



MEDIA RELEASE

SATS UNVEILS NEW TECHNOLOGY INNOVATION CENTRE TO ENHANCE SERVICES AND IMPROVE PRODUCTIVITY

The new innovation centre is committed to people-led technological innovations

Singapore, 24 May 2017 – SATS Ltd. (SATS), Asia’s leading provider of Food Solutions and Gateway Services, today unveiled its Technology Innovation Centre, TechnIC@SATS, at a ceremony officiated by Minister for Education (Schools) and Second Minister for Transport, Mr Ng Chee Meng. TechnIC@SATS is supported and co-funded by the Civil Aviation Authority of Singapore (CAAS) and Singapore Economic Development Board (EDB). Together, the three organisations have committed \$110 million to the Centre.

Welcoming partners like SATS in joining hands with the Government to transform Singapore’s aviation industry, Mr Ng said, “We just launched the Air Transport Industry Transformation Map last month to guide the sector’s transformation efforts and bring about more opportunities and better jobs for the sector, and we are delighted that SATS is one of the firsts to respond to the challenge with its TechnIC@SATS. Through this initiative, we can leverage technology to automate manpower intensive processes, thus raising Changi’s productivity and efficiency, as well as transforming manual jobs into high quality ones. We hope to see more partnerships and new ideas being developed, so as to further enhance Changi’s competitiveness through innovation and productivity.”

TechnIC@SATS provides technological solutions to business units within SATS to develop new capabilities and increase productivity. Since 2014, SATS has deployed robotics and automation such as the Flexible Assembly Line, Automated Guided Vehicles (AGV) and Automated Cutlery Sorter in its Food Solutions operations. Today, SATS showcases the new technologies that are being trialled in other areas of its operations. Some of these include *Smart Wheelchair System*, a convoy of wheelchairs using vision-based technology that allows one staff to handle 3 wheelchairs at the same time; *Dolly*, an AGV that uses Follow-Me technology to enable one staff to transport more than one food trolley per trip, *Roboto*, a robotic chef that could prepare laksa, the local favourite, for passengers at the SATS Premier



Lounges at Changi Airport in future. (Please refer to attached Fact Sheet for the list of exhibits).

Pauline Tan, Senior Vice President, Technology at SATS said, "SATS is Technology-driven but People-led. Innovations do not come out of an incubator. Our employees in the various business units are encouraged to come up with ideas on how we could use technology to improve productivity or enhance our services. For example, the *Smart Wheelchair System* was an initiative from SATS Passenger Services. The technology team works with the on-ground staff to build the solution and enable the initiative to be implemented. For this reason, TechnIC@SATS does not have a physical location. It is on the tarmac and in the corridors of the airport terminals. We work collaboratively with our business units to build and implement the solutions."

This strategy of People-led technological innovations has paid off for SATS. The company harnessed technology to achieve a 310 basis point expansion in operating margin and 7.7% increase in Value Added per Employment Cost over the last 3 years. It has also enabled SATS to develop a slew of innovative products and services to help its customers remain competitive. SATS recently unveiled the SATS eCommerce Airhub and became the world's first ground handler to receive EU approval to provide multi-modal transshipment service for meat from New Zealand to the EU via SATS Coolport.

"Constant innovation and productivity gains are crucial in today's competitive marketplace. By harnessing the power of information and technology, we can provide more dynamic, agile services that make travel more seamless for passengers and enhances connectivity, eCommerce shipments as well as improve quality and cost of our food. Investments in technology also give us better operating leverage as we scale our business. As the volume of business increases, we can increase productivity with the current workforce to meet growing demand," said Alex Hungate, SATS President and Chief Executive Officer. "With automation like *Dolly*, our employees do not have to strain themselves to push food trolleys that weigh 150 kg to 200 kg from the kitchens to the lounges across more than 200 metres of carpeted floor."



Kevin Shum, Director-General of CAAS, commending SATS on the new Centre, said, “Creating new value is critical to ensuring that Changi Airport and our aviation hub remain as one of the best in the world. We are excited to partner and support SATS as they emphasise innovation and productivity through TechnIC@SATS. We look forward to working together with SATS and the aviation community to seed new initiatives and transform Singapore Aviation.”

Enabling People-led Innovations

The technology team at SATS works collaboratively with the various business units on their transformation initiatives to enable greater efficiency, smart planning as well as reimagine job roles to enhance job attractiveness. SATS Technology Innovation Centre was rebranded TechnIC@SATS early this year to reflect its innovation role within the organisation better.

“TechnIC@SATS focuses on three broad categories of technologies to improve productivity and service - Digital Business, Robotics and Internet of things (IoT),” explained Pauline. “By tapping into data and technology, we can make better business decisions by visualising our operational and transactional data, allowing real-time dissemination of information and communication to make our services more dynamic.”

Congratulating SATS on the launch of TechnIC@SATS, EDB Managing Director Yeoh Keat Chuan noted, “SATS is a great example of how Singapore-based enterprises continue to innovate to strengthen their competitive position. Through supporting centres of innovation such as TechnIC@SATS, EDB is happy to partner companies in Singapore on their growth and transformation journeys to become globally competitive industry leaders.”

SATS has been recognised with a CIO 100 Awards from IDG's CIO. This is a prestigious award that honours the top 100 organisations around the world that use Information Technology innovatively to create and deliver business value. SATS is honoured to be one of top 100 companies around the world to receive this award in 2017.

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About SATS Ltd.

SATS is Asia's leading provider of Gateway Services and Food Solutions.

Our comprehensive gateway services encompass airfreight handling, passenger services, ramp handling, baggage handling, aviation security services, aircraft interior and exterior cleaning as well as cruise centre management. Our food solutions include airline catering, institutional and remote catering, aviation laundry as well as food distribution and logistics. SATS is present at 53 cities, 47 airports and 14 countries across Asia and the Middle East. SATS has been listed on the Singapore Exchange since May 2000. For more information, please visit www.sats.com.sg.

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