

**COMMITMENTS BY SINGAPORE AIRLINES
LIMITED AND ALL NIPPON AIRWAYS CO.,
LTD. TO THE COMPETITION AND CONSUMER
COMMISSION OF SINGAPORE**

COMMITMENTS TO THE COMPETITION AND CONSUMER COMMISSION OF SINGAPORE**SINGAPORE AIRLINES LIMITED AND ALL NIPPON AIRWAYS CO., LTD.****1. INTRODUCTION**

- 1.1 Singapore Airlines Limited (“**SIA**”) and All Nippon Airways Co., Ltd. (“**ANA**”) (collectively the “**Parties**”) propose to make voluntary commitments to the Competition and Consumer Commission of Singapore (“**CCCS**”), in the context of the CCCS’s assessment of the proposed commercial cooperation between the Parties (the “**Proposed JV**”) in accordance with the Parties’ revised Form 1 notification (the “**Notification**”) to the CCCS, submitted under section 44 of the Competition Act 2004 (the “**Act**”) and accepted on 24 July 2023.
- 1.2 The voluntary commitments are made in the interests of assuring the CCCS that either the Proposed JV, if carried into effect, will not infringe section 34 of the Act, or that the Proposed JV is excluded from consideration under section 34 of the Act by reason of it being an agreement with net economic benefit (and meeting the requisite requirements set out in paragraph 9 of the Third Schedule to the Act).
- 1.3 The specified commitments relate specifically to the non-stop (i.e., direct) services operated by the Parties between Singapore (“**SIN**”) and Tokyo (“**TYO**”) via SIN-Haneda (“**HND**”) and SIN-Narita (“**NRT**”). References below to “SIN-TYO vv” refer to return services. The commitments will commence on the date on which a positive decision is received by the Parties from the CCCS in respect of the Notification (the “**Effective Date**”).
- 1.4 The Parties will appoint, at their own cost, an independent auditor (“**Independent Auditor**”) to monitor compliance with the voluntary commitments, and to report to the CCCS on an annual basis (“**Report**”). The appointment of the Independent Auditor within three (3) calendar months from the Effective Date (and the terms and conditions of that appointment) will be subject to the approval of CCCS.
- 1.5 The Parties hereby propose to commit, as set out in sections 2 and 4 and subject to the terms of section 3, to maintain capacity levels on the SIN-TYO vv route and to develop and submit a business plan to CCCS.

2. COMMITMENTS

- 2.1 Subject to section 3, the Parties hereby make the following commitments.

To maintain capacity levels on the SIN-TYO vv route

- 2.2 The Parties commit to maintain weekly capacity levels on SIN-TYO vv route.¹ Specifically, the Parties commit to maintain weekly capacities of at least [CONFIDENTIAL] seats² (on an aggregated basis between the Parties) during the IATA Northern Winter (“NW”) and IATA Northern Summer (“NS”) season on the SIN-TYO vv route; and
- 2.3 Without limitation to section 3 below, the commitments specified in paragraph 2.2 above would be deemed fulfilled where the committed capacity levels in paragraph 2.2 are achieved in [CONFIDENTIAL] (i.e. up to a maximum of [CONFIDENTIAL] of non-fulfilment) during each calendar year.³

3. COMMENCEMENT, SUSPENSION AND RELEASE OF THE COMMITMENTSCommencement of the commitments

- 3.1 The commitments will commence on the Effective Date.
- 3.2 The commitments will continue to apply in respect of any prolongation or renewal of the Proposed JV.

Suspension of the commitments

- 3.3 The voluntary commitments, outlined in section 2 of this document, would be temporarily suspended for the period where any of the following circumstances arise, which are outside the control of the Parties:
- (a) force majeure which directly or indirectly affect the SIN-TYO vv services for air passenger transport, including but not limited to:
- (i) natural disasters;
 - (ii) war;
 - (iii) strikes (including airport or transport worker strikes etc);
 - (iv) terrorist attacks;
 - (v) disease outbreak;

¹ ANA operates 14 weekly services (SIN-HND: NH842/NH844 and HND-SIN: NH841/NH843) on the SIN-HND vv route and 7 weekly services (NH801/NH802) on the SIN-NRT vv route. SIA operates 14 weekly services on the SIN-NRT vv route, (SIN-NRT: SQ638/SQ12 and NRT-SIN: SQ637/SQ11), where 7 of these 14 weekly services (SQ11/SQ12) continue from NRT to Los Angeles (“LAX”). SIA also operates 21 weekly services on SIN-HND vv (SIN-HND: SQ632/SQ634/SQ636 and HND-SIN: SQ631/SQ633/SQ635) that terminate at HND. The capacity of SIA in respect of the linked services (SQ11/12) has been calculated at 50% of the total capacity of the linked flight.

² The [CONFIDENTIAL] seats comprise: [CONFIDENTIAL] seats flown by ANA, and [CONFIDENTIAL] seats flown by SIA.

³ For the avoidance of doubt, the determination of the time period of fulfilment of the committed capacity will take into account leap years, where the additional day will also be included in the relevant IATA season (i.e., IATA Northern Winter)

- (vi) airspace closures;
 - (vii) airport closures (either or both runway and/or terminal closed, including situations where take offs and landings cannot be technically carried out at the airport);
 - (viii) adverse weather conditions;
 - (ix) non-availability of insurance; or
 - (x) any other safety or security related developments which require cancellation of flights, or variations to flight schedules.
- (b) Aircraft or engine maintenance requirements with regard to a specific aircraft as determined by either of the Parties, or technical problems associated with a specific type of aircraft or engine necessitating maintenance or repair as determined by the manufacturer and/or aviation authorities. For the avoidance of doubt, such requirements may arise in respect of aircraft deployed directly by the Parties on the SIN-TYO vv route for air passenger transport, or may arise in respect of other aircraft in the fleet of either of the Parties (where such maintenance requirements indirectly affect the deployment, operation or sustainability of services, and or capacity, on the SIN-TYO vv route for air passenger transport). Where aircraft maintenance (affecting compliance with the commitments in section 2) is conducted by either of the Parties, a brief summary of such maintenance shall be provided to CCCS in the Report.
- (c) Delays in deliveries of aircraft, which directly impact the ability of the respective airlines to implement the committed capacity levels within section 2.
- (d) Worldwide, regional, or local grounding of any aircraft category, class, model or variant, arising from circumstances outside the control of the Parties, (and which has an impact on the network of the Parties that could materially affect their ability to achieve the voluntary commitments).
- (e) Need for return of slots / traffic rights to aviation regulators which could have a direct or indirect impact on the commitments, including but not limited to seat capacity.
- (f) Any development that could potentially have an adverse financial impact on either airline, requiring a cancellation or variation of services to ensure the continued financial viability of either airline.
- (g) Any development that, in the assessment of either of the Parties, could result in an operational loss (i.e., the [CONFIDENTIAL]) for three consecutive months in a quarter, on the SIN-TYO vv route.
- (h) Aircraft change made within 48 hours before departure due to operational reasons beyond the Parties' control, which would affect the operation of the SIN-TYO vv route.

- 3.4 In the circumstances set out above in paragraph 3.3(a) to 3.3(h), the Parties retain the right to effect any required changes immediately as determined by either of the Parties, and to notify the CCCS as soon as reasonably practicable.
- 3.5 In respect of notifications made to CCCS in accordance with paragraph 3.4 above, the Parties will seek the retroactive approval of CCCS for the variation from the committed capacity levels in section 2. In doing so, the Parties will inform CCCS of the background and impact of these circumstances and provide CCCS with information (within the possession or custody or control of the Parties), that would support the stated impact (or aid in CCCS's assessment of such).
- 3.6 Other than in situations covered in paragraph 3.3, where there are any developments or circumstances outside the control of the Parties that would materially affect the ability of the Parties to satisfy the commitments in section 2 and/or the commitments in sections 4 and 5 (collectively, the "**Relevant Commitments**") in any relevant Report Year (the "**New Circumstances**"), including, but not limited to, operational issues such as engine failure, bird strike, or partial damage of aircraft due to collision, in the Parties' view:
- (a) The Parties will notify CCCS within [**CONFIDENTIAL**], or any other period as agreed upon with CCCS, following the Parties becoming aware that the New Circumstances would result in the Parties not meeting (or being unlikely to meet) the Relevant Commitments.
 - (b) The Parties will notify CCCS within [**CONFIDENTIAL**] of the commencement of the variation to committed capacity levels, where variations to capacity are not restored to committed levels within 14 days of the commencement of the variation.
 - (c) When notifying CCCS in accordance with paragraph 3.6(a), the Parties will inform CCCS of the background and impact of the New Circumstances and provide CCCS with information (within the possession or custody or control of the Parties), that would support the stated impact (or aid in CCCS's assessment of such).
 - (d) The Parties may propose and discuss with CCCS, in good faith, the possible variation, substitution or release of the Relevant Commitments, for the period in which the Parties are unlikely to meet the Relevant Commitments as a result of the New Circumstances.
 - (e) Where the New Circumstances result in the Parties not satisfying the Relevant Commitments, and the Parties have not gone through the process set out in paragraphs 3.6(a) to 3.6(c), the Parties acknowledge that CCCS may make a determination that the Relevant Commitments has been breached, and take such action as CCCS deems necessary in accordance with the Act.
- 3.7 Other than in situations covered in paragraphs 3.3, 3.4 and 3.6, the Parties will notify the CCCS as soon as reasonably practicable after becoming aware that they have not met (or are unlikely to meet) the Relevant Commitments. In doing so, the Parties will inform CCCS of the background and impact of these circumstances and provide

CCCS with information (within the possession or custody or control of the Parties), that would support the stated impact (or aid in CCCS's assessment of such).

Full release or substitution or variation of the Relevant Commitments

- 3.8 The Parties will notify the CCCS should the Proposed JV be terminated for any reason, at any time and the Relevant Commitments will be released with immediate effect.
- 3.9 Without prejudice to paragraph 3.8, where either of the Parties consider that there has been, or is likely to be, a material change in market conditions or operating circumstances or competitive conditions in respect of the SIN-TYO vv route, arising from any circumstance or development directly or indirectly connected to the route and not contemplated in paragraphs 3.1 to 3.7 above, the Parties may make an application to the CCCS (supported by reasons) for any commitment specified within the Relevant Commitments to be varied, substituted or released. Material changes would include, but are not limited to, long-term material changes to the Parties' operational fleets, such as the retirement of certain aircraft types, configuration change of certain aircraft type and long-term changes in the competitive environments or overall network planning considerations.
- 3.10 In respect of any application made by either Party under paragraph 3.9 any variation, substitution or release of any Relevant Commitment would be subject to the express approval of the CCCS.
- 3.11 Without limitation to paragraph 3.9, after a period of five (5) years from the date of the commencement of the Relevant Commitments in accordance with paragraph 3.1, the Parties may make an application to the CCCS, supported by reasons, for any or all of the commitments in paragraphs 2.2 to 2.3 to be varied, substituted or released. Any subsequent, variation, substitution or release of the commitments in accordance with the application of the Parties would be subject to the express approval of the CCCS.

Inability to meet the Relevant Commitments within sections 2, 4 and 5

- 3.12 Where the Parties have not met, or are of the view that they are unlikely to be able to meet the Relevant Commitments specified within sections 2, 4 and 5 in any relevant calendar year:
- (a) the Parties will notify the CCCS as soon as reasonably practicable following the Parties becoming aware that they have not met (or are unlikely to meet) the Relevant Commitments;
 - (b) when notifying the CCCS in accordance with paragraph 3.12(a), the Parties will inform the CCCS of the reasons why the Relevant Commitments have not been met, and provide the CCCS with information (within the possession or custody or control of the Parties) that would support the stated reasons (or aid in the CCCS's assessment of such);
 - (c) where the Parties have not met the Relevant Commitments, the Parties may discuss with the CCCS, in good faith, the possible release of the Relevant

Commitments for the period in which the Parties did not meet the Relevant Commitments;

- (d) where the Parties are unlikely to meet the Relevant Commitments, the Parties may discuss with the CCCS, in good faith, a possible variation, substitution or release of the Relevant Commitments, for the period in which the Parties are unlikely to meet the Relevant Commitments;
- (e) where the CCCS is satisfied that the Relevant Commitments have not been met (or is unlikely to be met) due to a circumstance or development outside the control of Parties, the Parties acknowledge that the CCCS may accept a proposed variation, substitution or release of the Relevant Commitments;
- (f) where the CCCS is not satisfied that the failure to meet the Relevant Commitments is due to a circumstance or development outside the control of Parties, the Parties acknowledge that the CCCS may make a determination that the Relevant Commitments has been breached, and take such action as the CCCS deems necessary in accordance with the Act; and
- (g) where the CCCS has accepted a variation, substitution or release of a Relevant Commitment, unless specified otherwise by the CCCS at the point at which it makes such a determination known to the Parties, the varied, substituted or released commitment shall apply to the period for which the Parties have not met or are unlikely to meet the Relevant Commitments.

4. CAPACITY GROWTH COMMITMENTS ON SIN-TYO vv

- 4.1 The Parties commit to develop and subsequently submit a business plan detailing the growth figures they have assessed they can feasibly achieve to CCCS on SIN-TYO vv upon conjunctively hitting the following potential trigger factors ("**Trigger Events**"):
 - 4.1.1 achievement of [CONFIDENTIAL] passenger load factor on a 12-month rolling aggregated basis on a quarterly basis on the SIN-TYO vv route following the commitments taking effect ("**PLF Trigger**"); and
 - 4.1.2 the achievement of (RASK-CASK)/RASK margin on a 12-month rolling aggregated basis between the Parties of [CONFIDENTIAL] on a quarterly basis (as per period identified in 4.1.1) following the commitments taking effect ("**RCM Trigger**").
- 4.2 The Parties shall monitor and notify the CCCS within five (5) Working Days following the Parties becoming aware that the Trigger Events have been conjunctively met.
- 4.3 The business plan must be submitted to the CCCS within forty-five (45) working days of the Trigger Events being conjunctively met, or within a period otherwise agreed with CCCS.
- 4.4 The Parties will commit to the capacity growth on SIN-TYO vv as set out in the business plan, subject to any further modifications that will be mutually agreed with CCCS. The capacity commitments set out in the business plan, if deemed acceptable

to the CCCS, would take effect in the next corresponding IATA season unless agreed otherwise with CCCS.

- 4.5 Without limitation to section 3 above, upon the submitted business plan being deemed by the CCCS being acceptable, the Parties will be released from the commitments set out in clauses 4.1 to 4.3, and the committed capacity levels within paragraph 2.2 would be varied accordingly in accordance with the approved business plan.

5. INDEPENDENT AUDITOR AND ANNUAL AUDIT REPORTS

- 5.1 The Parties will appoint, at their own cost, an Independent Auditor (within three (3) months of the Effective Date, and if there are conditions, such conditions being acceptable to the Parties), whose appointment (and the terms and conditions of that appointment) will be subject to the approval of the CCCS.
- 5.2 The Independent Auditor will provide to the CCCS, on a yearly basis for each calendar year⁴, a report which monitors compliance of the Parties (over the preceding calendar year) with the commitments outlined in section 2.
- 5.3 Specifically, the Report will specify:
- (a) the aggregate capacity provided by the Parties on the SIN-TYO vv route;
 - (b) whether the committed capacity levels in paragraph 2.2 have been operated on a [CONFIDENTIAL] basis;
 - (c) the weeks of non-fulfilment of the committed capacity levels in paragraph 2.3;
 - (d) whether the non-fulfilment of the committed capacity levels in paragraph 2.2 arises as a result of the circumstances listed in paragraph 3.3, or any other circumstances; and
 - (e) where relevant and if required, reasons for any variations from the committed capacity levels provided in paragraph 2.2 above.
- 5.4 The Report will also specify, for information purposes only and unconnected to the consideration of the achievement of the committed capacity levels:
- (a) the individual capacity levels operated by the Parties' low cost carriers on the SIN-TYO vv route; and
 - (b) the schedules of the flights operated by the LCCs on the SIN-TYO vv route.

⁴ Within three months following the completion of the calendar year to which each Report relates.

In witness whereof these Commitments has been entered into on 14 March 2025.



SIGNED by Sheldon Hee

Vice President, Partnerships and International Relations

for and on behalf of

SINGAPORE AIRLINES LIMITED

In witness whereof these Commitments has been entered into on 14 March 2025.

N. W. Dajany

SIGNED by Naheel Dajany

Executive Vice President, Alliance & International Affairs

for and on behalf of

ALL NIPPON AIRWAYS CO., LTD.