

# Materiality

## Finding out what matters to us and our stakeholders

In 2019, we undertook an extensive engagement exercise with our key stakeholder groups to validate the material environmental, social and governance (ESG) issues first identified in 2017, and to align our goals with those of our key stakeholders. As a result of this engagement exercise, we identified and prioritised a list of material ESG issues below.

We recognise the importance of reviewing our business strategy regularly, with inputs from our stakeholders, in order to identify the most pertinent risks and opportunities. In light of new ESG issues that have surfaced as consequences of the COVID-19 pandemic, we have embarked on a review of SATS' material issues and expect to share our findings in upcoming editions of our Sustainability Report. Reexamining and reprioritising our material issues is an essential step for us to adapt to the 'new normal' and thrive in a post-COVID-19 world.

## SATS Material ESG Issues



Nourishing Communities	Connecting People	Treasuring Resources
Food Security and Food Safety	Skilled Labour	Resource Scarcity
Health and Well-being of Consumers	Cybersecurity	Materials Waste
Sustainable Sourcing and Transparency in Supply Chains	Changing Aviation Markets	Energy Efficiency and Transformation
Food Waste	Changing Sustainability Regulations	Carbon Emissions
Food Innovation and Technology	Geopolitical Instability	

# Sustainability Governance

## How do we keep ourselves accountable?

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 pillars.

At SATS, we believe that leaders should lead by example and stay actively engaged with staff in order to create a culture of shared values, genuine collaboration and purposeful growth. This year, we have a newly appointed Chief Strategy & Sustainability Officer, who is responsible for spearheading sustainability across the organisation. The senior leadership team, reporting directly to our President & Chief Executive Officer (PCEO), also comprises senior representation from the Food Solutions, Gateway Services, and Human Capital departments, supported by the Finance and Public Affairs & Branding team.

We are committed to engaging staff on sustainability across all levels of the organisation. The Sustainability Working Committee comprises staff representatives from 12 departments and this year, we have extended our coverage to encompass our overseas subsidiaries. The Working Committee evaluates the effectiveness of our sustainability programmes together with key performance metrics quarterly. Results of our evaluation are reported to our Chief Strategy & Sustainability Officer and PCEO. The Board has oversight on our sustainability strategy and performance, in addition to the adequacy and effectiveness of the Group's internal control and risk management system.

For more details about our Board of Directors, risk management and corporate culture, please refer to our full corporate governance report in SATS Annual Report 2019-2020.

