Tianjin Airlines 2016
Social Responsibility Report
Address of the Chairman

This year saw the eighth year of Tianjin Airlines. Looking back, Tianjin Airlines has gradually grown into the backbone force of China civil aviation from a fledgling regional airline with the care and support of the society. In 2016, Tianjin Airlines launched its comprehensive transformation to international airlines and achieved leap development. Now our routes cover not only Asian countries but also European and Oceanian countries, which significantly increase our brand influence. In the future, we will establish global airline network and assist the “Belt and Road” initiative.

Tianjin Airlines published its first social responsibility report in 2016; this is the second year that we disclose our efforts made in social responsibility and expect the supervision and support from all concerned stakeholders. We know well that it is incumbent upon us to perform social responsibility with the rapid development of enterprise. We will run social responsibility construction through the overall operation of the enterprise and focus on building an airline of staff love, passenger satisfaction and social recognition.

All ways with you. In 2016, Tianjin Airlines launched the new brand image ambassador—Bird Jingwei “Tiantian” and rebuilt the relations between people and travel with the core service philosophy of “travel companion”. We insist on providing passengers with warm and convenient service of high quality from the perspective of passengers’ demands and devote ourselves to becoming the intimate “travel companion” of the passengers. In 2016, Tianjin Airlines achieved an overall flight on-time performance of 80.23%, ranking at the first place among the top 10 major airlines of Chinese aviation industry.

In 2016, Tianjin Airlines launched several intercontinental routes including Tianjin=Moscow, Tianjin=Chongqing=London and Tianjin=Chongqing=Auckland successively within half a year and participated in the planning and construction of “the Belt and Road” initiative with practical actions, which marks the beginning of Tianjin Airlines’ transformation to an international airline.

In 2016, Tianjin Airlines established Guizhou Branch in Guiyang to continuously drive the economic development of underdevelopment areas, which is the fourth branch after the Xinjiang Branch, Northwest Branch and Inner Mongolia Branch. Over the past year, Tianjin Airlines achieved an accumulative 1.2 millionsafe flight hours, has completed CAAC’s safety assessment index for six years in successive and was awarded security reliable enterprise and 2016 exemption enterprise.

In 2016, Tianjin Airlines established energy and carbon assets management system focusing on “green aviation, sustainable development, all-staff participation and human and energy-saving” to drive the energy conservation and emission reduction in an active manner. The accumulative fuel consumption was reduced by 5,971 tons, accumulative carbon emission by 18,827 tons and the energy-consumption value of the operation by 6%. Tianjin Airlines will continuously advance the progress of green aviation.

In 2016, Tianjin Airlines organized 1,275 times of staff trainings covering 22,022 employees and with a total investment of RMB 10,405. We firmly believe that the staff is our valuable treasure, pay great attention to talent training and development, and build development platform for our staff, for which our company was awarded 2016 China Talent Management Example Enterprise and 2016 Excellent Employer.

During the past year, Tianjin Airlines invested a total amount of over RMB 5 million in charity, has carried out “Fly the Dream” public benefit activity for three years in a row which helped 100 poor college students, carried out “Realization of Child’s Dream” for two years in a row cooperating with Teach for China (largest teaching NGO in China) to give attention to left-behind children in remote mountainous areas, launched “Warm Winter Action” together with China National Radio helping 305 passengers return home for Spring Festival.

Looking ahead, Tianjin Airlines will continuously adhere to HNA spirits and take the development opportunity of Beijing-Tianjin-Hebei integration and “the Belt and Road” initiative to create a beautiful and glorious future together with you!
Introduction to Tianjin Airlines

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Company Profile

Incorporated on June 8, 2009, Tianjin Airlines Co., Ltd. (referred to as the “Tianjin Airlines”) was funded and established by Tianjin Municipal Government and HNA Group, and located in Tianjin, the economic center of Bohai area. So far, Tianjin Airlines operates a young and luxurious fleet mainly consisted of such aircraft types as A330, A320 and E190 and with a total scale of 85 aircraft, has gradually established a regional airline network covering 9 hubs including Tianjin, Xi’an, Hohhot and Urumqi, and opened 251 international and domestic routes accumulatively. The route network ramifies all over China and connects to Japan, South Korea, Russia, Thailand and other surrounding countries and regions. Flight has flown directly to UK and New Zealand and can fly to over 100 cities. The passenger volume reached 12.08 million person-times in 2016.

In 2016, with the introduction of wide-body Aircraft A330, Tianjin Airlines launched such intercontinental routes as Tianjin=Moscow, Tianjin=Chongqing=London and Tianjin=Chongqing=Auckland, which further enriches the international route network and accelerates Tianjin Airlines’ transformation to an international airline.

All ways with you. Tianjin Airlines adheres to the brand orientation of “Getting Close to World with You” and devotes to providing convenient and practical products and services so as to create a wonderful travel for the passenger and make the world much closer with an attitude of understanding and life loving.

Annual Operation Data

- Operation revenue: RMB 9,092,247,700
- Total profit: RMB 466,247,900
- Annual passenger volume: 12.08 million person-times
- Total of domestic and international routes: 251
- Scale of fleet: 85 aircraft
- Cities flew to: 125
- Annual safe flight hour: 218,393 hours
- Fuel consumption reduced by: 5,971 tons
- Carbon emission reduced by: 18,827 tons
Company Governance

Good company governance is the internal motivation for sustainable development. Since the establishment, Tianjin Airlines integrates the company governance into the operation and establish modern enterprise system, perfect corporate governance and standardize the company operation strictly in accordance with the Company Law and national related laws, regulations and rules so as to ensure the sound operation of all business activities of the company and realize the sustainable and sound development of the company.

Operation of Compliance and Transparency

Compliance with laws and regulations and the honesty and trustworthiness are the prerequisites for sustainable development. Tianjin Airlines always follows the business ethics and laws & regulations, continuously perfects the compliance management system and company governance and risk internal control system, enhances the operation of compliance and transparency, proposes fair competition and pays attention to the improvement of legal awareness of the staff.

Case

In the first half of 2016, Tianjin Airlines introduced “Beisen Assessment Cloud” (including gene model, management potential assessment, 360 degrees assessment, Five-factor Leadership Assessment (FLA)) and developed & established a talent standard conforming to the development of Tianjin Airlines by interviewing four categories of management personnel (operation support, marketing, functioning and team management) and then conducted multi-dimensional talent assessment among over 1,000 officers at medium and basic levels in accordance with the talent standard, established four-categorized team quality map and personal quality map based on the analysis of assessment results by focusing on short-board of management and giving play to management advantages so as to summarize and plan the company’s training direction of management and give play to the advantages and make up the disadvantages and improve the management ability of the existing officers from strategic planning and cross-cultural learning to improvement of management skills.

Strengthening complaint management intensity and depth to reduce complaint rate effectively

Tianjin Airlines has established such channels as 24h customer service hotline, complaint & advice window in the official website, President Mailbox, official Wechat account and on-board customer satisfaction card to collect passengers’ complaints and advices, completes investigation and reply in respect to complaints within three business days on the principle of first asking responsibility and passenger satisfaction, and reports significant events after analyzing assessment index and information to enhance control intensity of service information.

From 2014 to 2016, the company saw a continuous decrease of complaint rate and an increase in CAAC’s monthly ranking list.

Note: The CAAC’s complaint rank is listed from highest to lowest based on the complaint rate (complaints/million person-times), i.e. the bigger the number is, the more excellent the positive rank of company’s complaint rate is.
2016 Remarkable Events of Tianjin Airlines in 2016

The launching ceremony of the 3rd “Warm Winter Action” of Tianjin Airlines was held in Tianjin Binhai International Airport, which accumulated more than 100 poor college students, children of migrant workers and veterans return home for Spring Festival with free tickets.

Tianjin Airlines and Civil Aviation Management Institute of China held a strategic cooperation signing ceremony and reached an agreement on future cooperation and research direction of “low-cost long haul” project.

Tianjin Airlines qualified in the assessment of “Safety of Civil Aviation” organized by CAAC in 2015 and ranked first among 18 aviation enterprises in North China with solid security work and “zero nonconformity”.

Tianjin Airlines was awarded “100 High Integrity Enterprises on Housing Fund in Tianjin in 2015” and was registered by Tianjin Housing Fund Management Center in Enterprise Credit Reference System of the People’s Bank of China.

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The official business launch of Tianjin Airlines’ Attendant Training Base and licensing of attendant training qualification by Embraer were held at Tianjin Sino-German University of Applied Sciences.

Press conference on introduction of the first wide-body Aircraft A330 and the first long haul flight was held in Tianjin.


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Liu Yandong, Member of the Political Bureau of CPC Central Committee and Vice-Premier of the State Council, was present at the ceremony of National Vocational Students Skills Competition and established video connection with Tianjin Airlines’ Aircraft Maintenance Training Site.

Tianjin Airlines signed a strategic cooperation agreement with the Academy of Management of China Civil Aviation University.

A new phase of Tianjin Airlines’ international strategic transformation.

The International Air Transport Association awarded “Fast Travel Green Award” Certificate to Tianjin Airlines.

**Remarkable Events of Tianjin Airlines in 2016**

- **January 24:** Tianjin Airlines’ Tianjin-Chongqing-Auckland Intercontinental Route Press Conference and Market Promotion was held in Tianjin.
- **January 25:** Tianjin Airlines Guizhou Branch was incorporated.
- **February:** Tianjin Airlines held launching ceremony of 2016 Tianjin Airlines • Fly the Dream! Education Support Project at Nankai University and donated 100 student tickets.
- **March 3:** Tianjin Airlines’ inaugural flight of Urumqi-Kazan International Route succeeded.
- **March 30:** Tianjin Airlines opened Dalian-Shizuoka international route on July 3.
- **April 14:** Tianjin Airlines opened new route of Tianjin=Chongqing=London international route on July 1 and Dalian=Shizuoka international route on July 4.
- **April 21:** Tianjin Airlines held launching ceremony of Tianjin=Chongqing=London and held inaugural flight ceremony in Tianjin, Chongqing and London respectively.
- **May 8:** Tianjin Airlines opened new route of Tianjin=Moscow, which marked the official beginning of Tianjin Airlines’ international strategic transformation.
- **June 7:** Tianjin Airlines opened new route of Tianjin=Chongqing=London and held inaugural flight ceremony in Tianjin, Chongqing and London respectively.
- **June 13:** Tianjin Airlines opened new route of Tianjin=Chongqing=London and held inaugural flight ceremony in Tianjin, Chongqing and London respectively.
- **June 25:** Tianjin Airlines held press conference on the launch of Chongqing-London Intercontinental Flight in Chongqing.
- **July 1:** Tianjin Airlines opened Dalian-Shizuoka international route on July 1.
- **July 4:** Tianjin Airlines opened new route of Tianjin=Moscow, which marked the official beginning of Tianjin Airlines’ international strategic transformation.
- **August 4:** Tianjin Airlines was awarded “China Excellent Corporate Citizen” and “Excellent CSR Project of China Corporate Citizen”.
- **August 23:** Tianjin Airlines won Transform Award Asia Pacific - Annual Design Golden Award.
- **September 19:** Tianjin Airlines’ new Airplane Operating Control center came into service.
- **November 9:** New brand image of Tianjin Airlines was awarded 2016 “China Excellent Corporate Citizen” and “Excellent CSR Project of China Corporate Citizen”.
- **November 24:** Tianjin Airlines opened new route of Tianjin=Chongqing=London and held inaugural flight ceremony in Tianjin, Chongqing and London respectively.
- **December:** Tianjin Airlines held press conference on new brand image and inaugural flight of the route to Auckland, explaining Tianjin Airlines’ service philosophy of “Traveling Companion”.
- **December 14:** Tianjin Airlines was awarded 2016 China Excellent Corporate Citizen and Excellent CSR Project of China Corporate Citizen.
- **December 21:** Tianjin Airlines held press conference on the launch of Chongqing-London Intercontinental Flight in Chongqing.
- **December 22:** The International Air Transport Association awarded “Fast Travel Green Award” Certificate to Tianjin Airlines.
Social Responsibility Management

- Ideas of Social Responsibility
- Identify issues
- Communication with stakeholders
- External recognitions
Tianjin Airlines integrates the ideas of social responsibility into the company’s management system focusing on the core value of “Humanity. Integrity” and taking ISO26000 International Social Responsibility Standard as theoretical guidance, incorporates the economic, social and environmental responsibilities into the company’s strategic and operation activities by considering the expectations of customers, shareholders, employees, society and other stakeholders, and maintains close cooperation and communication with the stakeholders so as to maximum the comprehensive value.

### Identify issues

By reference to the international and domestic social responsibility standards and guidance, ISO 26000 Social Responsibility Guidance and GRI Sustainability Reporting Guidelines (G4), Tianjin Airlines deeply analyzed the international and domestic sustainable development background, national macro-economic policies, industry development trend, etc. and perfected and established a five-step topic analytical method, i.e. review-identification-selection-sequence-verification, as the reference to information disclosure degree after the investigation of internal and external stakeholders and focusing on the demands of stakeholders and development of the company so as to ensure the accuracy of disclosed core information.

#### Step 1 Review

To review and check Tianjin Airlines’ social responsibility topics teased in 2015 based on the feedback of the internal and external stakeholders, and conduct secondary analysis to the substantial topics of 2015 focusing on their expectations and requirements.

#### Step 2 Identification

To obtain the latest requirements of international and domestic related standards and guidance on topic management and information disclosure of sustainable development and tease the social responsibility topic base of 2016 by deep analysis of the background of international and domestic sustainable development, national macro-economic policy orientation and industry development trend.

#### Step 3 Selection

To identify and extract Tianjin Airlines’ core responsibility topics and make corresponding correlation evaluation by combining the company’s development strategies and market practice.

#### Step 4 Sequence

In accordance with the principles of substantiality and stakeholder involvement, to sequence the investigation results in relation to stakeholders and determine the priority of the topics from the perspectives of stakeholder’s attention and significance on company’s development.

#### Step 5 Verification

To review the preliminary evaluation results of the substantial topics based on the company’s strategy transformation and business strategy and determine 14 substantial topics of much more significance on the company and the stakeholders and their priority.

### Communication with stakeholders

As Tianjin Airlines can’t operate and develop without the support and trust of the stakeholders, we always insisted on maintaining close communication with the stakeholders and establishing harmonious relations with the stakeholders to listen to their demands, accept their supervisions and obtain their feedback so as to improve our decisions. We integrated the expectations and demands of the stakeholders into the company’s strategies and core business fields and make reply to the stakeholder’s concerns via various methods in a timely manner to improve our social responsibility management continuously.

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**Stakeholders**

**Participation way**

**Actions**

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Expectations &amp; requirements</th>
<th>Participation way</th>
<th>Actions</th>
</tr>
</thead>
</table>
| Civil Aviation Administration of China | Safe operation  
High-quality service  
Promotion of industry development | Take part in meeting  
Submit information  
Accept supervision and inspection | Enhance safety management  
Follow applicable policies and regulations  
Improve service quality |
| Local government | Compliance of laws and regulations/Taxation  
Employment promotion  
(Shining local development) | Strategic cooperation  
Information submission  
Topic report | Operate in accordance with laws  
Pay tax actively  
Provide opportunities of employment  
Strengthens capacity of aviation logistics |
| Shareholders | Maintenance and appreciation of assets value  
Complaint operation  
Work safety | General meeting of shareholders  
Company announcements  
Information submission | Improve profit ability  
Promote management level |
| Partners | Stable cooperative relations  
Honesty and integrity | Strategic cooperation  
Information disclosure  
Business exchange visit | Stick to mutual benefit and win-win cooperation  
Boost procurement responsibility system |
| Passengers | Safe flight  
Irregular flight  
High-quality service  
Information safety | Communication  
Complaint & feedback | Ensure safety throughout the flight  
Expand domestic and international routes  
Provide high-quality service and be considerate "travel companion"  
Customer satisfaction investigation |
| Staff | Safety  
Salary and welfare  
Career growth  
Humanistic care | Workers congress  
Staff psychological guidance  
Website, internal publication | Occupational health and safety management  
Establishment of career development channel  
Staff training  
Staff care |
| Environment | Energy conservation and emission reduction  
Clean development | Company announcements  
Information submission | Reduce fuel consumption  
Optimize fleet  
Apply environmental protection technology |
| Community | Support of cause  
Community development | Community publicity  
Public opinion monitoring | Assist vulnerable groups  
Emergency rescue  
Organize volunteer activity |
External recognitions

- **Transform Awards – Gold Award**
  - Name of award: Transform Awards – Gold Award
  - Awarding body: Transform Magazine

- **E-IOSA (ENHANCED IATA OPERATIONAL SAFETY AUDIT)**
  - Name of award: E-IOSA (ENHANCED IATA OPERATIONAL SAFETY AUDIT)
  - Awarding body: German AGS (Aviation Quality Services GmbH)

- **2016 China Excellent Corporate Citizen**
  - Name of award: 2016 China Excellent Corporate Citizen
  - Awarding body: China Association of Social Workers, Committee of Corporate Citizenship

- **2016 Excellent Employer**
  - Name of award: 2016 Excellent Employer
  - Awarding body: Zhaopin.com

- **Honorary Title of Charity Enterprise – “Return Home Assistance”**
  - Name of award: Honorary Title of Charity Enterprise – “Return Home Assistance”
  - Awarding body: China National Radio

- **Liepin 2016 Tianjin Excellent Employer**
  - Name of award: Liepin 2016 Tianjin Excellent Employer
  - Awarding body: Liepin.com

- **2016 Best Marketing Creativity**
  - Name of award: 2016 Best Marketing Creativity
  - Awarding body: Civil Aviation Resource Net of China

- **Fast Travel Green Award**
  - Name of award: Fast Travel Green Award
  - Awarding body: International Air Transport Association (IATA)

- **2016 China Talent Management Example Enterprise**
  - Name of award: 2016 China Talent Management Example Enterprise
  - Awarding body: Liepin.com

- **2016 Excellent CSR Project of China Corporate Citizen**
  - Name of award: 2016 Excellent CSR Project of China Corporate Citizen
  - Awarding body: China Association of Social Workers, Committee of Corporate Citizenship

- **2016 Customer Satisfaction Enterprise in Tianjin**
  - Name of award: 2016 Customer Satisfaction Enterprise in Tianjin
  - Awarding body: Tianjin Quality Control Association

- **Transform Magazine Award**
  - Name of award: Transform Magazine Award
  - Awarding body: German AGS (Aviation Quality Services GmbH)

- **Liepin.com Award**
  - Name of award: Liepin.com Award
  - Awarding body: Liepin.com

- **Committee of the 6th China Charity Festival Award**
  - Name of award: Committee of the 6th China Charity Festival Award
  - Awarding body: Committee of the 6th China Charity Festival

- **China HR.com Award**
  - Name of award: China HR.com Award
  - Awarding body: China HR.com

- **Tianjin Quality Control Association Award**
  - Name of award: Tianjin Quality Control Association Award
  - Awarding body: Tianjin Quality Control Association
Rebuilding Relations between People and Travel by Acting as a Considerate Travel Companion

22 Building New Brand Image with the Concept of “Travel Companion”
23 Defining Cabin Service Standard with the Concept of “Warm and Sweet”
23 Improving the Travel Experience with “Care”
Tianjin Airlines devoted itself to providing high-quality products and services with amiable and natural attitude and professionalism, innovating bravely under homogeneity and understanding passenger’s demands and thinking as passenger does in a professional and flexible manner so as to create a relax and comfortable travel experience for the passengers.

Tianjin Airlines achieved a flight on-time performance of 80.23% in 2016, ranking at the first place among the national top ten airlines.

Tianjin Airlines took “Getting Close to World with You” as its mission and made a distant place become close one and made the fatigue travel become a convenient and quick one with the lean long-haul. The Holy Land in your mind was just our destination. We’d like to fly over mountains and rivers, experience glorious stars, discover the world and share the life with you.

The Bird Jingwei “Tiantian” is the new brand spokesman of Tianjin Airlines. It is lovely and active, flies safely, sanely and high in the clouds and explores the world everyday as a tourism expert. It flies gracefully, lands steadily and then teases the feather to meet the surprise of different cities with its most beautiful image. Tiantian who likes to make friends with good faith wishes to get much closer to the world and discover innumerable wonderful things together with you.

To develop flight schedule based on weather characters of the airport.

In order to perfect passenger’s experience, reduce the labor intensity of first-front support personnel and improve the quality service, Tianjin Airlines developed and launched self-endorsement system for irregular flight. Passengers can endorse the ticket independently in case of any irregularity prior to take-off.

In order to perfect passenger’s experience, Tianjin Airlines developed and launched self-service platform of irregular flight including self-endorsement, self-refund and issuance of certificate for overbooking/delay, which realized diversified online service.

High quality
As a customer-oriented company, Tianjin Airlines organized the internal and external resources and realized flexibility and personality with the internet so as to give effective and professional response to the passengers at any time. Tianjin Airlines provided high-quality but non-redundant services, focused on the demands of the passengers and was with an ultimate goal to provide a satisfactory travel for the passengers.

Tianjin is the footstone for the development of Tianjin Airlines and gave the company a character of integrity, frankness and humor and an attitude of optimism and life loving, making Tianjin Airlines have unique perspective and interesting opinions and provide passengers with unique aviation experience.

Tianjin Airlines used advanced internet technologies to make a deep analysis and correspondingly adjust the products and services so as to meet the individual requirements; besides, Tianjin Airlines run the interaction with the passengers through the travel to create a wonderful travel experience together with the passengers.

<table>
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<tr>
<th>Defining Cabin Service Standard with the Concept of “Warm and Sweet”</th>
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<tbody>
<tr>
<td>Facing the homogeneity of aviation industry, Tianjin Airlines took initiative to improve the professional operation level, apply advanced technologies and integrate the auxiliary services and upstream and downstream resources so as to provide solid, natural and unforced high-quality products and services while meeting passengers’ demands and supply the passengers with relieved, comfortable and safe travel experience while providing solid basic services.</td>
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Enhancing the Guarantee of Consumer Rights and Interests |
| In order to maintain consumer rights and interests, Tianjin Airlines revised the refund rules on alternate landing, i.e. refund the discounted price between the stopover and destination or the balance between the paid fare and the fare of the used segments, whichever is higher, so as to improve passenger’s experience. |

On July 1, 2016, Tianjin Airlines together with the four major airlines standardized the sales order of the on-line platform to improve passenger’s experience and service quality.

On December 29, 2016, Tianjin Airlines launched the new service hotline 95350 which was reviewed and approved by the Ministry of Industry and Information Technology of the People’s Republic of China. Such exclusive number played a much more significant role in fraud prevention.

Perfection of Flight Delay Solutions |
| To develop flight schedule based on weather characters of the airport. |
Innovating Evaluation Method and Improving Service Quality

The quantitative index of context awareness was the new service quality evaluation method established in 2016. So far, the evaluation of all objective statistical indexes was qualified; the on-site inspection involved 61 flights, 48 airports, 104 attendants, 60 check-in agents and 40 tele-recording from call center; and extended to 11 crew squadrons covering over 500 nonconformities; notice of nonconformity was issued to problems found during the inspection and corrective measures were measured so as to reflect the improvement of service quality in the manner of increase of quarterly satisfaction.

Ground Service: To Provide Convenient Services for Passengers by Introducing New Technologies

- In August 2016, Tianjin Airlines introduced self-baggage drop service in Tianjin, which reduced passenger’s check-in time, and became the first airline that provide such service in Tianjin Airport.
- Tianjin Airlines equipped the ferry bus with display on the body to show the flight information and voice broadcast system within the compartment to give safety tips to the passengers.
- Tianjin Airlines equipped the check-in counter with PAD at Tianjin Airport providing convenience for the passengers reducing the waiting time while checking-in; besides, Tianjin Airlines was researching and developing check-in system for Wechat.
- By reference to the successful experience of foreign airlines, Tianjin Airlines explored and implemented baggage tracking system and baggage query system, and developed Fast travel project so as to provide convenience for passengers and improve the satisfaction of passengers.

Cases of Excellent Services and Emergency Response

On March 28, there was a wheelchair passenger with her son suffering autism on the Flight GS7646 (Jinchang-Tianjin), she had forgotten her wallet and important certificates and gave us a silk banner on February 26 at Tianjin Airport to speak highly of our high-quality service.

Miss Zhang lost her wallet and important certificates while taking Tianjin Airlines’ Flight GS7952 (Tai-chung-Tianjin) on February 13, and asked us for help. Tianjin Airlines tried the best to look for and return the wallet and important certificates to Miss Zhang. She called the customer service hotline to express thanks and gave us a silk banner on February 26 at Tianjin Airport to speak highly of our high-quality service.

On November 19, 2016, there was a passenger on Flight GS7615 (Xi'an-Nanning) had difficulty in breathing and lost consciousness suddenly during the take-off; the flight crew carried out rescue decisively and reported the conditions to the pilot-in-command and applied to ATC for return while carrying out first-aid; the passenger could breathe independently after cardiac resuscitation and regained consciousness 10min later, and then sent to emergency center after the aircraft returned and landed. Although the flight was delayed, passengers gave their understanding and recognized the cooperation of the cabin crew.

Flight GS7859 on October 27, Flight GS6566 on November 24 and Flight GS7865 on November 25, both of which are Tianjin-Wuhan flights, successfully performed human organ transport for 3 times.
Bearing National Benefits in Mind and Giving Priority to National Strategy

28 Serving Beijing-Tianjin-Hebei to Assist Process of Integration
28 Serving “the Belt and Road” Initiative to Assist Construction of Air-Bridge and Link
29 Serving Underdeveloped Areas to Drive Border Economic Development
Tianjin Airlines took initiative to respond national development strategy and implement national macro-economic policies by perfecting the route network layout, accelerating the “Fly Worldwide” and driving the regional economic integration development so as to enhance the competitiveness of aviation value chain and assist the promotion of aviation industry’s international competitiveness.

Serving Beijing-Tianjin-Hebei to Assist Process of Integration

In order to advance national macro-economic policy of “Beijing-Tianjin-Hebei Integration” and assist building of “Beijing-Tianjin-Hebei One-Hour Commuting Circle”, Tianjin Airlines launched “Beijing-Hebei Exclusive Travel Product”. Passengers from Beijing and Hebei may enjoy a subsidy of civil aviation development fund of RMB 50 when booking tickets of Tianjin Airlines’ flights departing from Tianjin Airport. In such way, Tianjin Airlines not only gave full play of Tianjin Airport’s huge potential and provided preferential options and convenience for passengers from Beijing and Hebei, but it also shared part of passengers from Capital Airport, which was one of the significant measures to advance the development process of “Beijing-Tianjin-Hebei Integration”.

Serving “the Belt and Road” Initiative to Assist Construction of Air-Bridge and Link

In 2016, with the implementation of national significant development strategy “the Belt and Road” initiative, Tianjin Airlines seized the strategic opportunity period and introduced first wide-body Aircraft A3330 in May 2016 and launched three intercontinental routes including Tianjin=Moscow, Tianjin=Chongqing=London and Tianjin=Chongqing=Auckland during the second half year, which enriched the route network to Europe and Australia from Tianjin and Chongqing and marked the beginning of Tianjin Airlines’ transformation to an international airline.

Besides, Tianjin Airlines launched a product of ‘Air-Rail Intermodal Transportation’. Passengers that book Tianjin Airlines’ self-operated international/intercontinental long-haulflights and depart from/arrive at domestic airports can benefit from reimbursement services for the ground trip rail and bus fees. In such way, Tianjin Airlines played a positive role in implementing “the Belt and Road” initiative and realizing ‘Going Global’ development strategy.

Serving Underdeveloped Areas to Drive Border Economic Development

At the incorporation in 2009, Tianjin Airlines devoted to driving the development of Chinese regional aviation and introduced regional aircraft and expanded regional aviation network continuously as the largest regional airline in Asia. In 2016, Tianjin Airlines possessed a fleet of 61 aircraft, accounting for 41.7% in national regional fleet, and operated regional routes of more than 140 to over 70 airports, making great contribution to the development of Chinese regional aviation and economic.

In 2016, Tianjin Airlines launched, re-launched and increased flights to 32 regional airports including 6 new regional airports in Shiyan, Huizhou, Kaili, Libo, Daqing and Alxa Left; in order to provide convenience for passengers from regional areas, Tianjin Airlines took initiative to expand the regional market during spring festival, summer holiday and other micro-seasons. 7 flights were increased during spring festival; for summer holiday, 19 flights were increased.
Creating Safe Chinese Flights by Taking Safety as Foundation

- 32 Implementation of advanced safety management system
- 33 Overall implementation of safety training
- 35 Enhancing safety management measures
Safety is life line and top prohibition of civil aviation. To guarantee safe travel of passengers is the basic objective of Tianjin Airlines to perform its social responsibility. Tianjin Airlines systematically improved its safe operation ability by taking the center on “Safe-Tianjin Airlines”, employing the basic principle of zero tolerance of safety risks, focusing on flight safety and regarding safety performance management as the entry point.

In 2016, Skyhawk Squadron obtained the result of “zero nonconformity” after inspection by CAAC North China Regional Administration, CAAC Xinjiang Regional Administration, CAAC Tianjin Safety Supervision and Management Bureau, CAAC Urumqi Safety Supervision and Management Bureau and other authorities, had no safety errors all year around, and performed the perfect air defense security work during important events, such as G20 Summit, Eurasia Commodity and Trade Expo, International Cultural Industries Fair, “National Day”, Eid al-Adha etc.

Overall implementation of safety training

Training and promoting professional skills of safety management personnel

In order to improve the quality and position competence of safety management personnel in an all-round way, specify the safety management personnel qualification and create a safety management team matching with development of Tianjin Airlines. Tianjin Airlines Safety Management Personnel Qualification System Building Plan was developed to elaborate aspects of English ability, work safety experience, safety training experience for safety management personnel at different levels and in different disciplines. This Plan was put into trial operation in the Safety Supervision Department in 2016.

Case

Organizing the basic safety training for managers and safety management personnel at regular intervals

As required by the CAAC authority and the Company, senior managers, middle managers and safety management personnel of the Company must receive the basic safety training every two years. On 15th, 16th and 17th June, 2016, experts of Civil Aviation Management Institute of China were invited by Tianjin Airlines to perform the “special safety training for managers and recurrent training for safety management personnel” during which there were more than 90 trainees.

Case

Organizing the training on strengthening the civil aviation incident investigation ability

In order to enhance investigation skills of safety management personnel, senior investigators of Accident Investigation Center of CAAC were invited to conduct the “training on basic knowledge and skills of civil aviation accident investigation” in April, 2016. This training covered investigation methods, typical accident case analysis, compilation of investigation report etc. and nearly 60 safety management employees attended it.
Establishment and promotion of safety performance management system

To facilitate implementation of national civil-aviation safety and security program of China (SSP), Tianjin Airlines, according to ICAO requirements and development direction of civil aviation safety management, had carried out the safety performance management model and method suitable for characteristics of the Company, so as to shift management from performance management since 2015 and tried to find out a safety performance management system according to ICAO requirements and development direction of civil aviation safety management, had carried out the safety performance management model and method suitable for characteristics of the Company, so as to shift management from performance management since 2015 and tried to find out a safety performance management system.

In May and June, to further emphasize the bottom line of flight safety and intensify the thought of rule of law, the Company was required by the CAAC authority to organize 2016-year speech activities about “civil aviation under the rule of law and safe civil aviation” and “cabin safety speeches”. The Company invited the CAAC spirit of always adhering to “three bottom lines”, the cabin safety speech team of the CAAC authority was invited by Tianjin Airlines to deliver “cabin safety speeches” in Tianjin Base within the work safety month and there were more than 80 attendees.

Organizing cabin safety speeches

To carry out CAAC spirit of always adhering to “three bottom lines”, the cabin safety speech team of the CAAC authority was invited by Tianjin Airlines to deliver “cabin safety speeches” in Tianjin Base within the work safety month and there were more than 80 attendees.

Including anti-terrorism to safety training

Anti-terrorism laws were included to the Company’s security training system in which security instructors of the Company were organized to attend the external and internal trainings to enhance the training on anti-terrorism laws; multiple methods, such as advertisement player, WeChat, roll-up banner, banner, were adopted to publicize anti-terrorism laws and 304 employees received the random inspection on their learning effect and all of them satisfied requirements; the Company reported its anti-terrorism work to the public security organ at the airport, the municipal public security bureau and Tianjin Municipal Government.

Supporting trainings on Skyhawk sword and stretchable baton routines were developed and put into teaching practice in the self-training of Skyhawk Squadron, with many different tactics backgrounds to let trainees really move from “training ground” toward “battle ground”. As for Xinjiang air defense information, based on features of Xinjiang-involved flights and safety situation, 5 special trainings were conducted and a Skyhawk Squadron admittance and exit mechanism was established. The standard for admittance to Skyhawk Squadron was increased to 570 points and the average point for physical ability and skill of a Skyhawk Squadron member was increased to 589.5 points.

Promoting the strength of Skyhawk Squadron via training

Supporting trainings on Skyhawk sword and stretchable baton routines were developed and put into teaching practice in the self-training of Skyhawk Squadron, with many different tactics backgrounds to let trainees really move from “training ground” toward “battle ground”. As for Xinjiang air defense information, based on features of Xinjiang-involved flights and safety situation, 5 special trainings were conducted and a Skyhawk Squadron admittance and exit mechanism was established. The standard for admittance to Skyhawk Squadron was increased to 570 points and the average point for physical ability and skill of a Skyhawk Squadron member was increased to 589.5 points.

Establishment of international route and stationed agency security management systems

With the launch of new intercontinental routes and newly-set stationed agencies, the stationed agency security management system and the overseas handling procedure for unlawful seizure and other unlawful interference acts for an international route were improved, and the emergency response plan and security quality management system and other relevant systems for newly-set stationed agency were newly developed.

Improvement of internal security risk control system and internal security personnel selection system

“Psychological assessment system”, “actual performance assessment”, “internal security 360 assessment system” and other assessment methods were used for personnel in key positions of the company and to make risk assessment on people who the company paid more attention to. More than 100 foreign pilots of Tianjin Airlines received the psychological assessment, which enhanced the control on foreign pilots and reduced the internal risk of the Company.

Overall performance of security emergency drill to promote the security emergency response ability

Based on the regional air defense safety situation, “in-flight fire handling drill” was organized in Tianjin; “anti-hijacking handling table-top exercise” was carried out together with Tianjin Binhai International Airport; Xinjiang Branch, Inner Mongolia Branch and Northwest Branch were organized to perform “attacking-cockpit handling table-top exercise”, “anti-violence police cooperation drill” and “anti-hijacking handling drill” to verify effectiveness of the Company’s emergency response plan.

Strengthening the international route security control

The previous passive mode of special support for single route was changed. With the existing route-launch support process as the frame foundation, in accordance with regulations and requirements of ICAO/IATA and other international civil aviation organizations and based on BIM concept, the common security work process for launch of new international routes was established. The process for launch of new international routes was systematically specified, thus to ensure the smooth launch of new international routes.
Improving the international route security survey and assessment mechanism

Based on different security features of different continents and countries, according to the sample agreement of IATA and international convention, the international airport security survey and assessment list was revised to increase the professional and comprehensive survey and make sure that such list is more applicable to survey on the company’s security support ability.

Intensifying the international route security survey and assessment

According to regulations and requirements of ICAO/IATA and other international civil aviation organizations, the security work of overseas bases such as Japan Base, Auckland Base was inspected. Relevant personnel communicated and learnt security and emergency drill requirements of different countries to enhance the overseas emergency response ability.

Increasing funds for international route security

In recent years, the current international and domestic security situation has become increasingly severe; to further enhance the civil aviation air security and anti-terrorism work and ensure its air security work is perfect, the company assessed security risk of all routes that it operated, decided to carry out the second security inspection at an airport with a big security risk, purchased 7 portable explosives detecting instruments used for explosives detection at the boarding gate of airport with a big risk, with the total investment of RMB 2.415 million.

Setting the early warning of major security incident

As for the bomb incident in Belgium, the Company delivered 2 information early-warning reminders, organized the Marketing & Sales Department and the Ground Service Department to conduct 2 trainings on “Identifying abnormal behavior of passengers” to strengthen abilities of ticket sellers and check-in agents to identify the abnormal behavior of passengers, and carried out the security deployment of the Group and the Company itself in the all-around manner, to ensure the safe operation of the Company.

As for the terrorist attack in France, unlawful seizure of an aircraft of Egypt Air and bomb incident in Shanghai Pudong International Airport, the Company delivered 2 information early-warning reminders immediately upon information acquisition, organized its units to publicize and implement such reminders, and required to perform all security measures strictly.

Sharing the experience in intercontinental route security survey and building the Company’ security brand

The Company shared its experience in intercontinental route security survey and assessment with CAAC North China Regional Administration Public Security Bureau and each airline, obtained recognition of the CAAC authority and built its security brand.

Establishing the Anti-terrorism Information Center of the Company

The Company formulated the information exchange process with the CAAC authority, CAAC North China Regional Administration Public Security Bureau and the public security organ at the airport to receive the anti-terrorism information; established the information early-warning reminder system, actively collected the information about overseas and domestic major security incidents, analyzed its implied information, proposed preventive measures and released 10 real-time "information early-warning reminders".
Assisting in Building Green Low-Carbon Aviation

40 Improvement of green management
40 Practice of green development
41 Advocating the green life
41 Overall practice of green work
42 Promotion of green flight
Tianjin Airlines made the active response to requirements of National Development and Reform Commission for establishment of energy saving and emission reduction and carbon emissions trading system, and actively contacted with relevant units under the CAAC authority and Tianjin Development and Reform Commission to propel various work of energy saving and emission reduction. With the purpose of "green aviation, sustainable development, all staff participation and energy saving", Tianjin Airlines established the energy and carbon assets management system.

In 2016, the company continued the energy saving and emission reduction projects in an active manner, among which the company optimized routes, reduced the use time of APU on ground, controlled the return rate and the alternate flight rate, and carried out other work of energy saving and emission reduction, with the accumulative fuel saved by 5,971 tons and the accumulative carbon dioxide emission reduced by 18,827 tons. The energy consumption per unit of operation was declined by 6%.

Enhancing safety management measures

Environment management system is the basis of green development. Tianjin Airlines applied green development through the whole process of enterprise operation, improved the energy management system and efficiency, carried out various propaganda, increased the energy-saving awareness of all employees, took energy saving and emission reduction steps and promoted the green and sustainable development. In 2016, the greenhouse gas emission of Tianjin Airlines in output value of RMB 10,000 was declined by 3% year on year.

Case

In the third quarter of 2016, faced with the increasingly urgent work of establishment of a national carbon emissions trading market, Tianjin Airlines set up the Energy Management System Construction Working Group who established the energy and carbon assets management system of the company and put into the pilot practice within the short three months by taking establishment of a new energy management system, which was the material step that Tianjin Airlines made in performance of social responsibility.

Practice of green development

Tianjin Airlines sufficiently combined the ideal of green development and business operation and management, set up an energy saving and emission reduction working group, did the energy saving and emission reduction work in a systematical and effective manner, increased the operation quality, continuously improved the energy saving and cost reduction system and guided the development of green industry directly and indirectly.

In December, 2016, IATA formally conferred Tianjin Airlines "Fast Travel Green Award" to praise Tianjin Airlines for its achievements and contributions to "commerce simplification". Such project covered six parts including self-help check-in, self-help baggage check, certificate check, flight endorsement, self-help boarding and baggage inquiry. Fast Travel Green Award obtained by Tianjin Airlines for this time means that passengers could save the queue-up time for check-in and boarding in they choose a flight of Tianjin Airlines. At present, Tianjin Airlines has realized many self-help services including self-help check-in, self-help baggage check, self-help flight endorsement and certificate check, online seat selection, etc. subsequently, Tianjin Airlines would continue carrying forward convenient services to provide more convenient travel experience for passengers.

Advocating the green life

For dissemination of environmental idea and advocacy of green life, the company not only enhanced the employee training of environmental awareness but also engaged in various propaganda, supported the green commonweal, undertook the environmental responsibility and advocated the public to practice the green life at the social level.

The company actively facilitated the cooperation with share car enterprises such as Xiaoer Zuche and proposed to use new energy in this way to enrich the travel of passengers and promote the environmental awareness of the public.

Overall practice of green work

Advocacy of low-carbon ideal: Encouraging employees to start with small things around and save every kilowatt hour of electricity and every drop of water.
Promotion of green flight
Sequential introduction of more environmental new aircraft types and application and R&D of new energy-saving technologies to optimize energy efficiency of the fleet.

Tianjin Airlines advocated the life style in which people live in harmony with the nature for common advancement, prosperity and development, and took many measures to reduce the fuel consumption, declined the energy consumption and carbon emission from the source, realized the new leap of environmental protection, coped with the climate change, served and built a resource-saving, environment-friendly and low-carbon-oriented society.

In 2016, Tianjin Airlines continued promoting energy saving and emission reduction projects including substituting APU with power van on ground, A320 sharklet modification and changing E190 aircraft from bi-cabin to mono-cabin, and it realized the reduction of ton-kilometer fuel consumption from 0.37 kilometer in 2015 to 0.34 kilometer with a decline percentage of 8%.

In 2016, Tianjin Airlines carried out the energy performance reform plan covering aircraft and vehicle fuel saving, optimum use efficiency of indoor air conditioning and energy, water and paper saving, disposal and recycle of wastes, environmental education etc., with the aggregate greenhouse gases emission reduced by over 18,827 tons, greatly optimized the fleet structure, performed the orderly demobilization procedures of old aircraft types, allocated the aircraft type matching with the range effectively, and transferred 5 E145 aircraft and 3 E190 aircraft, with the accumulative fuel saved by 5,971 tons.
Building a Happy Family for Staff in A People-oriented Way

46 Helping Tianjin Airlines internationalize by cultivating all-side talents
47 Guarantee of rights and interests of employees and performance of human-based management
47 Paying attention to talent development and building a development platform
48 Showing humanistic care and paying attention to concern and love for employees
The staff, as the most precious wealth of one enterprise, is the inner impetus for enterprise development, which enables the enterprise to keep a lasting vigor and persistent vitality. Under an environment of increasingly intense talent competition, we are aware that only actively performing responsibilities for staff, tapping employees' potential and motivating employees' passion for work can realize common development of both the enterprise and the staff.

- 4,399: The number of staff
- 108: The number of foreign staff and those from Hong Kong, Macau and Taiwan
- 104.05 million: Investment for employee training
- 29.2: The average age of staff

In 2016, we organized 18 enterprise culture trainings, 72 general skill trainings, 1,169 professional business trainings and 16 management trainings, covering 22,022 trainees in total in 1,275 training classes. After training, the staff improved their qualities and professional skills and made contributions to development of the Company.

### Helping Tianjin Airlines internationalize by cultivating all-side talents

We were constantly propelling employment diversification and recruitment internationalization and paid attention to introduction and cultivation of talents. The Company cooperated with Civil Aviation University of China and other colleges and universities to cultivate aviation talents together, kept in step with CAAC policies and was the first to obtain the qualification for introducing pilots from Taiwan. To improve the reserve of talents, the Company established a talent planning, assessment, selection and cultivation system and post-based multidimensional evaluation criteria, and gradually built a high-quality, high-qualification, diversified and internationalized talent team. In 2016, the number of company staff exceeded 4,399, including 367 international talents at a proportion of 9.76% and the execution rate of labor contracts was 100%.

**Promotion of diversification fusion**

Fernando Fortini Lamas, the pilot of A320 aircraft of Tianjin Airlines and Kyle Bergen Leahy, the pilot of E-series aircraft know that the Spring Festival is the day of family reunion for Chinese once a year. In order to let as many Chinese pilots as possible go home to celebrate the Spring Festival, they stay at work instead of staying at home, and thus they are relieved of fatigue during the Spring Festival, but perform as many flight tasks as possible to appreciate Chinese pilots' help for foreign pilots during Christmas.

Besides, Kyle Bergen Leahy actively cooperated for crew resource arrangement. He stationed in Hohhot during the Spring Festival, relieved the pilot shortage in Hohhot Base of E190 aircraft so that the flights could be adjusted in a more flexible way.

### Guarantee of rights and interests of employees and performance of human-based management

#### Maintaining legal rights and interests of employees

In order to maintain legal rights and interests of employees and build harmonious labor relations, the Labor Union of Tianjin Airlines issued Tianjin Airlines Labor Union’s Working System on Letters and Calls in November, 2016, to facilitate for conditions that employees reflect and suggestions, opinions or complaints that employees propose by means of letters handling, visits reception and calls reply.

#### Democratic management and communication

The Company built a multi-channel barrier-free communication system, improved the president-employee love-mailbox mechanism, realized the barrier-free communication, widely collected opinions and suggestions of employees and supervised on handling of issues that employees came up with. In holidays, winter and summer vacations and other important periods, the Company went to the front line to understand the working condition of employees and solved the practical issues of employees.

#### Improvement of system guarantee

The Company issued successively Tianjin Airlines’ Management Regulations on Volunteers to enhance the building of Volunteers Association and specify Tianjin Airlines’ work on management of volunteers; Tianjin Airlines’ Management Regulations on Payments and Spending of Party Membership Duos to strengthen Tianjin Airlines’ work on payment, spending and management of party membership dues; Organization and Reform Plan for Literature, Arts & Sports Association to promote the organization ability of the Literature, Arts & Sports Association and specify various literature, art and sport activities; Tianjin Airlines Labor Union’s Working System on Letters and Calls to enable the Labor Union of the Company to handle letters and calls properly and resolve conflicts regarding letters and calls from the source, so as to further build harmonious labor relations.

### Paying attention to talent development and building a development platform

To provide equal development opportunities and smooth career development channels for employees, the Company broke barriers of career development, built a two-channel (technology + management) development path and continuously carried out the “Star-of-Tianjin Airlines” talent cultivation plan. In 2016, we further established and promoted the multi-gradient talent development system and the reserve of talents, actively promoted the talent development and assisted employees in realizing their career goals.

In 2016, the Company increased the professional quality of employees in an all-round way to ensure implementation of enterprise transformation. To help such implementation, in 2016, the Company started with the increase of professional quality of employees, created two learning approaches (one: from new employee to a qualified employee; the other: from an employee to a qualified business executive) based on the career development path of administrative staff and the rule for knowledge acquisition by adults, and designed course contents in sequence of understanding and mastering based on actual demands of each department, diversified and internationalized talent team. In 2016, the number of company staff exceeded 4,399, including 367 international talents at a proportion of 9.76% and the execution rate of labor contracts was 100%.

**Pilot**

Realization of flight technology promotion through simulator training; organization of training and test on international work concerning tail-agraphing and radio operation; enhancing the aircraft type theory and assessment.

**Market**

Establishment of a qualification certification mechanism by taking core positions for pilot projects, creation of a business training atmosphere with combination of training and assessment and provision of platforms and opportunities for international development of marketing talents by means of “sending abroad for further studying + internal training”.

**Cabin attendant**

Construction of a modern attendant training base integrating theoretical training, practical training and training logistics service, which was provided within the most complete cabin training simulators of Embraer-series aircraft, ditching training ground and other industry-leading training facilities, equipment and grounds.

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Case

Helping Tianjin Airlines internationalize by cultivating all-side talents

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**KYLE BERGEN LEAHY**

Kyle Bergen Leahy
Showing humanistic care and paying attention to concern and love for employees

In order to further help employees balance their work and life, Tianjin Airlines blended concern and love into each detail, enhanced services for employees and carried out various activities, to continually improve happiness of employees.

Organization of a rich variety of activities

To improve degree of happiness and sense of value of employees, Tianjin Airlines developed and issued Tianjin Airlines’ Implementation Plan for Concern and Love Activities for Employees in Year of 2016 and developed various forms of concern and love activity plans. The Company organized successively retirement activity, visiting employees, welcome party for new employees held by each department, theme activity of “Happy Women” on International Working Women’s Day, “Beauty of Tianjin Airlines” spring photo contest, open-day activity for children of employees on Children’s Day, concern and love activity for employees working in the front line in summer, friendly sports match for new and old employees, the first “Tianjin Airlines Cup” basketball match, expression of gratitude on the Mid-autumn Day, New Year’s Day and Spring Festival and other activities, further improved happiness index of employees of Tianjin Airlines and inspired their passion for work. Besides, many activity groups such as reading club, basketball, football and badminton associations were set up to encourage employees to develop their interests and hobbies.

Constant improvement of equipment and facilities

The headquarters base set up a “home of staff” equipped with gyms, recreation rooms and entertainment bars based on different room divisions and different functional regions, where employees of Tianjin Airlines can do various exercise and fitness, recreation, entertainment and study, and further improve their happiness and satisfaction.

Striving for welfare resources for employees

In the first half year, the Employee Service Center performed the active external connection work to obtain external resources for welfare of company employees and successively contacted with BMW, CMBIC, SPDB, 21cake, WANGZHENG ARTS, SUNAC, Didi Chuxing, Haitao Travel, benlai.com and many external well-known enterprises to provide exclusive welfare for employees of Tianjin Airlines. Besides, the Employee Service Center contacted with Xiaoer Zuche, Fulihiu and other internal enterprises under the Group to supply the special car lease service and seasonable fruit in Hainan for employees, which extremely improved satisfaction and happiness of employees.

More attention to health of employees

The Company gave priority to occupational health and safety of employees, strictly conformed to applicable laws and regulations on working conditions and working hours, organized periodical physical examinations for employees every year, carried out various health activities, developed a record of pilots grounded, paid attention to physical conditions of each pilot together with the Aviation Doctor Room, reasonably arranged days off of employees and established the employee health archives. In 2016, the coverage rate of physical examinations and health archives was 100%.

Assisting employees in coping with difficulties

The Company performed statistics and continuous tracking of difficult situations of employees, delivered the consolation money on holidays and festivals and applied for relief money of HNA Group, condoling 3128 employees in the front line, in the retirement state and with difficulties all the year around.

Group Photo for Concern & Love Activity in Mid-autumn Festival

Condoling Employees Working in Hot Summer

Home of Staff

Charming Tianjin Airlines—Always Waiting for You Going Home

Children’s Day in 2016

First Tianjin-Airlines-Cup Basketball Match
Launching Community Participation by Regarding Benevolence as Virtue

52 Commonweal and charity
54 Community participation
Tianjin Airlines takes root and develops in the community and development in a way how to give back to the society is impetus and source for Tianjin Airlines to continue moving forward.

Commonweal and charity

Tianjin Airlines contributed over RMB 5 million in total to commonweal and charity.

Tianjin Airlines carried out over 30 volunteer activities in 2016.

In 2016, Tianjin Airlines donated 100 passenger tickets, collaborated with more social power, especially power of enterprises and media to settle practical difficulties that poor college entrance examinees encountered, called on more people to pay attention to such education problem by means of "Internet+" and whole-hearted cooperation on the industry chain, thus to make the way to study not difficult any more for poor students.

Since launching in 2014, this project had helped about 300 poor college entrance examinees from Tianjin, Inner Mongolia, Shaanxi and Haikou go to college successfully.

"Tianjin Airlines • Fly the Dream" Education Support Project:

In 2016, to respond the national targeted poverty alleviation policies, help realization of education visions and actions within the region of "the Belt and Road" initiative and solve the education problem of poor students, Tianjin Airlines, in cooperation with Tianjin Charity Association, Tianjin University and Nankai University, made use of its advantage of regional distribution in Xinjiang, Inner Mongolia, Shaanxi and other important provinces and regions on the economic belt in the Silk Road, and Tianjin, Haikou and other important regions in the Maritime Silk Road to deliver the targeted education assistance to poor students.

"Realize Children’s Dreams" Love and Commonweal Project

In 2016, Tianjin Airlines smoothly held the second “Realize Children’s Dreams” commonweal project from September 8th to October 15th, including "See the World from AChild’s Perspective" painting and calligraphy exhibition, dream tutor, online realization of dreams and seven-color class.

This project which cooperated with Teach for China (the largest teaching NGO in China) and lasted for over one month was a “Realize Children’s Dreams” commonweal project that Tianjin Airlines carried out in 2 consecutive years. Since 2015, this project had drawn the wide social attentions and favorable comments.

"Warm Winter Action"

Since launching in 2014, “Warm Winter Action” had been providing free tickets for vulnerable sectors to let them return home for the Spring Festival via chartered airplanes. This commonweal project had been implemented in consecutive 3 years and become a star commonweal brand of Tianjin Airlines with good response in the society. In 2016, Tianjin Airlines, in cooperation with CCTV, Meizu and other charitable enterprises, launched “Winter Action to Help People Return Home”. This action that commenced on December 21, 2016 and lasted to January 9, 2017, helped 305 passengers go home to celebrate the Spring Festival.
Community participation

In 2016, the Youth League Committee of Tianjin Airlines released Tianjin Airlines' Management Regulations on Volunteers to further specify its work concerning volunteers management through grouping management, star-level appraisal and other models and enhance building of the Volunteers Association.

The Volunteer Association organized the company staff to carry out multiple commonweal activities, successively allied with “Pure Commonweal”, “Tianjin e+ Commonweal”, “Teaching for China” and other commonweal organizations to perform “Care for Hotan & Life” old-clothes donation, “Warm Your Heart with Clothes” winter-clothes collection activity, “Commonweal & Care Activity for 100-year-old War Veterans” and “Realize Children’s Dreams” care activity for poor primary schools in mountains and provide voluntary service for people in poverty-stricken areas, war veterans and stay-at-home children.

And Tianjin Airlines also contacted with Tianjin Yanshan Environmental Protection and Technology to complete installation of old-clothes collection boxes in Tianjin Base and YOHO Wan Office Area, making old-clothes donation to be a normal commonweal project.

Moreover, under the guidance of Youth League Committee of Tianjin Municipal Government on “Warm Winter+Love+Home”, Tianjin Airlines with the China National Radio and other commonweal organizations in the society held the commonweal activity of “Winter Action to Help People Return Home”, and appealed to the social power to pay attention to vulnerable sectors’ transportation during the Spring Festival with on-site support and help of Zhao Ruirui, an Olympic star.

The Volunteers Association of Tianjin Airlines was conferred a title of honor of “Excellent Volunteers Team in Tianjin” by the General Office of Central Commission for Guiding Cultural and Ethical Progress of Tianjin Municipal Government. Successful implementation of various commonweal activities increased the social commonweal image of Tianjin Airlines, witnessed performance of its social responsibility and fostered love and sense of responsibility of volunteers.
### Responsibility performance

**Market performance**

<table>
<thead>
<tr>
<th>Unit</th>
<th>Year of 2014</th>
<th>Year of 2015</th>
<th>Year of 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>RMB × 10,000</td>
<td>732,740.68</td>
<td>789,361.06</td>
</tr>
<tr>
<td>Total profit</td>
<td>RMB × 10,000</td>
<td>15,158.19</td>
<td>59,521.40</td>
</tr>
<tr>
<td>Passenger volume</td>
<td>Person-time</td>
<td>994000</td>
<td>11180000</td>
</tr>
<tr>
<td>Cargo and mail volume*</td>
<td>Ton</td>
<td>31700</td>
<td>30500</td>
</tr>
<tr>
<td>Number of airplanes operated*</td>
<td>EA</td>
<td>87</td>
<td>89</td>
</tr>
<tr>
<td>Domestic route</td>
<td></td>
<td>239</td>
<td>216</td>
</tr>
<tr>
<td>International route (including those from and to Hong Kong, Macau and Taiwan)</td>
<td></td>
<td>12</td>
<td>16</td>
</tr>
<tr>
<td>Flight punctuality rate</td>
<td>%</td>
<td>72.85</td>
<td>76.01</td>
</tr>
<tr>
<td>Passenger satisfaction</td>
<td>%</td>
<td>88.8</td>
<td>88.0</td>
</tr>
</tbody>
</table>

**Social performance**

<table>
<thead>
<tr>
<th>Unit</th>
<th>Year of 2014</th>
<th>Year of 2015</th>
<th>Year of 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of staff</td>
<td>Person</td>
<td>5,178</td>
<td>5,137</td>
</tr>
<tr>
<td>Proportion of female managers</td>
<td>%</td>
<td>18</td>
<td>24</td>
</tr>
<tr>
<td>Execution rate of labor contracts</td>
<td>%</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Coverage rate of social insurance</td>
<td>%</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Rate of employees joining in the Labor Union</td>
<td>%</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Coverage rate of physical examinations and health archives</td>
<td>%</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Investment for employee training</td>
<td>RMB × 10,000</td>
<td>11,264.79</td>
<td>11,082.73</td>
</tr>
<tr>
<td>Training time per capita</td>
<td>Hour</td>
<td>1.03</td>
<td>2.64</td>
</tr>
<tr>
<td>Number of training times</td>
<td>Time</td>
<td>445</td>
<td>1,376</td>
</tr>
<tr>
<td>Number of trainees</td>
<td>Person-time</td>
<td>7,914</td>
<td>23,346</td>
</tr>
<tr>
<td>Accumulative contributions for commonweal and charity</td>
<td>RMB × 10,000</td>
<td>300</td>
<td>420</td>
</tr>
<tr>
<td>Consecutive safe flight time all year around</td>
<td>Hour</td>
<td>210000</td>
<td>210000</td>
</tr>
</tbody>
</table>

**Environmental performance**

<table>
<thead>
<tr>
<th>Unit</th>
<th>Year of 2014</th>
<th>Year of 2015</th>
<th>Year of 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emission of greenhouse gases per RPK</td>
<td>Ton</td>
<td>0.80127</td>
<td>0.00116</td>
</tr>
<tr>
<td>Fuel consumption per RPK</td>
<td>Kilogram</td>
<td>0.40</td>
<td>0.37</td>
</tr>
<tr>
<td>Emission of greenhouse gases per output value of RMB10,000*</td>
<td>Ton</td>
<td>1.77</td>
<td>1.72</td>
</tr>
<tr>
<td>Usage of aviation kerosene*</td>
<td>Ton</td>
<td>408800</td>
<td>428100</td>
</tr>
<tr>
<td>Gasoline consumption</td>
<td>Ton</td>
<td>99</td>
<td>100</td>
</tr>
<tr>
<td>Electricity consumption</td>
<td>Kwhs</td>
<td>3940000</td>
<td>4890000</td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>Ton standard coal</td>
<td>662700</td>
<td>631400</td>
</tr>
</tbody>
</table>

* Based on the principle of round-off, the figures were accurate to two decimal places, which increased the accuracy of the data.
* The change of fleet scale was mainly structural adjustment of aircraft types and the Company gradually stopped operating E 145, transferred E190 and introduced A320 and A330 airliners.
* The main cause for increase of energy consumption of the Company was fleet structure optimization. The Company introduced A320 airliners and A330 large wide-body aircraft to gradually substitute aircraft types in partial branch lines, with decrease of unit energy consumption and increase of total energy consumption.
* Data of greenhouse gas emission per output value of RMB 10,000 is from the carbon verification report disclosed by Tianjin Airlines in 2016, see details in Greenhouse Gas Emissions Reporting of Tianjin Airlines Co., Ltd.
Dear readers:
Thank you for reading 2016 Tianjin Airlines Social Responsibility Report. To provide you and your stakeholders with valuable information better, improve and supervise the social responsibility work of Tianjin Airlines, further promote the ability and level for performance of social responsibility and strengthen communication with all sectors of society, we sincerely hope you to take the time out of your busy schedule to propose your precious suggestions and opinions on our work and report, complete and send this feedback form to us in any way below.

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1. Your overall evaluation on 2016 Tianjin Airlines Social Responsibility Report:
   □ Good  □ Ordinary  □ To be improved

2. How do you think of Tianjin Airlines’ performance regarding safety responsibility?
   □ Good  □ Ordinary  □ To be improved  □ Unknown

3. How do you think of Tianjin Airlines’ performance regarding shareholders?
   □ Good  □ Ordinary  □ To be improved  □ Unknown

4. How do you think of Tianjin Airlines’ performance regarding customer service?
   □ Good  □ Ordinary  □ To be improved  □ Unknown

5. How do you think of Tianjin Airlines’ performance regarding employee development?
   □ Good  □ Ordinary  □ To be improved  □ Unknown

6. How do you think of Tianjin Airlines’ performance regarding contributions to the society?
   □ Good  □ Ordinary  □ To be improved  □ Unknown

7. How do you think of Tianjin Airlines’ performance regarding environment responsibility?
   □ Good  □ Ordinary  □ To be improved  □ Unknown

8. Do you have any other opinions on the social responsibility work of Tianjin Airlines?