Citizens of the World 2017

Corporate Sustainability Summary

Letter from the President and CEO
Calin Rovinescu

As a global airline bringing people together and carrying them afar, we are reminded daily of how connected we all are and of our shared aspirations for our personal well-being and that of our communities.

This also creates obligations to one another to be mindful of the impacts of our actions and Air Canada therefore devotes considerable resources to conducting its business responsibly and sustainably. Part of this entails being accountable, which is why we are pleased to present this 2017 summary of sustainability activities.

As in previous years, our reporting revolves around four pillars – safety, environment, employees and communities – based on principles developed by the Global Reporting Initiative (GRI). It also includes an accounting of how we performed on the goals we set for ourselves for the year. A full GRI index of key 2017 performance indicators is available at aircanada.com/citizensoftheworld2017.

We are proud of our sustainability efforts, and the fact Air Canada celebrated its 80th anniversary in 2017 is proof of the success of these efforts.

Safety
Successfully completed a Transport Canada SMS (Safety Management System) Assessment.
Reduced Lost Time Injuries by 1% in 2017 over 2016, but did not achieve its 3% reduction target during the year due in part to frequency growth.
Successfully completed an Operational Safety Audit.
Successfully managed safety risk and hazards associated with the introduction of new routes.

Environment
Further modernized the fleet with the addition of fuel-efficient Boeing 737 MAX and Boeing 787 aircraft.
Air Canada contributed to the Civil Aviation Alternate Fuel Contraal and Emissions Research project, flying five commercial flights on a biofuel blend to enable the collection of emission data.
In 2017, Air Canada made significant progress through communication, audits, and the Toronto domestic onboard recycling project.
Conducted waste audits of the Calgary and Toronto Maple Leaf Lounges to establish a baseline to help reach the 2020 waste diversion target for lounges.
Continued to improve the collection and recycling process for the Onboard Recycling Program for domestic flights to help reach the 2020 onboard recycling target.

Employees
Launched ‘Upgrade to a Better You’, a platform that provides employees with tools and resources to help them improve their overall health/wellness, finances and mental health and earn rewards for participation.
Expanded CSRconnect workshops for middle and senior airport management to target leadership, self-awareness, brand and customer perceptions and to promote healthier labour relations.
Provided Toronto airport employees training in the form of a new, self-paced digital experience in a learning café in the workplace.

Communities
In 2017, the Air Canada Foundation supported 25 charities offering access to summer camps for children with special needs compared to 18 in 2016, an increase of 38% (exceeding the 20% goal).
The Air Canada Foundation achieved its target to increase cash donation to Dreams Take Flight by 50%. In 2017, it donated $200,000 to Dreams Take Flight, compared to $50,000 in 2016, an increase of 300%.
A new Wings of Courage program was established at the Shriners Hospitals for Children – Canada in Montréal. The program was inaugurated in September 2017.
Air Canada Rouge® employees came together to make a home cooked meal for 81 families at the Ronald McDonald House in Toronto.

Spotlight on some of our achievements
• 2017 Skysr World Airline Awards for: Best Airline in North America, Best Business Class in North America and Best Airline Cabin Cleanliness in North America
• Long-Haul Airline in the Americas – AirlineRatings.com
• Air Canada Rouge® Best New Long-Haul Airline – BUD Annual Awards Gala
• Winner of Airline Strategy Awards (Finance Category) – Flightline Business
• Michael Rousseau – Canada CFO of the Year
• One of Canada’s Top 100 Employers
• One of 50 Most Engaged Workplaces in North America – Achievers
• Second most attractive company brand to work for in Canada – Randstad Employer Brand Research
• Top Employer for Canadians Over 40
• One of Canada’s Best Diversity Employers
• Best Airline Traditional Service and Best Airline Executive Service – 2017 Baxter Travel Media Agents’ Choice Awards
• FSI Best Corporate Sustainability Report – Transportation (for Citizens of the World 2016)