



SATS LTD. Sustainability Report 2020-21

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PCEO & Board Statement

Our Sustainability Framework

Feed & Connect Communities

Develop Smart Infrastructure

Reduce Food & Packaging Waste **Nurture Skills** for the Future

Renewed Vigour

COVID-19 has presented challenges, but it has also given SATS the opportunity to accelerate its transformation. Faced with the circumstances, the company has adapted and redesigned its systems and processes to become more sustainable for its stakeholders, financially and operationally. It may take some years for there to be any post-pandemic normalcy, but SATS has germinated the seeds to achieve sustained productivity gains and resilience. As these initiatives take root, they will reinvigorate the business of SATS.



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Our purpose and mission are linked to the long-term interests of our customers, our communities and our people because we believe that this will, in turn, ensure the long-term success of SATS.

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Read PCEO Statement



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PCEO Statement

Dear Shareholders,

Sustainability sits at the heart of our business strategy. Our purpose and mission are linked to the longterm interests of our customers, our communities and our people because we believe that this will, in turn, ensure the long-term success of SATS. Our sustainability framework focuses on three key themes – developing smart infrastructure, reducing food and packaging waste, and nurturing skills for the future.

Developing Smart Infrastructure

Our digital transformation is a multi-year journey, involving cultural change, the buildout of technological capabilities and process changes in parallel. For example, SATS' eAcceptance facility, which we implemented some years ago to achieve a paperless hub, enabled freight forwarders in Singapore to lodge cargo using digitalised processes during the lockdown when movements were restricted. Our pharma handling facilities in Bangalore, Beijing and Singapore facilitated the storage and transport of vaccines safely and swiftly.

We are actively leveraging our capabilities and investments in automation and digitalisation to help in community relief efforts across our network. For example, the automated rice line in SATS Inflight Catering Centre 2 in Singapore gave SATS the capacity to feed workers in essential services, while our digital integrated supply chain kept the supply chain in motion when sources of supply were disrupted by the pandemic. The airport pass retrieval lockers controlled by face-recognition technology installed by SATS' associate Beijing Aviation Ground Services have enabled airport operations to continue uninterrupted during the pandemic in China.

Reducing Food and Packaging Waste

SATS has been working with our customers and suppliers to find ways to reduce food and packaging waste. Our subsidiary in the UK, Monty's Bakehouse, is a market leader in developing products with sustainable packaging, having developed a range of biodegradable packaging for handheld snacks. They are now raising the bar further by developing substrates that can be broken down to provide a closed-loop solution to reduce packaging waste. In partnership with Singapore Airlines, we have developed environmentally friendly food packaging made from natural materials that biodigesters at SATS can break down to reduce waste by as much as 60%.

SATS is taking steps to help reduce global food waste by working with our customers and suppliers to use more plant-based proteins. Plantbased proteins enable specific cuts of proteins, e.g. beef tenderloin, to be produced in large quantities without creating an equal amount of waste in other cuts of proteins. Using plant-based proteins will also reduce carbon emissions.

Nurturing Skills for the Future



Investing in our people has strengthened our collective resilience and agility. Over the past year, SATS undertook the most extensive redeployment and reskilling of people in its history. SATS Academy trained 11,154 aviation workers under the SkillsFutureSG Enhanced Training Support Package (ETSP), and 4,000 SATS employees were reskilled, multiskilled and redeployed under Workforce Singapore's Place and Train and Professional Conversion Programmes. Our employees across all age groups switched to using a digital platform for e-learning when restrictions were placed on in-person interactions. LinkedIn Learning commended SATS for achieving higher user completion rates against global benchmarks.

Commitment to Climate Action

Operating in an environment where extreme weather can have a direct impact on our business, SATS is firmly committed to addressing issues related to climate change. We followed the Taskforce on Climaterelated Financial Disclosures' process to develop climate scenarios to better understand the company's exposure to the risks and opportunities of climate change, and incorporated mitigating actions to build climate resilience into our business. This year, SATS has also included carbon intensity reduction as part of management performance targets which are linked to remuneration.

Overall, it has been a challenging year, but the pandemic has given us a renewed sense of the importance of our purpose to feed and connect communities. We will pursue our mission with renewed vigour to create a greater impact and build a resilient, progressive company for all stakeholders.

Alex Hungate

President & Chief Executive Officer

1 June 2021

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Board of Directors

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Board Statement

The Board believes that the business strategy of SATS must be sustainable in order to safeguard the long-term success of the company and its shareholders. As it oversees the development of the company's purpose, vision and mission, it makes certain that sustainability goals are integrated into all programmes and business imperatives.

While the Board sets the risk appetite for SATS to pursue its purpose to feed and connect communities, management provides stewardship on sustainability implementation and ensures that business strategy aligns with the company's sustainability goals. To provide a dedicated focus on sustainability, the Chief Sustainability Officer has formed a Sustainability council comprising representatives from relevant parts of the SATS group.

SATS maps material topics to the United Nations' Sustainable Development Goals and reports sustainability performance in line with the SGX Sustainability Reporting Guide, with reference to the core option of the Global Reporting Initiative (GRI) framework. Recognising the inter relationship between its business activities and climate change, SATS is providing greater disclosure in line with the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD). The TCFD framework will provide additional guidance on how SATS manages climate risks and opportunities through the lenses of governance, strategy, risk management as well as metrics and targets. The achievement of our sustainability goals and those of our stakeholders will help build a resilient and progressive company that we can all be proud of.

Euleen Goh Chairman

1 June 2021



Euleen Goh Chairman Non-Executive and Independent Director



Alex Hungate Executive Director President and Chief Executive Officer



Chia Kim Huat Non-Executive and Independent Director



Michael Kok Non-Executive and Independent Director





Jessica Tan Non-Executive and Independent Director



Tan Soo Nan Non-Executive and Independent Director

click here to view all profiles





Achal Agarwal Non-Executive and Independent Director



Vinita Bali Non-Executive and Independent Director



Jenny Lee Non-Executive and Independent Director



Deborah Ong Non-Executive and Independent Director



Yap Chee Meng Non-Executive and Independent Director



Yap Kim Wah Non-Executive and Independent Director

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SATS New Sustainability Framework

This year, we refreshed our sustainability framework to better support our core purpose to feed and connect communities. This refreshed sustainability framework will also outline how our response to global sustainability challenges will drive the future success of SATS as a business.

At SATS, we adopt a technology-driven, peopleled approach to deliver long-term value for our stakeholders. We develop innovative solutions to improve our services and find more sustainable ways to perform our business activities without depleting scarce resources.

To grow with purpose towards a more sustainable future, we have updated our 2030 goals within a new framework that drives three core themes. In line with Industry 4.0 and related strategies to enable industrial transformation, the three themes of our new sustainability framework build upon our core competencies to:

- (i) Develop smart infrastructure to reduce our environmental impact,
- (ii) Reduce and process food and packaging waste sustainably, and
- (iii) Nurture skills for the future which enable our people and communities to fulfil their fullest potential.

These cut across all the Environmental, Social and Governance (ESG) issues that are relevant to our business.

We also map material topics to the United Nations Sustainable Development Goals (UNSDGs), and continually review our sustainable business strategy to improve our stewardship and reporting format.

Note: All years refer to fiscal years starting on 1 April of any given year.

² Average VAPE will be compared to the FY2020-21 base year.

OUR SUSTAINABILITY THEMES

DEVELOP SMART INFRASTRUCTURE



Build and deploy smart infrastructure that includes airport ground support equipment and facilities.



UNSDGs

REDUCE FOOD AND PACKAGING WASTE



Reduce and process food & packaging waste responsibly.

NURTURE SKILLS FOR THE FUTURE



Develop and share culinary, nutritional, service and technological expertise that will enable our people and the communities we serve to develop to their fullest potential.



OUR 2030 AMBITIONS



- Convert 100% of ground support equipment (GSE) in Singapore hub to sustainable energy resources (example electrification) by 2030¹.
- Reduce Singaporebased carbon footprint by 50% by 2030 from FY2018-19 baseline (Scope 1 and 2).



- Halve food wastage in all operations from 2021 baseline by 2028.
- Introduce 100% sustainable food packaging by 2030.

B DECENT WORK AND ECONOMIC GROWTH

- Increase average value-add per employee (VAPE)² across all subsidiaries by 50% by 2030.
- Touch a million lives by sharing our expertise with the communities in which we operate, by 2030 (from FY2018-19 baseline)

Timing to be confirmed after coordination with other Changi ecosystem stakeholders and subject to commercial availability of such equipment.

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• Governance Structure

Building a sustainable business requires a collective, coordinated effort across all levels of the organisation, from leaders to individual employees. Our sustainability governance structure sets out accountabilities and responsibilities for SATS to deliver on our sustainability priorities.

We are committed to engaging staff on sustainability across all levels of the organisation. Our Board has oversight of our sustainability strategy and performance, in addition to the adequacy and effectiveness of the Group's internal control and risk management system. While the board makes certain that sustainability goals are integrated into all programmes and business imperatives, executive management at SATS provides stewardship and ensures that our business and strategy are aligned with our sustainability goals. They are supported by a Sustainability Council that was set up this year, comprising sustainability champions from the business units and staff representatives across 10 key departments as well as representatives from our overseas subsidiaries.

The Sustainability Council evaluates the effectiveness of our sustainability programmes together with key performance metrics each month, shares best practices between Singapore and our overseas operations, and governs the proceeds from the sale of our Renewable Energy Certificates by channelling them towards meaningful sustainability initiatives. The Chief Strategy & Sustainability Officer (CSO) chairs the Sustainability Council.

For more details about our Board of Directors, risk management and corporate culture, please refer to our full corporate governance report as laid out in SATS Annual Report 2020-21.



Sustainability Council





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Feed & Connect Connect Communities

By forcing the need for masks and social distancing, COVID-19 has changed the dynamics of human interaction dramatically. Imbued with a passion to delight, SATS has been delivering heartfelt innovations to help its customers and business partners overcome challenges imposed by the pandemic. Experiencing COVID-19 has given SATS a deeper understanding of its purpose as an organisation. More than fulfilling the communities' needs for food and connections, the company provides a sense of comfort and security to the people it touches through its various activities.



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Living Our Purpose



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Living Qur Purpose

Read Thila's story -

Read Food Solutions Team's story

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Read Syed's story

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Living Our Purpose

Looking Back at 2009...

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Compassion is in Our DNA

At SATS, being compassionate towards others is enrooted in our culture. Our passion to delight passengers and touch lives shines through our passenger services team's dedication and thoughtful gestures. Read Thila and Syed's stories to discover how that same compassion stands the test of time.

For Thilagavathi d/o Rajendran (or Thila, as she is affectionately known), being a passenger services duty manager means going above and beyond standard expectations.

"It's about serving people with compassion," she shares. Having worked at the airport for 32 years, she discovered the importance of placing herself in another's shoes to serve passengers better. Her compassionate nature has even seen her extending room and board in her own home to Karina Groth, a then 18-yearold German student who was cash-strapped and stranded in Singapore for three days after missing her return flight to Düsseldorf in 2009. "I knew something was wrong because her luggage had come off a flight from Brisbane, but she was nowhere in sight. When we finally found her, she started crying upon realising that she couldn't pay for rebooking fees or a meal, and had nowhere to go," Thila relates.

Looking back fondly on her memory of Karina's stay, Thila shares, "she's a very humble and sweet girl and I enjoyed sharing the best parts of our culture with her. We still keep in touch today." Although Thila was commended for her act of kindness, she emphasises that she is not the only one who would go the extra mile – "We are all like this at SATS! It's our culture to go beyond the call of duty for passengers." Like her managers before her, Thila continues to instil this same passion to delight passengers through heartfelt service in the 15 to 20 staff she oversees. 5

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At SATS, it's not about just doing your job. It's about doing things with your heart.

Thila

Duty Manager, SATS Passenger Services Other Stories:

Syed's
Food Solutions Team's



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"There is no problem too big for the Changi Airport community to solve together", says passenger services duty manager, Syed Umar Bahki Bin S A Sunny, after 30 years of working at the airport with SATS. This sentiment and his willingness to go the extra mile left a lasting impression on a bereaved passenger in 2018.

Syed vividly remembers the encounter which happened while California wildfires were in the news. "My colleague spotted her crying on a bench and alerted me," he explains. Through their interaction, Syed learnt that she had missed her flight and her daughter had been involved in an accident abroad. He leapt into action and contacted his airline counterparts to change her flight and facilitate a smooth and expedited journey for her.

Just as she was leaving, she thanked him and revealed, still in tears, that she was heading to Los Angeles to collect her daughter's ashes.

Anticipating that the grieving mother would need to bring her daughter's belongings home, Syed helped to increase her baggage allowance and called his LAX counterpart to ensure that she had a pleasant arrival. Upon her return to Singapore, he personally received her at the arrival gate and escorted her to the taxi stand. He even made prior arrangements for her luggage to be picked up.

Despite being lauded for his extraordinary service with Changi Airport's "Service Personality of the Year" award, Syed is quick to highlight that it was a team effort that gave this passenger the care she deserved during a difficult time.



... Moving **Forward** to Today.

Other Stories:



GRI Disclosures

I was brought up with the belief that you should treat everyone with compassion, and when I started at SATS, I realised that everyone here feels the same way.

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Duty Manager, **SATS Passenger Services**







Executive Sous-chef, SATS Catering

Other Stories:

 \rightarrow Thila's

Syed's

Production supervisor Eileen Hoong and duty manager David Ho were instrumental in keeping production running smoothly. Eileen recollects, "it took a lot of cooperation and coordination to get the food delivered safely to residents in a timely manner." Experienced executive sous-chef Jordi Noguera and chef Jennifer Teo oversaw kitchen operations and menu development alongside executive sous-chef Saravjit Singh, or chef Saini as he is better known, to create new Bengali menus too. "Food is a staple part of life and good

Giving Migrant Workers a Taste of Home

Singapore's COVID-19 Circuit Breaker in early-April 2020 marked the beginning of SATS' five-month journey to feed thousands of migrant workers, when a growing cluster emerged in one of the dormitories. SATS prepared over 45,000 meals daily at the peak of this massive undertaking. Teams across its Food Solutions business had less than 48 hours to gather resources to provide three meals a day with snack packs to migrant workers housed in various locations and to several government guarantine facilities nation-wide.

Amidst challenges such as a reduced workforce, tight timelines, and having to reconfigure operations to produce hot food cooked just in time instead of chilled ambient meals, everyone came together for the greater good. Staff from various catering teams, Aero Laundry, Gateway Services, and even management joined the efforts to pack meals.

food reminds people of home, their friends and family," shares chef Saini. To give the migrant workers a taste of home, the



team specially brought in Ponni rice and mangoes as a treat. Other ethnic groups also savoured the familiar taste of Sichuan cuisine and celebratory food and drink like dumplings and bandung, amongst others, during the Dragon Boat Festival and Hari Raya.

Assistant vice president of aviation catering, Garry Yeo, grins as he recounts, "it was a moment to remember when we saw a photo of the workers giving a thumbs up for the food". Jordi sums up the team's sentiment by saying, "the cleaners, food planners, purchasers, people from transport and production line all contributed in a huge way to make this a success. We have nothing but respect for everyone here."

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We are deeply committed to minimising the impact our current and future activities may have on the environment, through smart infrastructure that reduces our carbon footprint and contributes to a low-carbon economy.

Spencer Low

Chief Sustainability Officer, SATS Ltd.



In Conversation with Spencer Low

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In Conversation with Spencer Low





With the disruption to air travel caused by the pandemic, SATS has experienced very low carbon emissions in the past year. How do you intend to achieve your carbon emission goals as operations ramp up?



Indeed, during the pandemic we witnessed lower levels of carbon emissions globally as a result of the dramatic decrease in aviation traffic – a stark reminder of the impact of human activities on the environment. COVID-19 significantly reduced our carbon footprint, but this was involuntary and primarily driven by volume. This has prompted us to further review and refine our sustainability goals and targets by improving our data capture and governance, and by monitoring carbon intensity³ as an operational metric, to better reflect the impact of our activities on emissions. This helps us work towards achieving our overall carbon reduction target of 50% by 2030.

We are focused on accelerating our plans to electrify ground support equipment and install solar panels on our facilities to help us transition to a low-carbon economy, given that we anticipate operations to slowly return to normalcy.

Electrifying our GSEs fully is expected to abate





How have you progressed with your initiative to electrify ground support equipment?



In consultation and collaboration with Changi Airport Group (CAG) and the **Civil Aviation Authority of Singapore** (CAAS), SATS aims to accelerate our electrification master plan towards the goal of a 100% electric fleet, which is expected to reduce about 12% of our Singapore-based carbon emissions, abating 11,000 tCO₂e. The collaborative effort includes addressing key challenges such as the availability of infrastructure at Changi Airport's airside bays that could support the charging of larger electric vehicles, and the availability of electric vehicles with efficient battery technologies in the market. In addition, we are currently trialling an electric skyloader with Changi Airport and will commence operational trial of the electric joint container pallet loader (JCPL) by end of this year.

In Hong Kong, Asia Airfreight Terminal Company Limited (AAT) is also upgrading its existing diesel/petrol GSE vehicles such as cargo loaders and belt loaders through a Ground Services Equipment Pooling Scheme. In 2020, under this scheme and as part of providing partner businesses with





financial support during the COVID-19 pandemic, Hong Kong International Airport (HKIA) purchased existing diesel/petrol GSE vehicles from its ground services providers. These are being replaced with electric alternatives and subsequently leased to the airport's ground services providers.

³ Carbon intensity refers to carbon emissions penerated per unit of activity, such as gross meals produced, flights handled or tonne of cargo handled.

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In Conversation with Spencer Low





What percentage of your ground support equipment are electrified?



(Q)

To date, we have electrified 31% of our ground support equipment in Singapore and 32% of our motorised fleet at Beijing Aviation Ground Services (BGS), one of our joint venture companies in China. 676 diesel/petrol vehicles that are still in use at BGS have emissions control modifications installed which comply with the local emissions standards. 95% of our GSE at Beijing CAH SATS Aviation Services Co., Ltd. (BCS) has also been electrified.

In India, Air India SATS (AISATS), a joint venture between Air India Limited and SATS, has started the conversion of diesel to electric GSE with the purchase of 20 electric GSE vehicles in FY2020-21. By 2025, we plan to achieve 100% conversion of light motorised GSE vehicles. In

Japan, our subsidiary SATS TFK had also deployed six electric vans across its operations this year.

shock sensors.



As part of our ongoing efforts to expand our electric fleet beyond tractors and forklifts, we are working with our partners to source for the electric variants of GSEs that suit our needs. Part of the process includes on-site trials to assess the performance of these vehicles and equipment and their compatibility with the unique requirements of airport operations as well as the gathering of staff feedback. The skyloader trial I mentioned earlier is an example. We have 71 forklifts across our cargo operations in Singapore which are scheduled for replacement this year. These will be converted to electric versions, eliminating approximately 1,087 tonnes of carbon emissions. GTR, a SATS subsidiary in Malaysia, uses fully electric machinery, such as forklifts, tow tractors and pallet trucks for its cargo operations in Kuala Lumpur. The six electric forklifts deployed are equipped with enhanced safety features such as reversing cameras, a driver assistance system, and



Electrification of 71 forklifts expected to eliminate **1,087** tCO₂e

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In Conversation with Spencer Low



You mentioned SATS is also focused on harnessing solar energy to achieve the plan to transition to a low-carbon economy. What progress have you made in this area?



Solar energy is one of the greenest forms of renewable energy. Used to generate electricity, solar panels neither require fuel nor release harmful emissions and are an integral part of our sustainable business strategy.

In Singapore, as part of our commitment to convert all available roof space for solarisation wherever feasible, we have expanded our solar installations across Changi AFTs 1 to 4, Cargo Transshipment Centre, and SICCs 1 and 2. Collectively, these solar panels are expected to yield an additional 6,000 megawatthours' worth of renewable energy a year. The solar panels installed across AFTs 1 to 4 generate enough power to supply about 57% of electricity across these buildings. Our total amount of renewable energy generation amounts to approximately 10,750 megawatt-hours per year, which is equivalent to powering 2,340 four-room HDB⁴ flats.

Solar thermal hybrid panels have also been installed on the rooftop of SICC 1. The first prototype of its kind in Singapore, these hybrid panels can convert solar energy to electricity and, at the same time, pre-heat water. The hot water produced can be channelled to our production kitchen within the catering centre. In this way, energy through the use of electricity and gas that is normally required to heat water can be reduced.

In China, Beijing Airport Inflight Kitchen (BAIK), a SATS joint venture company, has installed roof solar heat pipes on the rooftops of its buildings to generate heat for its hot water supply. Water recycling tanks have also been installed to recycle wastewater that is produced from the washing of vegetables and cooling of hot soup. The recycled water is then used for cleaning floors and flushing lavatories.

In India, SATS India's Bengaluru uses energy from solar panels, which produce enough energy to fulfil 55% of its energy needs and has resulted in an estimated reduction of 2.8 metric tCO2e in FY2020-21. Additionally, from 2019 to 2021, AISATS consolidated its facility spaces, which led to a reduction in electricity usage and an estimated reduction of 2.2 metric tCO_2e in carbon emissions during this period.

Similarly, our catering facilities in Delhi, Chennai and Bengaluru have also been enhanced with solar installations which harness renewable energy to power their operations. In Bengaluru and

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Chennai, in particular, we have replaced diesel with liquefied petroleum gas (LPG) as a fuel source for equipment like steam boilers and ovens. The use of LPG produces significantly less carbon dioxide and other pollutants compared to diesel. In total, both initiatives contributed to a reduction of approximately 3.7 metric tCO_2e in carbon emissions in 2020.

About **10,000 megawatt-hours** of renewable energy generated annually.



⁴ Housing Development Board, Singapore's public housing authority.

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In Conversation with Spencer Low



In your opinion, why is it important to integrate sustainability and strategy?



Climate change and the global megatrends associated with it can fundamentally change the way we operate over the coming decades. Today, more than ever, integrating sustainability into our strategy helps us future-proof our business, and ensures we take a long-term view on the effort required. We have therefore adopted TCFD as a useful approach in helping the organisation identify and address the potential impact of climate-related risks and opportunities on our business strategy and operations. It is increasingly important for SATS to put in place environmental, social and governance (ESG) targets and best practices, and to pay close attention to the concerns of stakeholders such as investors and consumers. By doing so, we strive to harness potential opportunities and innovative solutions to become more sustainable even as we grow our business.



SATS' TCFD framework, please turn to page 46.

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By harnessing our technical knowledge and expertise in food and packaging technology to reduce waste and promote more sustainable practices, we want to contribute towards creating a healthier planet for our customers and communities.

Kerry Mok

CEO, Food Solutions, SATS Ltd.



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• In Conversation with Kerry Mok





Why did SATS decide to focus on reducing food and packaging waste responsibly in the new sustainability framework it has adopted?



According to a recent UN report, 17% of food produced globally was wasted in 2019. Food service and retail accounted for 26% and 13%⁵ of the waste, respectively. Accompanying this food waste is packaging waste, and the pandemic has created even more packaging waste, especially plastics. Tackling this problem will not only improve food security but also reduce carbon emissions.

SATS is Asia's largest provider of food solutions and gateway services. We serve a broad base of customers from aviation to foodservice and retail. With our culinary and technical expertise, we believe we can work with our customers and partners in the ecosystem to create a greater impact.

⁵ UNEP Food Waste Index Report 2021, United Nations Environment Programme, 4 March 2021.



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In Conversation with Kerry Mok



SATS has a goal to halve food wastage in all operations from 2021 baseline by 2028. What is your strategy to achieve this?





First, you have to be able to track your progress. In 2019, we launched a trial to introduce a simple and userfriendly system in our production kitchens, which enables our chefs to measure, monitor and capture data on various waste streams during the production process. This year, we enhanced our waste tracking system with artificial intelligence (AI) capabilities that are trained to learn to recognise different types of waste and to automatically record them in a database. This enables us to gain greater visibility of our waste output, gathering valuable data on various food waste streams that will

help us to identify ways to improve production efficiencies and optimise material planning. With this, we are better able to identify the areas that we need to work on to reduce waste and operational costs.

One of the biggest challenges for effective recycling is the segregation of waste. Hence, we are implementing a waste segregation system and these efforts extend to our overseas operations as well. In China, **Beijing Aviation Ground Services** (BGS), a joint venture between SATS and Capital Airport Holding Company, China's largest airport company, achieved full compliance with municipal waste segregation requirements in March 2020. A total of 74 garbage segregation points have been set up in all BGS operational areas, with waste effectively separated into recyclables, non-recyclables, and hazardous waste bins. Nine months later, in January 2021, segregation of waste was incorporated into BGS corporate standard operating procedures and in March 2021, this was enforced through a system of rewards and penalties. Since April 2021, our Kunshan kitchen has started sorting waste in the production area with the aim of segregating dry waste (e.g. plastic bottles, containers and carton boxes) from wet waste so that dry waste can be successfully recycled.

We have also been recycling our carton boxes, metal, plastic, glass and cooking oil in Singapore. You may refer to our waste and recycling data on page 37.

In addition, we track the amount of waste generated through impact measurement and participate in campaigns to raise awareness of the importance of reducing food waste amongst our staff and the community. For example, in December 2020, in compliance with state and municipal initiatives, BGS implemented anti-food wastage campaigns to discourage wastage of food at all BGS rest areas and staff canteens.

Finally, we have also started developing sustainable packaging. This is a more complicated process as it requires the participation of several stakeholders in our ecosystem such as our customers, partners and suppliers. Tapping on each other's expertise, we collaborate on efforts to develop external packing for food using sustainable materials that will be a step in the journey towards sustainable packaging. You can read about our success story in developing sustainable service ware for Singapore Airlines (SIA) and the use of a biodigester to reduce waste by as much as 60% in the case study. Our next priority in food waste management is to increase our capability by developing ways to convert waste into useful output or reusable energy.





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On-site biodigester can reduce volume of waste by as much as



garbage segregation points set up in China's Beijing operations.

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In Conversation with Kerry Mok



How does SATS leverage its leadership position to orchestrate an ecosystem approach to achieve a holistic approach to managing food and packaging waste?







Recognising that we are part of a larger, interdependent ecosystem, SATS strongly believes that partnership and cooperation are essential to creating a more sustainable world. SATS supports the not-for-profit, Aviation Sustainability Forum (ASF), which was originally named the Airline Sustainability Forum. The ASF was set up following a meeting of stakeholders across the cabin waste supply chain including packaging suppliers, converters, food and beverage manufacturers, airlines, airline caterers, airports, waste management operators and environmental consultants.

In 2020, the ASF joined the United Nations Environment Programme (UNEP) and was appointed as an Advisory Member of the UNEP's Global Tourism Plastics Initiative. This served as a valuable platform from which to better understand the broader problems associated with travel- and tourism-related plastic waste. In the same year, the ASF conducted a series of engagements with stakeholders across the aviation industry and with governing bodies including IATA, ATAG, the ACA and ACI⁶, in particular. These engagements focused specifically on the regulatory framework that governs the treatment of cabin waste.

SATS' support for the ASF demonstrates our commitment to spearhead collaboration amongst key players across the aviation industry in order to drive collective action towards greater sustainability through the reduction of food and packaging waste.

⁶ International Air Transport Association (IATA), Air Transport Action Group (ATAG), the Airline Catering Association (ACA) and Airports Council International (ACI). 3

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Recognising that we are part of a larger, interdependent ecosystem, SATS strongly believes that partnership and cooperation are essential to creating a more sustainable world.



PCEO & Board Statement Our Sustainability Framework Feed & Connect Communities Develop Smart Infrastructure Reduce Food & Packaging Waste • Nurture Skills for the Future

Case Study Closed-loop waste management solution in collaboration with Singapore Airlines

As Asia's leading food solutions and gateway services provider, SATS has a vital role to play in encouraging the adoption of more sustainable practices across the industry and supply chain.

Through responsible product stewardship and the incorporation of circular economy principles into our operations, we strive to grow our business sustainably, reducing our impact on the climate and environment. In addition, we build and nurture collaborative relationships with our partners, suppliers and customers, tapping on their insights and support as we collectively strive for greater sustainability. For example, we work with our customers to improve demand planning, reduce waste, and promote sustainable food packaging.

On 1 December 2020, we introduced a new range of environmentally friendly food packaging named Doodle as part of Singapore Airlines' (SIA) newly launched tableware series on selected short-haul flights. Made from natural materials, the new packaging not only reduces single-use plastics by 80%, it also allows food to stay fresh and enables the addition of soup and brothbased dishes to the menu.

SIA's new tableware comprises a leak-proof box, a paper cup made of Forest Stewardship Council-certified paper, a paper dessert box, and a 3-in-1 bamboo cutlery pack wrapped in paper. Featuring excellent grease and moisture barrier properties, the leakproof box enables better heat retention to allow food to stay fresh over a longer reheating time, improving the quality of meals served on these flights. This also allows SIA to expand its economy class menu to now include a wider and more exciting variety of dishes such as congee, laksa and beef goulash soup.

UNSDG

12 RESPONSIBLE CONSUMPTION AND PRODUCT

13 CLIMATE ACTION







Aviation meals must be carefully prepared to withstand unique conditions such as air pressure, transportation and long wait times while maintaining quality, freshness and taste. Tapping on our culinary expertise and knowledge of food and packaging technology, SATS collaborates with SIA to develop innovative and sustainable solutions that not only reduce the consumption of single-use plastics and improve waste management but also provide travellers with tastier meals and a more satisfying travel experience.

By adapting inflight service styles and using natural materials that are compatible with digesters, the launch of new tableware on SIA's flights represents a collective effort in the journey to reduce waste and drive more sustainable production and consumption on a larger scale. The packaging solution that we developed replaces plastic casserole service ware, single-use plastic cups and polybags, which helps to reduce single-use plastics on meal trays by 80% by weight. By converting waste to energy, in the form of refuse-derived fuel (RDF), the onsite biodigesters at SATS can cut down the volume of waste requiring haulage by as much as 60%.

In addition to reducing the amount of waste we generate, implementing an efficient and effective waste management system is just as important. The RDF generated from the biodigester can be used as a fuel additive to power incinerators. Since December 2020, we have converted a monthly average of 6 tonnes of waste in this manner, producing around 4 tonnes of RDF. We are working with local waste management solutions providers to convert RDF to energy. Renewed
 Vigour

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 Statement

Our Sustainability Framework

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Reduce Food & Packaging Waste

Nurture Skills for the Future

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Envisioning a world in which both people and the environment thrive, SATS Academy is firmly rooted in our mission to shape a sustainable workforce by helping our people and communities nurture skills for the future.

Lilian Tan Chief Human Capital Officer, SATS Ltd.



In Conversation with Lilian Tan

Case Study: SATS Academy

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In Conversation with Lilian Tan

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What do you think is fundamentally essential in transforming the workforce through upskilling?



A strong corporate culture that binds people together through a set of shared values, commitments, and purpose is important. SATS has refreshed our purpose to Feed and Connect Communities and updated our values to Passion to Delight, Safety, Innovation, Trust, and Teamwork to build a culture of passionate commitment and collaborative progress.

We provide a purpose-driven environment for our people to grow. Applying their skills, ideas and ingenuity to serve our customers, our people are instrumental in fulfilling our purpose to Feed and Connect Communities and our promise to deliver heartfelt innovations to our customers and the communities we serve. A strong corporate culture will attract the right people to join the company and provide our large workforce of 13,000⁷ employees, operating in multiple locations across the region, a cohesive and uplifting company culture that empowers them to learn and develop in a safe, nurturing and inclusive work environment.

We are proud that SATS was recognised by Straits Times as one of Singapore's Best Employers 2021, out of more than 1,700 companies, and we have a high employee engagement score of 81%.

Employee engagement score of



⁷ This refers to SATS' average headcount in FY2020-21

SATS Core Values support the Purpose and Vision into the future

Purpose



Core Values





Devoting our attention to even the smallest details, and putting our heart into all aspects of our work Becoming a market leader through upholding the highest standards of safety and security for employees, customers and our communities.





Be the market leader by delighting customers with innovative food and seamless connections.



Harnessing technology and innovation to propel the business forward towards our vision



Holding ourselves accountable to the communities and customers we serve by delivering what we promise in a sustainable manner



Empowering our people to work together towards a common purpose and vision

PCEO & Board Statement

Our Sustainability Framework

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In Conversation with Lilian Tan



With the keen competition for talent, how do you grow your talent pool?



11,154

workers from the air transport sector have been reskilled and multiskilled.



As part of our talent development plan, we partner with institutes of higher learning to offer work-study programmes to employees who meet the enrolment criteria. These courses allow participants to undergo structured on-the-job training and mentorship whilst completing their studies, providing them with opportunities for professional growth.

SATS remains focused on advocating a growth mindset among our people and supporting a culture of lifelong learning. Our employees are encouraged to participate in programmes such as innovative learning campaigns, lunchtime talks, senior management sharing sessions, and internal engagement platforms such as Global Connection 2020, which was held across 10 satellite locations worldwide.

Programmes to encourage employees to continually upgrade their skills to stay future-ready enabled SATS to accelerate its transformation when the pandemic started. In 2020, through SATS Academy and with support from SkillsFuture Singapore (SSG) and Workforce Singapore (WSG), SATS successfully executed its largest workforce transformation effort to date. We trained 11,154 workers from the air transport sector under the SkillsFutureSG Enhanced Training Support Package (ETSP) and 4,000 SATS employees were reskilled, multiskilled and redeployed under WSG's Place and Train and Professional Conversion Programmes.

With restrictions placed on in-person interactions, the COVID-19 pandemic catalysed an organisation-wide shift

towards a new learning environment centred around digital and online platforms. SATS Academy pivoted towards offering virtual training courses and programmes that helped employees develop new competencies and stay relevant. In FY2020-21, led by SATS Academy and our overseas businesses, we accelerated our training efforts and focused on building a stronger, more competent workforce, accumulating 3.8 million learning hours across the Group.

Notably, SATS was commended by LinkedIn Learning for achieving higher user and completion rates against global benchmarks⁸.



Each user spent an average of

24 hours **16 mins** on the platform,



more usage compared to global benchmark of 54 mins per user per month.



Course completion rate:







higher than global benchmarks.



Video completion rate:



a near perfect video completion rate that is higher than global benchmarks of 80-90%.

⁸ Global benchmarks are based on the first 30 days of usage by LinkedIn's global enterprise clients.

PCEO & Board Statement Our Sustainability Framework Feed & Connect Communities Develop Smart Infrastructure Reduce Food & Packaging Waste Nurture Skills for the Future

In Conversation with Lilian Tan



You also lead SATS' participation in corporate social responsibility projects. What are the programmes SATS has in place to achieve the goal of touching a million lives in 2030?



SATS strongly believes in giving back to the communities we serve. Tapping on our culinary expertise, service excellence and technical skill sets, we dedicate ourselves and our resources towards helping our communities grow and flourish. This includes efforts to provide opportunities to the younger generation to prepare for the future as well as supporting meaningful causes. In FY2020-21, we touched a total of 151,471 lives.

We work towards achieving our goals through different channels

such as the SATS Foundation, the philanthropic arm of SATS. SATS Foundation supports many community programmes and initiatives, especially those that empower the younger generation with the means to pursue further education are the focus of the Foundation. In addition to providing financial assistance to the children of our employees and union members, we channel our expertise and resources towards providing industry attachments as part of the Technical and Vocational Education and Training programmes offered by local institutions.

This year, due to the restrictions imposed by COVID-19, social activities such as art and cultural performances were halted. Volunteer engagement and outreach activities were also affected. To bring cheer to the elderly in this time of crisis, SATS Foundation worked with TENG Ensemble's Digital Concert to bring the joy of live music performances to underserved communities, so as to help them overcome feelings of isolation. The programme was viewed by 500 seniors from various eldercare homes across Singapore.

As a people-led business, we endeavour to secure a more sustainable future for all by extending our resources, networks and operational expertise to support those who are in need today through incorporating corporate citizenship into our operations. In this ongoing pandemic, SATS stepped up our community efforts to assist in relief efforts across various cities.

In Malaysia, SATS subsidiary GTR partnered AirAsia to carry out project IKHLAS for Sabah. Aimed at supporting families whose lives and livelihoods have been impacted by the COVID-19 pandemic, the project included door-to-door visits to distribute daily necessities as well as personal protective equipment such as face masks and hand sanitisers. In India, AISATS has shipped over 45,000 tonnes of medical supplies to remote parts of India through the Lifeline Udaan flights.

protective equipment such as face In addition to these channels, masks and hand sanitisers. In India, we also encourage our employees AISATS has shipped over 45,000 to support and participate in tonnes of medical supplies to remote meaningful causes that go beyond parts of India through the Lifeline geographical boundaries. This year, in place of our annual Charity Udaan flights. Run, SATS produced our first global virtual SATS Giving Run, Spurred by the need to bring nutritious meals to those who need it most, a community event that aimed SATS subsidiary Monty's Bakehouse to engage our employees launched The Community Kitchen in our mission to do good. Project, an online meal delivery service With every kilometre walked or that supplies high-quality, nourishing run by SATS employees, and delicious meals to customers who a donation was made to AWWA⁹ needed assistance. The Community Singapore's Legacy of Love and Build A School charity campaigns. Kitchen Project served close to 141 SATS employees across 4,700 meals to members of local communities. With the shortage of Singapore, Vietnam and the manpower worsened by the lockdown UK accumulated a total of in Maldives, our Maldives Inflight 4,000 km. As part of Singapore Catering (MIC) has been working Giving Week, we also held our closely with the National Disaster first hybrid ZOOMBA (Zumba via ZOOM) wellness volunteering Management Authority, Ministry of Gender and Red Crescent of Maldives session in collaboration with in supporting the local community with AWWA's Special Student a meaningful cause by providing 350 Care Centre.





Annexes



ng ief TR meals a day to the homeless and orphanages in Maldives. Similarly, TajSATS' flight kitchens have supported corporations such as World Central Kitchen, Deutsche Bank, and Taj Public Welfare Trust to supply over two million meals to healthcare workers in hospitals and stranded migrant communities in Bangalore, Mumbai, and New Delhi during the nation's COVID-19 lockdown.



⁹ AWWA, or the Asian Women's Welfare Association, is a social service agency that delivers programmes, services and social assistance to disadvantaged groups in society.

PCEO & Board Statement Our Sustainability Framework Feed & Connect Communities Develop Smart Infrastructure

Reduce Food & Packaging Waste Nurture Skills for the Future

Case Study SATS Academy Enabling Workforce Transformation

As the training arm of SATS, SATS Academy is deeply committed to driving growth across the aviation industry by harnessing our culinary and technical expertise to spearhead training and development opportunities and help individuals stay relevant and future ready.

Since its launch in 2018, SATS Academy has evolved to become more than just a training provider, driven by our ambition to make a lasting and positive difference across the aviation community. It is our aim to touch the lives of many more people as we continue to invest in efforts to share our expertise, empowering our communities with the opportunities and platforms to develop skills for the future.

This year, SATS Academy has been appointed by SSG¹⁰ to deliver the Pilot Enhanced Training Support Package, which caters for employees in the aviation community who have been affected by the disruptions caused by

¹⁰ SkillsFuture Singapore (SSG) is a national movement to provide Singaporeans with the opportunities and resources to learn new skills as part of individual and professional development. the COVID-19 pandemic. As part of this initiative, which was announced on 2 March 2020, SATS Academy offers 115 training programmes covering topics such as ground handling support technical skills, culinary skills, and critical core skills. These programmes have been extended to participants from approximately 20 key players and partners in the air transport sector.

Over the past year, SATS Academy has offered more than 55,000 training seats and provided valuable training and development to more than 11,000 individuals from various sectors in the aviation industry. These efforts reflect our longstanding mission to facilitate lifelong learning through skills upgrading, reskilling, and developing personal effectiveness and emotional resilience in our people, providing them with the knowledge they need to succeed and thrive.

The SATS Academy offers



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8 DECENT WORK AND ECONOMIC GROWTH









PCEO & Board Statement Our Sustainability Framework Feed & Connect Communities Develop Smart

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Case Study SATS Academy Enabling Workforce Transformation





Leveraging the ETSP¹¹, we continue to encourage and enable SATS employees to branch out and explore their interests and, in the process, acquire new skills that extend beyond their current roles. For example, individuals who are aspiring chefs can participate in culinary classes offered by SATS Academy and develop the relevant skills required. Participation in cross-functional courses also allows employees to develop a more holistic perspective of SATS and the different aspects of our business. For instance, a dishing staff who works in our production kitchens or a corporate employee would typically not be exposed to customer-facing roles, who can now enrol in courses on topics related to passenger service, such as 'Serving Passengers with Reduced Mobility and Disability'. This can help them broaden their knowledge and appreciation of other fields of work, better understand various operational challenges, and further strengthen our collective sense of purpose.

At the same time, SATS Academy also plays an active role in helping to enhance the quality of services across the air transport sector. Drawing on our service experience and expertise, we invest heavily in creating programmes aimed at helping the community to acquire domain expertise and critical soft skills so as to better serve travellers in a post-COVID world. Participants in our programmes include employees from leading industry players like SIA, Japan Airlines, JetQuay and SmartCarte.

Recognising that different organisations have different training needs, we also develop customised training programmes that cater to the unique requirements of our participants. For example, we have tailored several training programmes for SIA cabin crew, including disruption handling, addressing services lapses, communicating and relating effectively, flying with wellness, managing conflict, and serving passengers with reduced mobility & disability (PRMDS) & passengers with special needs. Conducted by highly experienced SATS Operations Trainers, some of these courses provide flight crew participants with extensive knowledge and valuable insights into the complex and crucial decision-making process on the ground, which ensures a smooth passenger experience from check-in to the actual flight. In doing so, this also helps to foster a deeper understanding between SATS ground handling teams and SIA cabin crew, laving the groundwork for more seamless cooperation and joint management of real-time disruptions and delays.

In addition, SATS Academy also conducted culinary courses for SIA cabin crew. These include cheese appreciation and wine pairing, culinary enhancement training courses, and a culinary workshop on the basics of making sauces. These courses help to increase the culinary knowledge of cabin crew to enable a delightful travel experience.

On a nationwide level, SATS Academy has partnered WSG¹² to reskill,



upskill or multiskill approximately 4,000 employees whose jobs have been impacted by the COVID-19 pandemic. As part of this initiative, SATS Academy developed on-thejob training blueprints for employees who may be redeployed to new roles and responsibilities, ensuring that our people, whose roles may have been affected by the pandemic, remain gainfully employed. For example, customer service agents who have been redeployed to support our cargo or eCommerce operations would take guidance from the training blueprints to acquire the competencies and process understanding of their new role, in order to fulfil their duties well. This experience helps these individuals to develop the confidence, resilience and agility to take on new challenges as the industry continues to evolve.



Over the past year, in response to the global pandemic, we pivoted swiftly and converted many existing in-person programmes to virtual sessions, which have proven to be equally effective and highly advantageous. Virtual training is unaffected by COVID-19 restrictions and multiple sessions can be conducted simultaneously, allowing us to continue offering a wide range of training and development courses to the aviation community throughout the pandemic. In addition, going virtual allowed us to roll out training programmes to different geographies more easily, reaching a wider audience beyond Singapore.

- ¹¹ The Enhanced Training Support Package (ETSP) was introduced by the Singapore government to provide support to sectors that were directly and severely impacted by COVID-19. The ETSP includes funding and course fee subsidies for eligible courses within the stipulated period.
- ² Workforce Singapore (WSG) is a statutory board that oversees the transformation of the local workforce and industry to meet ongoing economic challenges

PCEO & Board Statement

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Case Study **Supporting Assumption Pathway School in Vocational Training**



SATS has been a key partner of **Assumption Pathway School** (APS) since 2009, supporting its F&B, Baking Practices and Hospitality vocational programmes.

Our 2019-2020 financial assistance enabled 196 students to continue the pursuit of higher vocational F&B certifications or become gainfully employed. Of these, 18 students were awarded the SATS Foundation Achievement, Best Progress and Character Awards over the course of two years. Educational workshops in the Training Restaurant and student placements expose APS students to various job opportunities and equip them with realistic knowledge about their vocational course.

SATS recently renewed our commitment with APS.

10th

SATS reaffirmed our 10th year anniversary of community partnership with APS at our National Day Observance Ceremony 2019, in commitment to build skills for the future.

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8 DECENT WORK AND ECONOMIC GROWTH







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APS

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Energy Breakdown by Country



Australia	Malaysia
China	Saudi Arabia
Japan	Singapore







Emissions Breakdown by Country

Australia	Malaysia
China	Saudi Arabia
Japan	Singapore

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Total Energy for Overseas Operations



Total Energy for Singapore Operations



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Scope 1 and Scope 2 Emissions

During this reporting period, our direct emissions (scope 1) amounted to 54,054 tonnes of carbon dioxide equivalent (tCO2e), and emissions from our purchase of electricity, heat and steam (scope 2) were 62,121 tCO₂e.

Scope 1, 2 and Total Emissions for Singapore Operations

Energy (GJ)	Total Scope 1 (tCO₂e)	Scope 2 Emissions (tCO₂e)	Total Emissions (tCO₂e)
441	6	81	87
41,741	418	9,162	9,580
81,349	1,736	5,802	7,538
346	0	59	59
5,443	48	866	914
539,048	18,263	31,509	49,771
668,404	20,471	47,479	67,950
	(GJ) 441 41,741 81,349 346 5,443 539,048	(GJ)Scope 1 (tCO₂e)441641,74141881,3491,73634605,44348539,04818,263	(GJ)Scope 1 (tCO2e)Emissions (tCO2e)44168141,7414189,16281,3491,7365,8023460595,44348866539,04818,26331,509



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Scope 1, 2 and **Total Emissions for Overseas Operations**



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Water Withdrawal by Country



Water Withdrawal by Overseas Operations

(ML)	Australia 0.14	China 92.03

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Water Withdrawal on Singapore Premises



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Weight of Waste Recycled at SICC 1 and SICC 2

				······	
(g)	Glass	Metal	Plastic	Carton Box	Cooking Oil
FY2016-17	239,816	22,606	7,786	828,630	8,085
FY2017-18	274,454	26,782	8,328	877,190	7,350
FY2018-19	283,101	45,073	8,116	852,080	7,125
FY2019-20	280,715	22,581	4,144	709,170	8,190
FY2020-21	7,052	10,504	2,991	351,845	2,210

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Vigour Statement Framework Communities Infrastructure Packaging Waste for the Full	Renewed	PCEO & Board	Our Sustainability	Feed & Connect	Develop Smart	Reduce Food &	Nurture S
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Average Training Hours by Employee Category





Average Training Hours by Gender

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۲ Reduce Food & Packaging Waste

• **Nurture Skills** for the Future

New Employee Hires by Age Group



Total number

<30	201
30 to 39	191
40 to 49	136
50 to 59	95
>60	27
Total	650

New Employee Hires by Region



Total number

Singapore	477
Malaysia	31
China	59
Japan	76
India	0
Saudi Arabia	6
ик	1
Total	650

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Renewed	
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Employee Turnover by Age Group



Total number

<30	566
30 to 39	454
40 to 49	219
50 to 59	127
>60	64
Total	1,430

Employee Turnover by Region



Total number

Singapore	1,023
Malaysia	179
China	78
Japan	125
India	0
Saudi Arabia	0
ИК	25
Total	1,430

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Employee Category by Gender



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Flexi / Temp	Grand Total
496	8,004
494	3,792
990	11,796

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. **Nurture Skills** for the Future

Diversity of Board Directors by Ethnicity

Diversity of Board Directors by Gender





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GRI

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Diversity of Board Directors by Age Group



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Safeguard **Operational** Safety

This year, to further enhance existing safety standards, we set up a Safety Transformation Office led by SATS PCEO and our senior management, and comprising of members from all levels of the organisation. The Safety Transformation Office introduced initiatives such as the appointment of Ground Commanders, who monitor safety operations on site and the 'Everyone Home Safe (E.H.S.)' programme.

The E.H.S programme, in particular, encourages employees to cultivate positive safety habits through mnemonics such as L.T.A ('Look, Think, Act') – a reminder of the importance of communication, thoughtful action, and the maintenance of safety and security in the workplace, which is a shared responsibility among all SATS employees. In addition, we introduced an incentive scheme which rewards staff who exhibit exemplary safety behaviour by going above and beyond their duties to create a safer workplace for all.

As a leading food solutions and gateway services provider in the region, and a trusted employer to our staff, SATS takes pride in our ability to operate safely and seamlessly despite the disruptions caused by the global pandemic. With the support of our industry and airline partners, and our employees, we will continue to spearhead efforts to achieve safe, efficient and sustainable operating standards across the aviation industry.

SATS **Safety Policy**

At SATS, we provide a safe, secure, healthy environment for our people, customers, and the community as we strive for operational excellence.

We are committed to:

01. Nurture a culture that promotes a sustainably safe and healthy workplace

02.

Continually improve our processes through consultation, participation and engagement with employees, customers and partners to achieve the highest competency levels

03.

Comply with all legal requirements in every jurisdiction in which we operate 04. Anticipate and respond to all possible terror risks

05. Eliminate hazards using all reasonable measures including technological solutions

The prevention of accidents must be a team effort. It is our responsibility to prevent injury and ill-health to ourselves, colleagues, customers and the community.

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President & Chief Executive Officer SATS Ltd.

Alex Hungate



SATS Group

Employees Service Crew GRI

Disclosures



	Number of injuries	Number of high- consequence injuries	Injury rate	High- consequence injury rate ¹³	Man-hours worked
			(per million man-hours worked)	(per million man-hours worked)	
	225	1	8.32	0.04	2,7137,785
ws	2	0	20.17	0.00	99,181

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Renewed Vigour	PCEO & Board Statement	Our Sustainability Framework	Feed & Connect Communities	Develop Smart Infrastructure	Reduce Food & Packaging Waste	Nurture Skills for the Future

GRI Employees covered by collective bargaining agreements and minimum notice periods

GRI Standard 102-41	Count of employees covered by collective bargaining agreements	a) Percentage of total employees covered by collective bargaining agreements
As at 31 Mar 2021		
SATS Singapore	4,221	54.56%
SATS TFK	1,076	99.81%
TOTAL	5,297	49.02%

GRI Standard 402-1	Minimum notice periods regarding operational changes		
	 a) Minimum number of weeks' notice typically provided to employees and their representatives prior to the implementation of significant operational changes that could substantially affect them. 	 b) For organisations with collective bargaining agreements, report whether the notice period and provisions for consultation and negotiation are specified in collective agreements. 	Rema
SATS SG	4 weeks. The entire process will typically take approximately a month. We will discuss job role changes with both the union and staff prior to actual deployment.	 Yes, notice periods are specified. 1) SATSWU: 2 weeks (employee in employment <5yrs); 1 month (>5yrs) 2) AESU: 2 months 3) SIESU: 1 month 4) FDAWU: 2 weeks 	The e We w staff p
SSSB	2 weeks	Not applicable.	
GTR	Not applicable.	Not applicable.	
SATS Greater China	30 days	Not applicable.	30 da
SATS India	Not applicable.	Not applicable.	
SATS TFK	No, do not have a specific clause in the agreements to give advance notice for such operation changes.	No specific statement in the agreements.	
SATS Saudi Arabia	30 days' notice required to employees prior to the implementation of significant operational changes that could substantially affect them.	Not applicable.	
Monty's Bakehouse	As much as possible, maybe 1 - 2 weeks, but depends upon circumstances. No minimum period due to low numbers of employees.	Not applicable.	

• Annexes

narks

e entire process will typically take approximately a month. e will discuss job role changes with both the union and aff prior to actual deployment.

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Annex A

About this Report and Contact Info

This year marks the fifth year SATS publishes an annual Sustainability Report to demonstrate our unwavering commitment to sustainability. This report has been prepared in accordance with the GRI Standards: Core option, as well as SGX Listing Rules 711A and 711B.

In addition, we have also aligned our climate-related disclosures to the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. Our sustainability performance data not only covers our Singapore operations, but also the overseas subsidiaries in which we have operational control. The expanded reporting scope allows us to provide a more complete picture of the Group's sustainability impact and performance. Data in this report covers our financial year dated 1 April 2020 to 31 March 2021.

All feedback and suggestions are welcome. You may direct them to:

Sats Public Affairs and Branding

20 Airport Boulevard, Singapore 819659 Tel: +65 6541 8200 Email: info enquiry@sats.com.sg

Annex B

Task Force on Climate-related Disclosures

Scenario Analysis

In FY2020-21, in response to the increasingly urgent need to transition to a low-carbon economy to mitigate the consequences of climate change, SATS committed to building our climate risk resilience in line with the TCFD's recommendations.

Following the TCFD's process, we developed climate scenarios that aim to assess the physical and transition¹ risks and opportunities that our businesses face. A series of workshops involving senior management and members from various departments were conducted to determine our exposure to climate-related impacts, assess the relative significance of key risks and opportunities, examine mitigating actions, and identify ways to build climate resilience. We remain dedicated to transparent disclosures and addressing climate-related risks and opportunities, which enables us to build climate resilience into our business and strategy.

To better understand how the changing climate may affect our direct operations and its value chain, we used what we term a "business as usual" scenario (4°C) and a strong mitigation scenario (1.5°C - 2°C) to assess our risks and opportunities in each. In the former scenario, greater focus is placed on assessing potential physical risks to our businesses as a result of events brought about by or related to climate change such as extreme weather, rising sea levels, drought, water stress and flooding. In comparison, the strong mitigation scenario placed greater emphasis on transition risks. In order to meet the goals laid out in the Paris Agreement regarding reductions in global levels of greenhouse gas (GHG) emissions and successfully transition to a more sustainable, low-carbon world, there needs to be radical changes in regulations, individual and organisational behaviour, and technological breakthrough.

¹ Transitioning to a low-carbon economy may entail extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change.

TCFD's Recommended Disclosures

Governance

SATS governance around climate-related risks and opportunities

Strategy

Proactive approach to identify and pre-empt potential impact of climate-related risks by setting ESG targets and practices to prepare business units accordingly.

Targets and metrics

The risks and opportunities discussed in each of the scenarios are listed below:

Business as usual scenario (4°C)

- Water stress
- Raw material availability and prices
- Extreme weather events (that result in property damage and loss of productivity)
- Disruption to supply chain

Annexes

SATS Approach	Report Section
 Our board-level (Board Risk and Safety Committee) has oversight of climate-related risks and opportunities and typically meets biannually to review emerging climate-related issues and our low-carbon strategy and initiatives. 	Governance Structure, Page 6
 Our CSO chairs the Sustainability Council and reports directly to the PCEO and the Board on all sustainability matters, including global and local climate-related issues. 	
 We strive to stay abreast of trends and highlight potential opportunities and develop innovative solutions to lower our carbon footprint, in line with ESG best practices. 	Sustainability Framework and 2030 Targets,
 Materiality Analysis: In 2019, we undertook an extensive engagement exercise with our key stakeholder groups to validate the material ESG issues first identified in 2017, and to align our goals with those of our key stakeholders. In 2021, our management has decided to focus our efforts on selected priority material issues, as reflected in the latest sustainability framework. 	Page 5 Climate Scenario Analysis, Page 46
 Climate Change Scenario Planning: Two key global scenarios served as references for our scenario analysis:- 	
 a) RCP8.5 high GHG emissions scenario in Intergovernmental Panel on Climate Change's Fifth Assessment Report (IPCC AR5), (4°C) 	
 b) 2°C Scenario (2DS) and Beyond 2°C Scenario (B2DS) in International Energy Agency (IEA)'s Energy Technology Perspectives 2017 (1.5°C - 2°C) 	
 We have been tracking and reporting our Scope 1 and 2 carbon emissions since 2018 based on the global GHG Protocol and have also been disclosing related metrics in our annual Sustainability Reports. 	Sustainability Framework and 2030 Targets,
 We have a long-term carbon emissions target to reduce our carbon footprint by 50% by 2030, from our FY2018-19 baseline. 	Page 5

Strong mitigation scenario (1.5-2°C)

- Changes in the aviation sector
- Raw material costs (due to changes in the agriculture sector)
- Changes in diets (with the growing availability and popularity of alternative proteins)
- Carbon prices
- Energy efficiency and renewable energy
- Waste management

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Annex B (continued)

Description and potential impact	Mitigating actions	Description and potential impact	How we manage it
Physical risk: Extreme heat causing health hazards to workers, especially those working outdoors such as the tarmac, where there is lirect exposure to weather elements. Heat-related illnesses among staff	 Redesign uniforms using dry-fit material for staff exposed to long periods of heat and provide ample water breaks for hydration Provide personal protection equipment (PPE) or cooling vests to 	Transition risk: Corporate finance implications such as increased acquisition and integration costs arising from new investments (e.g. shadow pricing, more stringent building & ESG requirements, and	
nay lead to manpower shortage, disruption to operations and higher operational costs.	staff (Ramp Operations)	climate risk-induced risks) along with fewer investment opportunities	
Physical risk: Extreme weather may result in volatility in raw material	Develop local supply base and strategic partners	 Opportunity: Sustainable procurement and waste management systems that prevent unnecessary food and materials wastage 	 Optimise production system at the new SATS Food Hub to minimise wastage and energy footprint
prices, damage to physical assets, depressed market for air travel eading to loss in revenue and higher maintenance costs.	 Develop preemptive supply chain strategy for higher risk areas (local and foreign) 	(e.g. paper, plastics, food waste) and maximise sustainable efforts such as recycling and food composting	Develop a pro-recycling company culture where staff are encouraged to segregate discarded items so that waste can be
Operational services such as flight scheduling and loading/off-loading	Reduce wastage		effectively recycled (e.g. by providing more recycling bins for different waste categories across our premises)
ervices may also be affected.	Improve demand planning		 Explore new opportunities to upcycle material waste into
	Produce meals with longer shelf-life		usable products
	Work with the relevant authorities to provide necessary infractructure to ensure continuation of convidence		Explore feasible solutions for water recycling
	infrastructure to ensure continuation of services	_	 Partner with waste companies to improve recycling efforts
Transition risk: The lack of a robust sustainable procurement framework may lead to reputational risk and loss of market share for subsidiaries like Country Foods.	 Implement supplier onboarding checklist and process Conduct regular engagements and audits to ensure that suppliers 		 Engage with suppliers proactively for responsible sourcing of raw materials
	adopt sustainable practices		 Continue to recycle materials such as plastics, carton boxes, metals and glass bottles and used cooking oil
Transition risk: Regulatory changes such as the implementation of carbon tax, diesel tax, climate bond and legislation, fines and penalties, and higher insurance premiums, higher operational and facilities maintenance costs incurred in the transition towards becoming a low-	 Adopt the use of energy-efficient equipment Implement heat recovery and renewable energy systems 	Opportunity: Expand the use of renewable energy, implement energy-efficient technologies, optimise building designs to reduce energy intensity	Invest in heat recovery models
	 Explore how circularity framework can be implemented Replace internal combustion engine vehicles with electric vehicles 		Explore renewable energy and energy-efficient equipment
arbon or carbon-neutral business			 Engage experienced contractor to design heat exchange network and layout to reduce air-conditioned spaces
	Increase natural lighting and the use of energy efficient equipmentImplement a sensor system to regulate lighting and air-conditioning		 Convert all our lighting requirements to LED and incorporate the use of light sensors to optimise energy use in buildings.
	 Replace parts with recyclable materials, where possible Continual process optimisation 		 Continue to expand rooftop solar installations across our premises where appropriate
	 Concerted efforts to encourage and educate our people to reduce, reuse and recycle 	Opportunity: De-risk and shorten supply chain by engaging multiple vendors and developing a sustainable local supply base (e.g. local fish farms, hydroponics farms)	 Expand and diversify supply sources and leverage Country Foods trading and distribution networks
			Engage proactively with suppliers
			Partner with local farms to promote locally grown products
			Procure raw materials like proteins from sustainable sources
			 Organise regular suppliers' day to promote local produce to our customers
		Opportunity to position SATS as a sustainable brand, which may strengthen employee recruitment, retention, reputation and customer loyalty.	
		Opportunity: Increased business and investment opportunities, partnerships and funding from ESG initiatives (ESG financial instruments, green bonds and government grants)	





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Annex C

Energy and Greenhouse Gas Calculation Methodology

Data collection

Our energy consumption data are collected monthly. We used actual data wherever possible to achieve a high level of accuracy and credibility. For this reporting period, no estimations were made.

To identify relevant carbon emission points and facilitate data collection, we used a reporting tool which contains input sheets with 5 separated classifications for different types of companies within SATS. These 5 different types of companies include Singaporean Subsidiaries, Singaporean Associates and Joint Ventures, Overseas Associates, Overseas Subsidiaries, and Overseas Joint Ventures.

Under each company, further analysis was performed to identify different facilities controlled by the company, such as physical installations and activities, that generate carbon emissions. After the relevant carbon emission points were identified through this process, data input would be tagged to them for reporting.

For this reporting period, only data from Singaporean Subsidiaries, Singaporean Associates and Joint Ventures, Overseas Associates and Overseas Subsidiaries are included in our GHG figures. We use the operational control approach in our consolidation of emissions data.

Different emission sources

Scope 1 emission

Our primary source of Scope 1 GHG emissions is fuel combustion. Major types of fuel we use include diesel, petrol, town gas and Liquefied Petroleum Gas (LPG). We do not generate any biogenic carbon dioxide emission at any of our facilities.

Each type of fuel is reported in units of measurement specific to the emission point. We then converted each type of fuel in measured units to required units using conversion methods shown in the table below.

Gases included in our Scope 1 calculations include carbon dioxide, methane and nitrous oxide. We use emission factors from Singapore's Energy Market Authority, National Environment Agency and the Intergovernmental Panel on Climate Change (IPCC) and the 100-year global warming potentials from the IPCC Assessment Report 4 to convert each gas to carbon dioxide equivalent.

Fuel Type	Measured Units	Required Units	Conversion Factor
Diesel- transport	L	kg	0.831
Diesel- stationary	L	kg	0.831
Motor Gasoline- transport	L	kg	0.748
Motor Gasoline- stationary	L	kg	0.748
Town Gas	kWh	MWh	0.001
	Sm ³	kg	0.607
	MMBTU	GJ	0.293
LPG	Cylinders	kg	50.000
Electricity	kWh	MWh	0.001

Scope 2 emissions We calculate our scope 2 indirect carbon emissions from purchased electricity based on data retrieved from utility bills. We use the average grid emissions factor for the country in which that electricity is purchased to calculate the emissions. Sources of these emission factors are Singapore's Energy Market Authority, grid emission factors published by Institute for Global Environmental Strategies, 2011 UNDP in Ghana GHG inventory and Australian Government National greenhouse accounts. Gases included in our Scope 1 calculations include carbon dioxide, methane and nitrous oxide. The 100-year global warming potentials from the IPCC Assessment Report 4 to convert each gas to carbon dioxide equivalent.



- GJ = Gigajoule
- Kg = Kilogramme
- L = Litre
- kWh = Kilowatt Hour
- MWh = Megawatt Hour
- Sm3 = Standard Cubic
- Metre MMBTU = Metric Million
- **British Thermal Unit**

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Annex D Our Material Topics

SATS' Material Topics	Definitions	Mapping to GRI Material Topics	SATS' Material Topics	Definitions	Mapping to GRI Material Topics
Key Stakeholders: C	our customers, local communities and shareholders		Key Stakeholders: C	Our employees, customers, local communities and shareholders	
Food innovation and technology	The adoption of new techniques and processes now enables us to keep food fresher and longer. New food technologies also help to enhance productivity and production capacities.	Non-GRI Disclosure	Geopolitical instability	Protectionism in major economies, the threat of terrorism, interstate conflicts and trade wars as well as increasing migrant and refugee flows could impact global trade flows, business growth and safety. Maintaining secure and seamless connectivity in the	Non-GRI Disclosure
Food security and food safety	Fluctuating food supplies and prices, coupled with the degradation of agricultural ecosystems, threatens to disrupt global food supply chains. It is crucial to preserve the quality and safety of food supplies, ensuring access to affordable and nutritious food.	GRI 416 Customer Health and Safety		movement of people and goods is critical.	
Food waste	Food waste generates pollution, potentially increasing operational costs and financial losses. Tapping on technology enables us to tackle food waste by improving our processes, optimising resource and demand planning, and converting waste into renewable energy.	GRI 306 Effluents and Waste	Skilled labour shortage	Skilled labour shortage or 'skills gap' is where a business is unable to find and hire qualified or skilled workers to fill a position. For businesses, this can result in increased operating costs as well as risks and challenges that result from the inability to replace key personnel or fill critical positions.	GRI 401 Employment GRI 402 Labor/Managemen Relations
lealth and vell-being f consumers	Increasing urbanisation results in changing dietary patterns and lifestyles that affect our health and well-being. Globally, there is a growing awareness and imperative to eat and live better through quality nutrition and healthier food.	GRI 416 Customer Health and Safety			GRI 403 Occupational Health and Safety (2018)
sourcing and farmers, or humar grow sustainable	To ensure that raw materials are sourced in a way that does not harm the environment, farmers, or human health, it is important to work with ethical and sustainable suppliers, grow sustainable food supplies and strengthen the integrity of the supply chain including	GRI 204 Procurement Practices GRI 308 Supplier Environmental Assessment		GRI 404 Training and Education	
	traceability of high-risk products.			GRI 405 Diversity and Equal Opportunity	
		GRI 414 Supplier Social Assessment			GRI 406 Non-discrimination
Key Stakeholders: C	our employees, customers, local communities and shareholders		Key Stakeholders: C	Our customers, employees, shareholders, local communities and the en	vironment
Changing aviation narkets (e.g. growth of Low Cost Carriers)	The rise of the middle class has led to increased air travel, which has resulted in the growing presence of budget airlines and new routes. Changes to how airlines manage cargo and passengers will have a significant impact on the growth of sustainable	Non-GRI Disclosure	Carbon emissions	Greenhouse gas emissions and climate change are causing significant and adverse impacts on ecosystems, air quality, agriculture, and human and animal health. To drive long-term and meaningful change requires widespread collaboration and collective effort.	GRI 305 Emissions
Changing	businesses and on the environment. The Paris Agreement and the United Nations Sustainable Development Goals have	GRI 307 Environmental	Energy efficiency and transformation	A safe, reliable and sufficient supply of energy is needed to meet the demands of a growing world population and support urban cities with rising living standards. The challenge lies in ensuring energy efficiency and production with minimal damage to the environment.	GRI 302 Energy
ustainability egulations formalised the premise that businesses should be held accountable for their social and environmental impacts. Governments across Asia are introducing and enforcing new regulations, fees and penalties for the production of waste and carbon emissions.	GRI 419 Socioeconomic	Materials waste	The traditional "take, make, use and dispose" model has led to excessive waste, notably in terms of food, plastics and electronics. Poor waste management could result in environmental pollution and an increase in manpower and operational costs.	GRI 306 Effluents and Waste	
		Compliance Resource scarcity	Resource scarcity	Increasing competition and scarcity of resources such as water, energy, raw materials and human talent lead to higher operational costs for businesses and places a greater strain on	GRI 301 Materials
Cyber security	Digitisation and automation increase dependence on IT systems as well as vulnerability to data breaches and cyberattacks. Cyberattacks can severely disrupt operations and pose serious risks to an organisation's critical infrastructure, business and reputation.	GRI 418 Customer Privacy		the environment. With fewer options, businesses must use scarce resources efficiently to remain sustainable and thrive.	GRI 303 Water and Effluents (2018)

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Annex E Stakeholder Engagement and Membership of Associations

Stakeholder engagement methods and key concerns raised

Key Stakeholder Groups	Engagement Method and Frequency	Key Topics and Concerns Raised	SATS' Response	Key Stakeholder Groups	Engagement Method and Frequency	Key Topics and Concerns Raised	SATS' Response
Employees and trade unions	 Annual employee engagement survey Monthly staff bonding activities Breakfast sessions between staff and senior management OnePeople initiative to engage employees on digital platforms Reporting systems for employees to report work-related risks Monthly breakfast meetings and quarterly tea sessions or luncheons with union representatives Monthly Union Management Meetings chaired by PCEO. Regular performance and career development review Whistle-blowing platforms 	 Creating an agile workforce that embraces diversity Increasing senior leadership communication Improving non-monetary benefits for our employees Automation's impact on employment Knowledge transfer on sustainability issues 	 Continue to provide retraining, multi-skilling and upskilling to increase productivity and employability for all staff, such as with in-house training and company sponsorship for certification, diploma or degree courses Uphold our "technology- driven, people-led" approach and maintain a high level of engagement in the process of digitalisation and automation Encourage conscious consumption among our employees and educate them on sustainable developments through sharing or training sessions Designated platform for union representatives to introduce 	Investors (Institutional) and sell-side analysts	 Annual General Meeting and quarterly earnings conference Participation in investor conferences to meet with investors Response to email requests from key institutional investors to meet with senior management on specific matters and queries about our business Dedicated investor relations team and clearly-defined investor relations policy to guide our communication with investors Capital Markets Day for investors and analysts 	 Sustainable development and long-term growth Capital investments in sustainability initiatives Use of renewable energy Programmes on reducing and managing food wastage 	 SATS has been harnessing technology and automation to enhance our operational efficiency and achieve scale Expanded the installation of rooftop solar panels across our premises with a combined capacity of 8.1 megawatt-peak atop SATS Airfreight Terminals 1 to 4, both of SATS' inflight catering centres as well as the SATS Maintenance Workshop We invest with the long-term view of creating shared value for our stakeholders Manage food waste responsibly by improving demand planning, optimising supply chain efficiencies and judicious use of food trimmings in our production.
Customers and Consumers	 On-ground service teams interact with customers daily, such as dedicated delay handling team Regular audits by our customers Regular outreach events, such as events to promote healthy diets to our young customers (school children) 	 Sustainable practices in operations such as in the use of packaging materials and waste management Exploring the use of plant-based ingredients in menu offerings Offering carbon footprint information by meal type 	 unions to new employees at our bi-monthly employee familiarisation programme Continue to work with our partners to promote the use of healthy ingredients Allergen information will be provided for all meals by 2030 Uphold our high standard in food safety, starting with the selection of quality raw materials from our suppliers to quality management in our kitchens Adopt new technology to enhance product quality 	Partners (Business)	Regular face-to-face meetings, phone calls and emails to discuss projects	 Sustainable Sourcing Carbon and energy reduction and waste issues Automation and digitalisation Value creation through partnership 	 Uphold our Code of Conduct and build our relationship with business partners through integrity and continue to practice sustainable and responsible sourcing Invested in technology to create value for our business partners Launched initiatives with our partners to enhance the travel experience, such as assisting SIA and SilkAir in their launch of P60 service to enable passengers to order duty-free goods up to 60 minutes before flight departure
			 Established Digital Integrated Supply Chain (DISC) to enable end-to-end traceability 				Continue to track and reduce waste and carbon emissions





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Key Stakeholder Groups	Engagement Method and Frequency	Key Topics and Concerns Raised	SATS' Response	GRI 102-13
Partners (Government & Regulators)	 Company announcements Quarterly financial results announcement, News release Corporate presentation on website Our management team, including PECO, regularly communicates with government authorities and regulators on behalf of the company 	 Workers' well-beings Cybersecurity Automation and digitalisation Regulatory and legal compliance e.g. the National Environment Agency's mandatory packaging reporting. 	 Board has overall responsibility in regulatory and legal compliance Protect our employees through fair employment and Occupational Health and Safety Management System. Continue to improve employees' well-being through engagement activities, training and provision of other non-monetary benefits. Invested in technology to enhance digitalisation and automation Established policies and practices to form our comprehensive cyber defense system Implemented several initiatives to reduce our carbon footprint, such as the electrification of our fleet. 	SATS SG SSSB GTR SATS Greater China SATS TFK
Suppliers	 Face-to-face meetings, phone calls and emails on a project-basis Annual suppliers' day forum 	 Comprehensive yield test Openness to proposal and ideas for cost-effective raw materials Sustainable product packaging Nutritional quality of products 	 Uphold our Supplier Code of Conduct to ensure they meet specified standards and qualifications Continue to form strategic long-term partnerships in areas such as delivery innovation, collaboration and co-branding activities 	
Community	 Various community outreach and engagement activities, including donations and volunteering programmes 	 Sustainable waste management Carbon emission reduction Empowering our communities through education 	 Continue to track and reduce waste and carbon emissions Conduct school outreach programmes to educate children on healthy eating habits 	
NGOs	 Company announcements Quarterly financial results announcement, News release Corporate presentation on website Donation to NGOs through SATS Foundation and SATS Staff Association 	Sustainable development in line with international practice	Compliance with sustainability regulations and integration of sustainable practices beyond compliance	SATS Saudi Arabia Monty's Bakehouse

• Annexes



Membership of Associations

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	FY2020/21
	International Air Transport Association
	Singapore Business Federation
	Singapore National Employers Federation
	Not applicable.
	Not applicable.
	Not applicable.
	Chiba Prefectural Government, Industrial study
	Chiba safety driving and traffic education, Airport district council
	Japan Tariff Association
	NAA Airport Operators Committee
	Narita Corporate Tax Study group
	Narita Fire and Disaster Prevention Association
	Narita Indirect Tax Association, Narita office
	Narita International Airport Police Association
	Narita International Airport Promotion Association
	Narita Labour Standards Association
	Narita Tourism Association
	Narita Withholding tax Association
	The Energy Conservation Center
	Chiba Corporate Management Association
	Japan Inflight Catering Association
	Narita Chamber of Commerce
	Narita Cosmopolitan Rotary Club
	Narita Liquor Merchants Association
	Public Opinion Study Association
	Association des Disciples d'Auguste Escoffier du Japon
	The Association for the advancement of the Japanese Culinary art
	Chiba Bank Research Institute
	Mizuho Bank study group
	Small Kindness Movement office
	Not applicable.
	Member of CampdenBRI

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GRI Standard	Disclosure Number	Disclosure Title	Page Number and Reasons for Omissions, if applicable	GRI Standard	Disclosure Number	Disclosure Title	Page Number and Reasons for Omissions, if applicable		
General Discl	osures			General Disclosures					
Organisational Pro	ofile			Governance					
GRI 102: General Disclosures 2016	102-1	Name of the organization	Refer to SATS Annual Report 2020-2021, SATS Story, Page 4	GRI 102: General Disclosures 2016	102-18	Governance structure	Our Sustainability Framework > Governance structure > Page 6		
	102-2	Activities, brands, products, and services	Refer to SATS Annual Report 2020-2021, SATS Story, Page 4	Stakeholder Enga	gement				
	102-3	Location of headquarters	Singapore	GRI 102: General	102-40	List of stakeholder groups	Annex e: Stakeholder Engagement and Membership		
	102-4	Location of operations	Refer to SATS Annual Report 2020-2021, SATS Story, Page 4	Disclosures 2016			of Associations		
	102-5	Ownership and legal form	Refer to SATS Annual Report 2020-2021, SATS Story, Page 4		102-41	Collective bargaining agreements	GRI Disclosures > Page 31		
	102-6	Markets served	Refer to SATS Annual Report 2020-2021, Geographical Presence, Page 20		102-42	Identifying and selecting stakeholders	Annex e: Stakeholder Engagement and Membership of Associations		
	102-7	Scale of the organization	Refer to SATS Annual Report 2020-2021, Page 114 and 116		102-43	Approach to stakeholder engagement	Annex e: Stakeholder Engagement and Membership of Associations		
	102-8	Information on employees and other	for information on net sales and total capitalisation Nurture Skills for the Future > Page 24		102-44	Key topics and concerns raised	Annex e: Stakeholder Engagement and Membership of Associations		
		workers	GRI Disclosures > Page 31	Reporting Practice					
	102-9	Supply chain	FY2019-2020 Sustainability Report > Nourishing Communities > Ensure Supply Chain is Sustainable, Page 32 to 33	GRI 102: General Disclosures 2016	102-45	Entities included in the consolidated financial statements	Annex a: About this Report & Contact Info, Page 46		
	102-10	Significant changes to the organization and its supply chain	There is no significant changes to SATS and its supply chain during this reporting period.		102-46	Defining report content and topic Boundaries	Annex d: Our Material Topics, Page 49		
	102-11	Precautionary Principle or approach	Our Sustainability Framework, Page 5		102-47	List of material topics	Annex d: Our Material Topics, Page 49		
					102-48	Restatements of information	No restatements of information		
	102-12	External initiatives	Develop Smart Infrastructure > Page 13 Reduce Food and Packaging Waste > Page 18		102-49	Changes in reporting	Annex a: About this Report & Contact Info, Page 46		
			Nurture Skills for the Future > Page 24		102-50	Reporting period	Annex a: About this Report & Contact Info, Page 46		
	102-13	Membership of associations	Annex f: Stakeholder Engagement and Membership		102-51	Date of most recent report	Annex a: About this Report & Contact Info, Page 46		
	102-15		of Associations		102-52	Reporting cycle	Annex a: About this Report & Contact Info, Page 46		
strategy					102-53	Contact point for questions regarding the report	Annex a: About this Report & Contact Info, Page 46		
RI 102: General isclosures 2016	102-14	Statement from senior decision-maker	Board Statement, Page 4 PCEO Statement, Page 2		102-54	Claims of reporting in accordance with the GRI Standards	Annex a: About this Report & Contact Info, Page 46		
thics and Integri	v				102-55	GRI content index	GRI Content Index, Page 52		
GRI 102: General Disclosures 2016	102-16	Values, principles, standards, and norms of behavior	Nurture Skills for the Future> In Conversation with Lilian Tan > Page 25		102-56	External assurance	We have not sought external assurance for this report and will work towards getting our Sustainability Report external assured in the next three to five years.		





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Annex F GRI Content Index

GRI Standard	Disclosure Number	Disclosure Title	Page Number and Reasons for Omissions, if applicable	GRI Standard	Disclosure Number	Disclosure Title	Page Number and Reasons for Omissions, if applicable
Topic Specific	Disclosu	res		Topic Specific	Disclosu	res	
Category: Econo	mic			Category: Enviro	nmental		
Procurement Practi	ces			Water and Effluents	S		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	FY2019-2020 Sustainability Report > Nourishing Communities > Ensure Supply Chain is Sustainable, Page 32	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	FY2019-2020 Sustainability Report > Treasuring Resources Use Scarce Resources Efficiently, Page 61
	103-2	The management approach and its components	FY2019-2020 Sustainability Report > Nourishing Communities > Ensure Supply Chain is Sustainable, Page 32		103-2	The management approach and its components	FY2019-2020 Sustainability Report > Treasuring Resources Use Scarce Resources Efficiently, Page 61
	103-3	Evaluation of the management approach	FY2019-2020 Sustainability Report > Nourishing Communities > Ensure Supply Chain is Sustainable, Page 32		103-3	Evaluation of the management approach	FY2019-2020 Sustainability Report > Treasuring Resources Use Scarce Resources Efficiently, Page 61
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Proportion of spending on local suppliers is more than 90%.	GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	FY2019-2020 Sustainability Report > Treasuring Resources Use Scarce Resources Efficiently, Page 61
Category: Environmental					303-2	Management of water discharge-related impacts	FY2019-2020 Sustainability Report > Treasuring Resources Use Scarce Resources Efficiently, Page 61
Materials					303-3	Water withdrawal	GRI Disclosures > Water Withdrawal > Page 35
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Develop Smart Infrastructure > In Conversation with Spencer Low, Page 13				Water withdrawn in Singapore and our overseas operations are freshwater and from municipal supply.
			Reduce Food and Packaging Waste > In Conversation with Kerry Mok, Page 18				Based on WRI's Aqueduct Water Risk Atlas tool, our operations in Japan, Australia and Saudi Arabia are current
	103-2	The management approach and its components	Develop Smart Infrastructure > In Conversation with Spencer Low, Page 13	Emissions			located in water stress areas.
			Reduce Food and Packaging Waste > In Conversation with Kerry Mok, Page 18	GRI 103: Management	103-1	Explanation of the material topic and its Boundary	Develop Smart Infrastructure > In Conversation with Spence
	103-3	Evaluation of the management approach	Develop Smart Infrastructure > In Conversation with Spencer Low, Page 13	Approach 2016	103-2	The management approach	Low, Page 13 Develop Smart Infrastructure > In Conversation with Spence
			Reduce Food and Packaging Waste > In Conversation with Kerry Mok, Page 18		103-3	and its components Evaluation of the management approach	Low, Page 13 Develop Smart Infrastructure > In Conversation with Spence Low, Page 13
GRI 301: Materials 2016	301-1	Materials used by weight or volume	This year, we used approximately 4,000 tonnes of food ingredients and raw materials.	GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	GRI Disclosures > Carbon Emissions > Page 34
			We are working towards collecting data for other materials	2016	305-2	Energy indirect (Scope 2) GHG emissions	GRI Disclosures > Carbon Emissions > Page 34
			used.	Effluents and Waste	e		
Energy GRI 103: Management	103-1	Explanation of the material topic	Develop Smart Infrastructure > In Conversation with Spencer	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Reduce Food and Packaging Waste > In Conversation with Kerry Mok, Page 18
Approach 2016	103-2	and its Boundary The management approach	Low, Page 13 Develop Smart Infrastructure > In Conversation with Spencer		103-2	The management approach and its components	Reduce Food and Packaging Waste > In Conversation with Kerry Mok, Page 18
	103-3	and its components Evaluation of the management approach	Low, Page 13 Develop Smart Infrastructure > In Conversation with Spencer		103-3	Evaluation of the management approach	Reduce Food and Packaging Waste > In Conversation with Kerry Mok, Page 18
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Low, Page 13 GRI Disclosures > Carbon Emissions > Page 34	GRI 306: Effluents and	306-2	Waste by type and disposal method	GRI Disclosures > Waste Management > Page 37
SICI SUZ. ETIETYY ZU10	302-1		GRI DISCIUSULES - CALDULL ETHISSIONS - Page 34	Waste 2016			

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GRI Standard	Disclosure Number	Disclosure Title	Page Number and Reasons for Omissions, if applicable	GRI Standard	Disclosure Number	Disclosure Title	Page Number and Reasons for Omissions, if applicable
Topic Specific	Disclosu	res		Topic Specific	Disclosu	Jres	
Category: Enviro	nmental			Category: Social			
Environmental Com	pliance			Labour-Manageme	nt Relations	S	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary		Reduce Food and Packaging Waste > In Conversation with Kerry Mok, Page 18 Develop Smart Infrastructure > In Conversation with	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Nurture Skills for the Future> In Conversation with Lilian Tan > Page 25
			Spencer Low, Page 13		103-2	The management approach	Nurture Skills for the Future> In Conversation with Lilian Tan >
	103-2	The management approach and its components	Reduce Food and Packaging Waste > In Conversation with Kerry Mok, Page 18		402.2	and its components	Page 25 Nurture Skills for the Future> In Conversation with Lilian Tan >
			Develop Smart Infrastructure > In Conversation with Spencer Low, Page 13		103-3	Evaluation of the management approach	Page 25
	103-3	Evaluation of the management approach	Reduce Food and Packaging Waste > In Conversation with Kerry Mok, Page 18	GRI 402: Labour- Management Relations 2016	402-1	Minimum notice periods regarding operational changes	GRI Disclosures > Page 31
			Develop Smart Infrastructure > In Conversation with Spencer Low, Page 13	Occupational Healt	h and Safet	ty	
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	Reduce Food and Packaging Waste > In Conversation with Kerry Mok, Page 18	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	GRI Disclosures > Safeguard Operational Safety, Page 44
			Develop Smart Infrastructure > In Conversation with Spencer Low, Page 13		103-2	The management approach	GRI Disclosures > Safeguard Operational Safety, Page 44
Supplier Environme	ntal Assess	ment				and its components	
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	FY2019-2020 Sustainability Report > Nourishing Communities > Ensure Supply Chain is Sustainable, Page 32		103-3	Evaluation of the management approach	GRI Disclosures > Safeguard Operational Safety, Page 44
	103-2	The management approach and its components	FY2019-2020 Sustainability Report > Nourishing Communities > Ensure Supply Chain is Sustainable, Page 32	GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	GRI Disclosures > Safeguard Operational Safety, Page 44
	103-3	Evaluation of the management approach	FY2019-2020 Sustainability Report > Nourishing Communities > Ensure Supply Chain is Sustainable, Page 32		403-2	Hazard identification, risk assessment, and incident investigation	GRI Disclosures > Safeguard Operational Safety, Page 44
GRI 308: Supplier Environmental	308-1	New suppliers that were screened using environmental criteria	Information currently not available. We will disclose this information in the future.		403-3	Occupational health services	GRI Disclosures > Safeguard Operational Safety, Page 44
Assessment 2016					403-4	Worker participation, consultation, and communication on occupational health	GRI Disclosures > Safeguard Operational Safety, Page 44
Category: Social						and safety	
Employment GRI 103: Management	103-1	Explanation of the material topic	Nurture Skills for the Future> In Conversation with Lilian Tan >		403-5	Worker training on occupational health and safety	GRI Disclosures > Safeguard Operational Safety, Page 44
Approach 2016	103-2	and its Boundary The management approach	Page 25		403-6	Promotion of worker health	GRI Disclosures > Safeguard Operational Safety, Page 44
		and its components	Page 25		403-7	Prevention and mitigation of occupational	GRI Disclosures > Safeguard Operational Safety, Page 44
	103-3	Evaluation of the management approach	Nurture Skills for the Future> In Conversation with Lilian Tan > Page 25			health and safety impacts directly linked by business relationships	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	GRI Disclosures > Page 31		403-9	Work-related injuries	GRI Disclosures > Safeguard Operational Safety, Page 44





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Topic Specific	opic Specific Disclosures					Topic Specific Disclosures					
Category: Social				Category: Social							
Training and Educat	ion			Supplier Social Asse	essment						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Nurture Skills for the Future> In Conversation with Lilian Tan > Page 24	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	FY2019-2020 Sustainability Report > Nourishing Communities > Ensure Supply Chain is Sustainable, Page 32				
	103-2	The management approach and its components	Nurture Skills for the Future> In Conversation with Lilian Tan > Page 24		103-2	The management approach and its components	FY2019-2020 Sustainability Report > Nourishing Communities > Ensure Supply Chain is Sustainable, Page 32				
	103-3	Evaluation of the management approach	Nurture Skills for the Future> In Conversation with Lilian Tan > Page 24		103-3	Evaluation of the management approach	FY2019-2020 Sustainability Report > Nourishing Communities				
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	GRI Disclosures > Page 38	GRI 414: Supplier Social	414-1	New suppliers that were screened using	> Ensure Supply Chain is Sustainable, Page 32 Information currently not available. We will disclose this				
Diversity and Equal	Opportunity	y		Assessment 2016		social criteria	information in the future.				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Nurture Skills for the Future> In Conversation with Lilian Tan > Page 24	Customer Health an	d Safety						
	103-2	The management approach and its components	Nurture Skills for the Future> In Conversation with Lilian Tan > Page 24	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	FY2019-2020 Sustainability Report > Nourishing Communities > Uphold Food Safety, Page 35				
	103-3	Evaluation of the management approach	Nurture Skills for the Future> In Conversation with Lilian Tan > Page 24		103-2	The management approach and its components	FY2019-2020 Sustainability Report > Nourishing Communities > Uphold Food Safety, Page 35				
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Nurture Skills for the Future> In Conversation with Lilian Tan > Page 24		103-3	Evaluation of the management approach	FY2019-2020 Sustainability Report > Nourishing Communities > Uphold Food Safety, Page 35				
Non-Discrimination			GRI Disclosures > Page 42, 43	GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	FY2019-2020 Sustainability Report > Nourishing Communities > Uphold Food Safety, Page 35				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	Nurture Skills for the Future> In Conversation with Lilian Tan > Page 24		416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	FY2019-2020 Sustainability Report > Nourishing Communities > Uphold Food Safety, Page 35				
	103-2	The management approach and its components	Nurture Skills for the Future> In Conversation with Lilian Tan > Page 24								
	103-3	Evaluation of the management approach	Nurture Skills for the Future> In Conversation with Lilian Tan > Page 24								
GRI 406: Non- Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Nurture Skills for the Future> In Conversation with Lilian Tan > Page 24								





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GRI Standard	Disclosure Number	Disclosure Title	Page Number and Reasons for Omissions, if applicable	GRI Standard	Disclosure Number	Disclosure Title	Page Number and Reasons for Omissions, if applicable
Topic Specific	Disclosu	res		Topic Specific	Disclosu	ires	
Category: Social				Category: Social			
Customer Privacy				Changing Aviation	Markets		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	FY2019-2020 Sustainability Report > Connecting People > Ensure Seamless Connection, Page 38 to 44	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	FY2019-2020 Sustainability Report > Connecting People Ensure Seamless Connection, Page 38 to 44
	103-2	The management approach and its components	FY2019-2020 Sustainability Report > Connecting People > Ensure Seamless Connection, Page 38 to 44				Develop Smart Infrastructure > In Conversation with Sper Low > Page 13
	103-3	Evaluation of the management approach	FY2019-2020 Sustainability Report > Connecting People > Ensure Seamless Connection, Page 38 to 44				Nurture Skills for the Future > In Conversation with Lilian > Page 24
GRI 418: Customer	418-1			103-2	The management approach and its components	FY2019-2020 Sustainability Report > Connecting People Ensure Seamless Connection, Page 38 to 44	
Privacy 2016		breaches of customer privacy and losses of customer data	Ensure Seamless Connection, Page 38 to 44				Develop Smart Infrastructure > In Conversation with Sper Low > Page 13
ocioeconomic Cor	npliance						Nurture Skills for the Future > In Conversation with Lilian > Page 24
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	FY2019-2020 Sustainability Report > Connecting People > Ensure Seamless Connection, Page 38 to 44		103-3	Evaluation of the management approach	FY2019-2020 Sustainability Report > Connecting People Ensure Seamless Connection, Page 38 to 44
	103-2	The management approach and its components	FY2019-2020 Sustainability Report > Connecting People > Ensure Seamless Connection, Page 38 to 44				Develop Smart Infrastructure > In Conversation with Sper Low > Page 13
	103-3	Evaluation of the management approach	FY2019-2020 Sustainability Report > Connecting People > Ensure Seamless Connection, Page 38 to 44				Nurture Skills for the Future > In Conversation with Lilian > Page 24
SRI 419: Socioeconomic	419-1	Non-compliance with laws and regulations in the social and economic area	FY2019-2020 Sustainability Report > Connecting People > Ensure Seamless Connection, Page 38 to 44	Non-GRI		Regulatory and market risk management	FY2019-2020 Sustainability Report > Connecting People Ensure Seamless Connection, Page 38 to 44
Compliance 2016							PCEO Statement > Page 2
Food Innovation and	d Technolog	IJ		Geopolitical Instabi	lity		
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	FY2019-2020 Sustainability Report > Nourishing Communities > Make Balanced Diets Accessible, Page 22	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	FY2019-2020 Sustainability Report > Connecting People = Ensure Seamless Connection, Page 38 to 44
	103-2	The management approach and its components	FY2019-2020 Sustainability Report > Nourishing Communities > Make Balanced Diets Accessible, Page 22		103-2	The management approach and its components	FY2019-2020 Sustainability Report > Connecting People Ensure Seamless Connection, Page 38 to 44
	103-3	Evaluation of the management approach	FY2019-2020 Sustainability Report > Nourishing Communities > Make Balanced Diets Accessible, Page 22		103-3	Evaluation of the management approach	FY2019-2020 Sustainability Report > Connecting People Ensure Seamless Connection, Page 38 to 44
lon-GRI		Investing in food innovation and technology	FY2019-2020 Sustainability Report > Nourishing Communities > Make Balanced Diets Accessible, Page 22	Non-GRI		Regulatory and market risk management	FY2019-2020 Sustainability Report > Connecting People Ensure Seamless Connection, Page 38 to 44





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Annex G Glossary

AAT	Asia Airfreight Terminal Company Limited	ETSP	Enhanced Training Support Package	РТВ	Passenger Terminal Building
ACA	Airline Catering Association	GHG	Greenhouse Gas	SAL	SATS Aero Laundry
ACI	Airports Council International	GJ	gigajoules	SATS DN	SATS Delaware North
AESU	Air-transport Executive Staff Union	GRI	Global Reporting Initiative	SATSWU	Singapore Airport Terminal Services Workers' Union
\FT	Airfreight Terminal	GSE	Ground Support Equipment	SDG	Sustainable Development Goal
AI	Artificial Intelligence	НКІА	Hong Kong International Airport	SFS	SATS Food Service
AISATS	Air India SATS	IATA	International Air Transport Association	SGX	Singapore Exchange
APS	Assumption Pathway School	IPCC	Intergovernmental Panel on Climate Change	SIA	Singapore Airlines
ASF	Aviation Sustainability Forum	JCPL	Joint Container Pallet Loader	SICC	SATS Inflight Catering Centre
ATAG	Air Transport Action Group	LNG	Liquefied Natural Gas	SMC	SATS Maintenance Centre
AWWA	Asian Women's Welfare Association	LPG	Liquefied Petroleum Gas	SSG	SkillsFuture Singapore
BCS	Beijing CAH SATS Aviation Services	MBCCS	Marina Bay Cruise Centre Singapore	STP	Sewage Treatment Plant
BGS	Beijing Ground Services	MIC	Maldives Inflight Catering	TCFD	Task Force on Climate-related Disclosures
CAAS	Civil Aviation Authority of Singapore	OHS	Occupational Health & Safety	tCO ₂ e	tonnes of carbon dioxide equivalent
CAG	Changi Airport Group	PCEO	President & Chief Executive Officer	UNSDG	United Nations Sustainable Development Goals
Country Foods	Country Foods Pte. Ltd	PI	Primary Industries	UNEP	United Nations Environment Programme
SG	Environmental, Social and Governance	PRMDS	Passengers with Reduced Mobility and Disability	WSG	Workforce Singapore

