

## **Engagement of External Professional Agency to Incorporate ESG Criteria into SATS Global Procurement Vendor Selection Process and Procurement Practices**

### **Overview / Background**

At SATS, sustainability sits at the heart of our business strategy. Over the years, SATS has been working with our customers and suppliers to implement sustainability initiatives that help us reduce the impact our activities may have on the environment and communities. We have incorporated various environmental, social and governance (ESG) criteria into our business practices.

SATS had also successfully obtained the ISO 37001 certification, the international standard for anti-bribery management systems. Obtaining this certification fortifies our commitment to conducting business ethically and with the highest level of integrity. It is mandatory for potential suppliers to accept SATS' Supplier Code of Conduct before they can participate in SATS' sourcing events.

There are two (2) procurement departments in SATS, namely, SATS Global Procurement for purchases of food items and related services, and SATS Procurement Services for the purchases of non-food items and related services.

We are looking at integrating ESG criteria into our vendor selection and procurement practice across SATS Group entities including all local and overseas subsidiaries which we have operational control.

Global Procurement has incorporated ESG criteria into its Operations Manual. SATS Procurement Services will review ESG as mandatory criteria for vendors at a later stage due to the wide spectrum and complexities of non-food purchases.

### **Objectives**

We are looking to engage an agency who has expertise in:

- Integrating ESG aspects in our supply chain management (both upstream and downstream)
- Developing supplier selection strategy incorporating ESG criteria
- Supply chain risk screening
- Establishing a vendor audit framework
- Carrying out supplier audit in geographies across SATS' network
- Measuring the ESG performance of suppliers of all sizes

Agencies who possess deep experience with a wide footprint in supplier audit and have a successful track record in supporting clients with similar needs as SATS will be considered more favourably.

We plan to enter a long-term partnership with the selected agency with an award of contract of 3-years with an option to extend for another 2 years with satisfactory performance.

**Interested to Participate in SATS RFQ?**

If you are interested to participate in this RFQ, please provide the following information:

<b>Company Name</b>	<b>Business Registered Address</b>	<b>Website</b>	<b>Salesperson's First Name</b>	<b>Salesperson's Last Name</b>	<b>Salesperson's Email Address</b>	<b>Salesperson's Contact No.</b>