a business approach that creates long-term stakeholder value by taking into consideration every dimension of how our business operates — not just our finances, but also our real and perceived social and environmental impacts. In short, sustainability is good business sense that allows the business to provide tangible value to global development.

To put this into practice, we take a holistic approach to sustainability. This means that we try to place sustainability at the core of our business, integrate it into our day-to-day operations and practices, and embed it in every layer of business thinking, planning and execution.

Stakeholder engagement plays a key role - for our efforts to be truly meaningful, we need to prioritise those issues that are important not only to the business but also to our stakeholders.

We continually review the material social, environmental, economic and governance issues from the perspective of internal and external stakeholders. The Sustainability Advisory Board meets four times each year to ensure the continued appropriateness of the sustainability strategy and consists of a number of senior staff from core areas of the business.
OUR BUSINESS

We delivered a solid operational performance in 2017 and continued to play a crucial role in driving sustainable economic growth in our home of Abu Dhabi, contributing to the Abu Dhabi 2030 plan.

- Skytrax Award at 2017 Paris Air Show - World’s Best First Class
- AirlineRatings.com Excellence Award 2017 - Best First Class and Best Long Haul Airline - Middle East & Africa
- Inflight Middle East Awards 2017 - Innovation in Commercial Airline Cabins
CORPORATE GOVERNANCE AND ETHICS

Etihad Aviation Group is committed to conducting its business ethically, responsibly and in compliance with relevant local and international laws and regulations.

Good corporate governance is ensured through carefully defined structures and processes and detailed in a Manual of Authorities for each strategic business unit. The Manuals of Authorities set authority limits delegated by the Board to the Executive Committee, other Board Committees, the executive team, management and staff to efficiently run the company’s affairs and operations while ensuring control and transparency. The organisational structure reinforces the necessary checks and balances. Various layers of shareholder, management and regulatory oversight ensure continuous performance review against corporate strategic objectives and external standards.

The Ethics and Compliance Committee is responsible for overseeing the implementation of a robust ethics and compliance programme across our group of companies. The main focus areas of the Ethics and Compliance programme are general employee ethical conduct, with particular focus on:

- Data privacy
- Export control
- Anti-corruption
- Fraud prevention and detection
- Competition law

Etihad Aviation Group’s Code of Business Conduct was revised in 2017 to include strengthened sections on data privacy, gifts, and anti-bribery and corruption, as well as new sections on environment and social responsibility, and financial reporting. To coincide with the launch, a video was created featuring employees who talk about the importance of the Code, speaking up and leading with integrity.

The communications programme of 2017 included regular updates on the topics of conflicts of interest, data privacy, and general ethics and compliance. We continue to encourage employees to raise their concerns through our confidential global reporting hotline highlighted through our annual ‘Speak Up’ campaign.

Annual training on the Code of Business Conduct is mandatory for all employees to refresh their knowledge on key ethics and compliance topics. Employees must also complete an online conflicts of interest declaration and, in 2017, we issued training and guidelines making it easier for employees to understand the declaration process.
SPONSORSHIP

Etihad Airways sponsors a wide range of sports, entertainment and cultural events. Partnerships of note include City Football Group, comprising Manchester City Football Club, New York City Football Club and Melbourne City, twelve global fashion weeks, Major League Soccer, National Hockey League, National Basketball League (men’s and women’s), and Sydney Opera House. The airline also remains committed to key sponsorships which promote Abu Dhabi as a business and leisure destination. Its current major partnerships include Formula 1 Etihad Airways Abu Dhabi Grand Prix, Special Olympics World Games 2019, Louvre Abu Dhabi, and HSBC Abu Dhabi Golf Championship.

Through these relationships, Etihad has been able to support local community initiatives helping to develop youth, promote health and wellbeing, unity and giving back to the community.

Our sponsorship with New York City Football Club enabled a broader collaboration with the New York City Mayor’s Office, Adidas and the US Soccer Foundation to build 50 soccer pitches across the five boroughs of New York City over the next five years. This will enable football to be more accessible to local communities throughout New York City, while celebrating and encouraging a healthier, more active lifestyle among youths across the five boroughs.

For one game during the 2017 season, NYCFC traded in their usual light blue uniforms for a grey kit that Adidas manufactured out of recycled materials. Timed to celebrate Earth Day and in conjunction with Major League Soccer’s Greener Goals initiative, each shirt was made from 20 plastic bottles upcycled from marine plastic intercepted by Parley ocean clean-up operations in the Maldives.

Another key relationship through the Manchester City Football Club sponsorship, is the City in the Community Literacy Project, which aims to improve literacy in those children aged nine and over. A total of 26 schools participated in the Manchester area, engaging over 800 schoolchildren.
OCCUPATIONAL SAFETY AND HEALTH

The Corporate Safety and Quality Department provides the leadership and drives the continuous development and implementation of the Occupational Safety and Health (OSH) system for all Etihad Airways business divisions in the UAE and Etihad Airways worldwide. The department ensures compliance with the regulatory framework established under the Occupational Safety and Health Center of Abu Dhabi (OSHAD) and manages the integrated management system for occupational safety and health. The system is approved by the Abu Dhabi Department of Transport and endorsed by OHSAS 18001:2007, the globally recognised health and safety management system.

Our focus in 2017 was on communication and consultation with the business through campaigns to ensure employees are aware of the requirements of the management system and understand the importance and benefits of following it.

The annual ‘Working in Heat’ campaign ran from May through the summer months until September promoting safe work practices to manage the risks associated with excessive temperatures.

2017 also saw the roll out of a six-week ergonomics campaign concentrating on methods to help reduce the risks of musculoskeletal disorders and other work-related injuries and illnesses. Over 70 per cent of employees reported this to be directly beneficial.

To further support the commitment of Etihad to safeguard its staff, a Safety Representative program was introduced with representatives acting as a communication and consultation figure within their respective areas of the business on safety, health and welfare matters.

An online course focusing on the importance of safety and health in the workplace, ‘Occupational Safety & Health: Basic Principles,’ was launched on the eLearning platform and is now mandatory for all employees.

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OUR PEOPLE, OUR CULTURE

The success of Etihad Aviation Group, its entities and airline partners continues to be driven by our people, who are at the heart of our business, and we constantly strive to be a responsible business and employer.

Employee welfare

The business has comprehensive policies covering employee welfare. There are global human resources policies accessible to all employees through the intranet in relation to working hours, annual leave, maternity leave, employment conditions, diversity and other important topics, taking account of legal requirements both in the UAE and countries in which we operate, with local laws always taking precedence.

As well as offering comprehensive health insurance, we deliver ongoing outreach to encourage our employees to get in shape and become more aware of illnesses that might affect their health. The Etihad Airways Medical Centre, a dedicated facility for our staff, continued to expand its services and hold regular health fairs providing free health screenings for staff, helping allow for early detection and intervention of illnesses.

Throughout the year, our Sports and Social Committee regularly organise sporting events and participate in leagues and tournaments. These events encourage an active lifestyle while also providing an opportunity for socialising and healthy competition. Funds raised from some of these competitive events went to benefit worthy causes. Events in 2017 including Walk for a Cause and the Etihad Aviation Group World Football Cup, helping to raise over AED300,000 for various charities that the business supports.
Staff also continued to benefit from excellent lifestyle and travel benefits, including flight and other holiday-related discounts as well as offers at many popular retailers.

**Performance management**

Etihad Aviation Group has a well-established performance management methodology in which the emphasis is on providing clarity to employees on what is expected of them and how they contribute to the overall outcomes of the business. This iAchieve process, implemented for all employees, incorporates regular feedback requirements to track progress.

In 2017, a focused campaign encouraged managers to conduct regular one-to-one meetings with their team members, focusing on accountability and development at an individual level. This was supported by the implementation of a Continuous Performance Management function within a SuccessFactors app to help facilitate regular performance conversations between managers and employees.

During 2017, direct engagement with employees enabled the iAchieve process to be made easier and more relevant for employees. These changes were well received and set the platform for further such changes towards a continuous performance management approach throughout 2018.

**Reward and recognition**

The Shukran employee recognition scheme was introduced in 2013, designed to encourage a culture of recognition. The scheme, entitled the Arabic word for ‘thank you’, encourages colleagues to show gratitude those whose actions go above and beyond.

A total of 1,397 Shukran awards were given to employees in 2017.
Developing Local Talent

A core element of our mandate is Emiratisation - the long-term development of UAE nationals. This is not only critical for us, as the UAE’s national airline, to reach our true potential but also enables us to make a meaningful and lasting contribution to Abu Dhabi and the UAE more broadly. At the end of 2017, there were more than 2,700 UAE nationals working across a variety of operational and commercial functions in various parts of Etihad Aviation Group from senior executives, pilots, engineers, managers and administrators.

To nurture local talent, we worked hard to provide training on workplace skills and empower UAE nationals to fulfil their potential in a sustainable economy. We worked closely with government partners such as the Ministry of Higher Education and Abu Dhabi Tawteen Council, as well as educational institutions such as the Higher Colleges of Technology, Abu Dhabi Vocational Education and Training Institute, Abu Dhabi University and Zayed University.

Key achievements in 2017 include:
> 40 international assignments and secondments were offered to high-potential Emirati staff
> 183 UAE nationals were sponsored to complete professional development certifications
> 151 UAE nationals were offered career development workshops for transitioning from graduate manager programmes to core role across Etihad
> Collaboration with the UAE Armed Forces to train pilots and airport ground staff to operate civilian aircraft and equipment at Abu Dhabi Airport

In 2017, Etihad Aviation Group celebrated its largest ever graduation ceremony of its Future Leaders Programme, with 305 UAE National Cadet Pilots, Aircraft Engineers and graduate managers completing a programme of two to three years of intensive on-the-job and classroom training.

- **16,000 HOURS OF IN-PERSON TRAINING**
- **158 E-LEARNING MODULES**
- **1,158 CLASSROOM SESSIONS**
ENVIRONMENTAL PROTECTION

A core priority continues to be reducing our dependence on fossil fuel and managing our carbon emissions, so we pursue a comprehensive strategy of optimisation programmes throughout the business as well as continuing our efforts to develop alternative sustainable fuels, manage and reduce waste materials and identify opportunities to reduce water use and energy consumption on the ground.

Our carbon footprint

We measure the carbon intensity of our operations, focused on those associated with material activities recognising decarbonisation as a key sustainability goal for any business.
<table>
<thead>
<tr>
<th>Scope 1</th>
<th>Total Usage</th>
<th>Unit</th>
<th>Conversion Factor</th>
<th>Tonnes of CO₂</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aircraft</td>
<td>3,450,732,806</td>
<td>kg</td>
<td>3.15 tCO₂/tfuel</td>
<td>10,869,808</td>
</tr>
<tr>
<td>Ground vehicle (petrol)</td>
<td>2,294,703</td>
<td>Litre</td>
<td>2.3 kgCO₂/litre</td>
<td>5,278</td>
</tr>
<tr>
<td>Ground vehicle (diesel)</td>
<td>1,234,417</td>
<td>Litre</td>
<td>2.7 kgCO₂/litre</td>
<td>3,333</td>
</tr>
</tbody>
</table>

**Scope 2**

| Etihad Airways Complex electricity | 12,454,564 kWh | kWh    | 0.424 kgCO₂/kWh | 5,281          |
| Etihad Airways Plaza electricity  | 342,010 kWh    | kWh    | 0.424 kgCO₂/kWh | 145            |
| Etihad Airways Centre electricity | 3,776,404 kWh | kWh    | 0.424 kgCO₂/kWh | 1,601          |
| Siemens building electricity     | 633,067 kWh    | kWh    | 0.424 kgCO₂/kWh | 268            |
| **Total**                        | **17,206,045** |        |                  |                |

| Etihad Airways Complex district cooling water | 13,303,476 kWh/hr | kWh/hr | 0.615 kgCO₂/KWh | 8,182          |
| Etihad Airways Plaza district cooling water | 3,926,198 kWh/hr  | kWh/hr | 0.615 kgCO₂/KWh | 2,415          |
| Etihad Airways Centre district cooling | 6,511,845 kWh/hr | kWh/hr | 0.615 kgCO₂/KWh | 4,005          |
| **Total**                        | **23,741,519** |        |                  |                |

| Etihad Airways Complex potable water | 64,102 m³ | m³    | 8.85 kg CO₂/m³  | 567            |
| Etihad Airways Plaza potable water  | 3,444 m³   | m³    | 8.85 kg CO₂/m³  | 30             |
| Etihad Airways Centre potable water | 16,868 m³  | m³    | 8.85 kg CO₂/m³  | 149            |
| Siemens building potable water     | 3,110 m³   | m³    | 8.85 kg CO₂/m³  | 28             |
| **Total**                        | **87,524**  |        |                  |                |

**Scope 3**

| Waste to Landfill - Etihad Complex | 167,375 kg | kg    | 487 kg CO₂e/tonne | 81,512          |
| Waste to Landfill - Etihad Plaza   | 1,330,770 kg | kg    | 487 kg CO₂e/tonne | 648,085         |
| Waste to Landfill - Etihad crew accommodation | 1,072,597 kg | kg    | 487 kg CO₂e/tonne | 522,355         |
| Waste to Landfill - Etihad ICAD & airport warehouse | 30,240 kg | kg    | 487 kg CO₂e/tonne | 14,727          |
| Waste to landfill - Etihad Engineering | 1,605,550 kg | kg    | 487 kg CO₂e/tonne | 781,903         |
| Waste to landfill - Etihad Catering | 9,375,576 kg | kg    | 487 kg CO₂e/tonne | 4,565,906       |
| **Total**                        | **13,582,108** |        |                  |                |

**Total tonnes of CO₂** 17,515,577
Reducing our fossil fuel dependence

As part of a programme to reduce our dependence on fossil fuel, we worked tirelessly to achieve peak operational efficiency and collaborated with our industry partners on alternative sustainable fuels.

Optimised flying

A dedicated Fuel Efficiency Steering Committee is responsible for identifying fuel savings initiatives across the business, with a focus on operational and technical improvements. In 2017, Etihad was able to reduce the amount of fuel consumed by its aircraft by over 62,000 tonnes of fuel, amounting to approximately 195,000 tonnes of carbon dioxide emissions. The result represents a 3.3 per cent improvement on 2016.

A key focus area of the fuel efficiency team was in implementing flight plan adjustments across the network, reducing flying time by 900 hours, saving of 5,400 tonnes of fuel and eliminating 17,000 tonnes of carbon dioxide emissions.

We also retired several older aircraft in favour of the Boeing 787, one of the most fuel efficient commercial aircraft in operation due to its lightweight composite structure. At the end of 2017, Etihad had 19 Boeing 787 in its 115-strong fleet of passenger and cargo aircraft, with an overall average age of 5.4 years.

Etihad also strengthened its collaboration with air traffic control providers at the major airports to which it operates, in particular Abu Dhabi, in order to improve the landing approaches of its aircraft. The most fuel efficient descent manoeuvre is known as a ‘continuous descent approach’ whereby the aircraft reduces height gradually, rather than in a stepped manner. Thanks to an increase in the number of continuous decent approaches in 2017, a total of 980 tonnes of fuel was saved over the course of the year. By combining key fuel saving projects with operational improvements, the efficiency per passenger kilometre improved by as much as 36 per cent on some of our routes.

The fuel savings in 2017 are the equivalent of 850 flights between Abu Dhabi and London.
Alternative sustainable aviation fuels

Our support for alternative fuels has been ongoing for years, and we proudly remained at the forefront of the global movement towards using alternative sustainable fuels in the Middle East.

A fundamental component of a viable alternative sustainable fuel supply chain is the work of the Sustainable Bioenergy Research Consortium (SBRC). Led by the Masdar Institute, with partners Etihad Airways, Boeing, ADNOC Refining, Safran, GE and Bauer Resources, the SBRC is pioneering alternative feedstock as a basis for sustainable aviation fuel.

The flagship project of the consortium is the ‘Seawater Energy and Agriculture System’ (SEAS), an integrated technology using coastal seawater to raise fish and shrimp – for public consumption – with the wastewaters from the aquaculture being biologically cleaned through Salicornia - saltwater tolerant plants - which can be harvested for aviation biofuel production.

Food security is a challenge for desert regions, with a growing demand for food as populations rise. Close to 70 per cent of seafood is currently imported into the UAE and our integrated system, with extensive aquaculture as a key element, will support growing food demands in a clearly sustainable way. The subsequent uptake of the nutrients from the fish waste, finding a solution to the waste water challenge of scaled up aquaculture, supports a sustainable biomass from which to produce another sustainable resource, in this case fuel.

The Salicornia is an annual plant and once it is harvested and dried the seeds are separated out – they have a high oil content and form the basis of the future fuel, which can be refined into jet grade fuel. From the two hectare pilot, the amount of fuel produced will be minimal; however, the project’s purpose is for proof of concept as well as assisting with the complex techno-economic assessment – i.e. answering the question of whether or not the system will be scalable and commercially viable.

Initial indications are positive and the next scale up will be to demonstration level at about 200 hectares. The aquaculture element will be commercially viable at this size, but further scale up will be needed to get the quantities of biomass required for the viability of the oil.
Our facilities

Environmental credentials are tracked throughout our commercial facilities and increasingly at the residential facilities provided for employees. Our head office facilities comprise the headquarters and the training academy, together referred to as the Etihad Complex, with almost 950 permanent staff and an average of more than 200 employees using the facilities for training each day.

In addition to our main office, we have Etihad Airways Centre with almost 1,400 staff using the facilities. At these and many of our residential facilities we monitor our electricity usage, water usage, waste management and efficiency of chillers. Data collection is crucial for identifying new conservation initiatives and tracking the success of efficiency projects.

Electricity

The Etihad Complex saw an overall decrease in electricity demand of five per cent in 2017 compared to the previous year. This was primarily because of a reduction in the number of occupants of the Complex, as the kilowatt hour of each staff member increased by 1.7 per cent.

<table>
<thead>
<tr>
<th>Year</th>
<th>Etihad Complex Electricity Consumption</th>
<th>Etihad Airways Centre Electricity Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>12,454,645 kWh</td>
<td>3,776,404 kWh</td>
</tr>
<tr>
<td></td>
<td>10,887 kWh/staff</td>
<td>2,639 kWh/staff</td>
</tr>
<tr>
<td>2016</td>
<td>13,141,390 kWh</td>
<td></td>
</tr>
<tr>
<td></td>
<td>10,701 kWh/staff</td>
<td></td>
</tr>
</tbody>
</table>
Chilled water

On-going efficiency measures for the buildings within the Etihad Complex led to a six per cent reduction in chilled water demand for the centralised air conditioning system, which equated to 0.7 per cent per employee. Speed reduction control through the building management system enabled this substantial efficiency improvement, the single largest year on year reduction since 2010.

Etihad Complex District Cooling

<table>
<thead>
<tr>
<th>Year</th>
<th>Demand</th>
<th>Demand per Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>3,790,164 Tonne/hr</td>
<td>3,313 Tonne/hr/staff</td>
</tr>
<tr>
<td>2016</td>
<td>4,041,335 Tonne/hr</td>
<td>3,291 Tonne/hr/staff</td>
</tr>
</tbody>
</table>
Water

Having installed dual-flush toilets and faucet water flow restrictors in previous years, the focus for 2017 was on improving staff awareness and training for facilities and support staff.

In 2017, the total water consumption throughout the Etihad Complex facilities reduced by 5 per cent, which equated to a two per cent increase per employee compared to the previous year.

The Etihad Airways Centre achieved a 17 per cent improvement in 2017 compared to 2016 equating to 13 per cent reduction per employee. This was due to installation of aerators and faucets and toilet tank sensors.

Etihad Complex Water Consumption

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Consumption</th>
<th>Staff Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>64,102 m³</td>
<td>56 m³/staff</td>
</tr>
<tr>
<td>2016</td>
<td>67,221 m³</td>
<td>55 m³/staff</td>
</tr>
</tbody>
</table>

Etihad Airways Centre Water Consumption

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Consumption</th>
<th>Staff Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>16,868 m³</td>
<td>1,431 m³/staff</td>
</tr>
<tr>
<td>2016</td>
<td>20,360 m³</td>
<td>1,509 m³/staff</td>
</tr>
</tbody>
</table>
Efforts are being made by businesses and government alike in the UAE to reduce the country’s waste per capita. At Etihad, the waste management strategy goes back to basics, with actions aligned to the fundamental principles of reduce, reuse and recycle.

Reduce - In the last two years most of the traditional office water dispensers have been replaced with sophisticated water filtration systems. Instead of having thousands of large water bottles delivered, the water is taken from the mains and diverted through sophisticated filters.

The result is a clean, fresh tasting water, the displacement of more than 25,000 five-gallon bottles per year, and a reduction of our annual office carbon footprint by over 50 tonnes.

Reuse - The business is looking at upcycling to reuse obsolete business collateral, starting with the reuse of advertising banners. Working with a local company, the ‘bags from banners’ initiative is turning this branded material into shopping bags which are proving popular with staff.

Old tyres from airport ground vehicles and glass bottles from aircraft were put to good use at the sustainable garden in the airline’s head office. The water feature, using a solar-powered pump, was made from waste metal from the cargo area.

Recycle - Most waste management efforts are focused on recycling, ensuring the waste that is created in the air and on the ground is diverted from landfill as far as possible.

Cabin crew are encouraged to segregate plastics and aluminium cans on all flights into Abu Dhabi – around 130 flights every day. Waste from the aircraft is further sorted inside the catering facility, allowing 20 per cent of the waste generated from within the facility and onboard the aircraft to be recycled. This includes cardboard, plastics, glass and aluminium.

A “Let’s Recycle” campaign launch during the International Recycling Day in May 2017 aimed at increasing awareness among staff and cabin crew about waste reduction and segregation.

In 2017, we disposed of 4,206 tonnes of waste from our main office buildings - Etihad Complex, Etihad Plaza, Etihad crew accommodations, Warehouse and Etihad Engineering.

A total of 919 tonnes were recycled from the above premises, resulting in a diversion rate of 18 per cent.
Electronic waste

Following successful campaigns for electronic waste recycling, a permanent facility to collect electronic waste was set-up in May 2017 at the head office. By recycling unwanted electronics, the metals can be reused in the manufacture of new items, with plastic castings melted down to make other products.

A total of 1,774 kilogrammes of electronics was collected between May and December 2017.

An approved UAE –based electronic waste management company are responsible for appropriate collection, dismantling and resale of all materials collected.

Waste management at the airport

Abu Dhabi International Airport serves as the hub for Etihad Airways and the ground handling operations fall under Etihad Airport Services. Significant material with the potential for recycling is diverted from the waste stream generated the ground and cargo handling activities. This includes waste oil, tyres, batteries, metals, wood, plastic and glass, with over 250 tonnes collected for recycling in 2017.

A total of 957 tonnes of inflight catering materials including cardboard, metals and plastics were collected for recycling.
Wildlife protection

Driven by our commitment to the United for Wildlife (UfW) Buckingham Palace Declaration, Etihad has developed and implemented a series of actions to tangibly help in the prevention of illegal wildlife trade. Awareness raising, capacity building, focused training and international engagement has influenced not just our employees but also the behavior of a much broader group of essential stakeholders at a local, regional and international level.

The comprehensive Animal Welfare and Conservation Policy incorporates a strong commitment to wildlife conservation. This was drafted in collaboration with The Born Free Foundation, an international wildlife charity able to advise on specific actions for the airline. Going beyond legal requirements, it includes strict cargo protocols to prevent the carriage of endangered and threatened species, hunting trophies containing any animal parts, shark fins and live animals intended for use in scientific research.

Internally, the wildlife protection agenda is established and reviewed by the Animal Protection Task Group, with representatives from ground and airport operations, Etihad Holidays, cargo, marketing and social media. The progress and success is reporting to the Sustainability Advisory Board.

The social media campaigns, which we have now run several times to coincide with World Wildlife Day and World Animal Day are keeping up the momentum on this, with the continued promotion of our #Etihad4Wildlife hashtag and communicating our activities through the airline’s extensive communication channels.

Last year saw more engagement on the global stage. The IATA World Cargo invited Etihad’s Head of Sustainability, Linden Coppell, to make a keynote presentation on the impact of illegal wildlife trade and the role of the aviation cargo industry, and subsequently at one of the breakout sessions to discuss the details of potential cargo efforts.

Further to this, Linden was invited to speak at the Interpol Wildlife Crime Working Group. The first time non-enforcement agency personnel were invited, it provides the opportunity to speak on behalf of the airline community in identifying tangible support mechanisms for enforcement personnel at airports.
Sustainable procurement

To reflect our vision for a sustainable supply chain, we continuously sought to build relationships with suppliers who shared our values and foundation of integrity and ethics – whether purchasing millions of tonnes of jet fuel, or a few kilos of saffron for our authentic Gulf biryani.

All our new and renewing suppliers are required to accept our Code of Ethical Purchasing and Supply, which formed part of the supplier contract and laid out our commitment to doing business ethically, responsibly and within the law.

In December 2017, we hosted a SME workshop called “Moving Forward” that focused on SME development and increasing opportunities. Relevant staff and 50 SME suppliers attended this event which provided great networking opportunity for the UAE SME’s.

In 2017, we awarded US $3.1 million to local Khalifa Fund and Dubai SME organisations. The Khalifa Fund and Dubai SME programmes were established to support local entrepreneurship in the UAE.
SUPPORTING OUR COMMUNITIES

We recognise the importance of sustainability for a business and the positive effects of giving back to the communities we operate in. Our initiatives unite our leadership and our staff in supporting worthy causes and devise productive ways to raise awareness and funds.

All activities are in partnership with the Emirates Red Crescent and follow the government’s non-profit fundraising principles.

2017 was officially declared as the Year of Giving by UAE President His Highness Sheikh Khalifa bin Zayed Al Nahyan. In support of this national initiative, EAG launched a strategy based on the government’s three Year of Giving pillars: Corporate Social Responsibility, Volunteering and Serving the Nation.

In 2017, 1000 employees volunteered with more than 7437 hours of time in support of charities and community causes.
Several new cooperation agreements were signed in 2017 with the following organisations:

- Emirates Autism Society, run under the patronage of Her Highness Sheikha Shamsa bint Hamdan bin Mohamed Al Nahyan, to support people with autism and their families.

- Women and Health Alliance International, founded by Her Highness Sheikha Shamsa bint Hamdan Al Nahyan, which undertakes a wide range of activities to improve health in disadvantaged communities throughout the world.

- Kalimat Foundation for Children’s Empowerment, a non-profit organisation founded by Her Highness Sheikha Bodour Al Qasimi in 2016 to uphold the right of every child to read and have access to books.

- Continuing Education Centre of the Zayed Higher Organisation for Humanitarian Care and Special Needs, offering social and humanitarian services to people with special needs to support and strengthen their position as active members of society. Under the agreement, EAG will fund the building of greenhouse structures and associated facilities to grow and pack vegetables.
Guest engagement

We constantly try to involve guests in our sustainability practices: each month, a different sustainability initiative is featured in our inflight magazine, and we encourage our guests to donate their loyalty miles to carefully selected charities who can benefit from cash support. More than USD $300,000 worth of Miles were donated in 2017 to 10 charities.

A number of missions were organised in 2017 with Etihad Aviation Group employees and a focus on assisting refugees and supporting our Global Education Programme.

**JANUARY**

The donation of winter clothes, shoes, mattresses, dry food parcels and blankets to Syrian refugees in Lebanon in collaboration with Emirates Red Crescent and the UAE Embassy.

**MAY/JUNE**

Several visits to India during Ramadan to donate dry food parcels to over 800 Muslim families in Utter Pradesh and 650 Eid gifts to orphans in Kerala.

**MARCH**

Setting up a library and the donation of books to a school library project near New Delhi in partnership with the UAE Board on Books for Young People under H. H Sheikha Bodour bint Sultan Al Qasimi and Emirates Red Crescent, benefiting 1,000 students in the area.

**SEPTEMBER**

The donation of school bags, stationary and clothes to over 2,500 Syrian children at the Mrajeeb Al Fhood refugee camp in Jordan.

**NOVEMBER**

The distribution of stationary, books and clothes to more than 1,000 Syrian refugee children in Greece to mark UN Universal Children’s Day with Emirates Red Crescent.