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In a world where business and human connectivity have been severely disrupted by the COVID-19 pandemic, our responsibility is to ensure that our customers and communities continue to have access to what they need.

We are grateful for the agility, resilience and selflessness of our people, which have enabled us to turn a challenging situation into an opportunity for transformation, as we continue to work together to drive purposeful, sustainable growth.

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Connecting People

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Ensure Seamless Connections

[view more](#) >

.....

Grow with SATS

[view more](#) >

.....

Safeguard Operational Safety

[view more](#) >

.....

Empower Communities

[view more](#) >



Connecting with Passion and Purpose

Ensuring seamless connections for passengers and cargo every day, while empowering communities and our people to fulfil their fullest potential, we embrace technology, digitalisation and change.

Our Primary Stakeholders

- Employees
- Customers
- Local Communities
- Shareholders

United Nations' Sustainable Development Goals





Ensure Seamless Connections

Technology's rapid evolution presents SATS with the opportunities and capabilities to provide our customers with more efficient and sustainable ways to stay seamlessly connected. As a leading gateway services provider in the region, we take pride in our ability to move passengers and cargo securely and smoothly while minimising our impact on the environment.

Through a process of digital transformation and by harnessing the power of innovative technology, we aim to achieve greater operational efficiency, enhance our service offerings, and improve our customers' experience.

● Ensure Seamless Connections

Connectivity through digitalisation

Digitalisation is an important part of our sustainable business strategy. In order to facilitate operations and ensure quality service delivery, SATS has innovated and implemented various tools.

eFulfilment Platform

To achieve greater operational efficiency and provide smoother connectivity for our customers, SATS created the eFulfilment platform to facilitate a range of digital services, including pre-arrival customs clearance and fully trackable last-mile delivery. This year, we worked with SIA across 23 stations to replace three paper flight documents with electronic data, namely flight manifests, airway bills and console manifests. The next phase would include the implementation of a complete e-freight proof of concept, removing all paper flight documents including special cargo in selected stations. Throughout the development process, we have actively engaged the Singapore Aircargo Agents Association to ensure that our eFulfilment platforms meet the needs of our cargo customers.

RFID Tracking System

Our RFID-enabled tracking system enables real-time tracking and tracing for cargo in key markets from origin to destination airports. This allows us to provide our customers with greater traceability and better connectivity across regional cargo corridors. The initiative now covers our major markets including Singapore, China, Hong Kong, Indonesia and India, and has been extended to our joint venture partners in Oman and Damman.

Electronic Airway Bill (e-AWB)

As part of our commitment to become a 100% paperless hub by 2030, we have been working relentlessly to transform conventional paper processes to paperless ones. This not only improves operational efficiency, but also allows us to better manage and reduce our environmental footprint. To date, we have achieved an average of 49.5% e-AWB penetration for total (ex-Singapore) export shipments and, together with our industry partners, have saved a total of 4.7 million pieces of paper as a result.

Building on ongoing efforts, we have digitalised 30% of aviation security forms to date, which is an improvement from 25% in FY2018-19. We aim to increase this to 100% by FY2020-21.



● Ensure Seamless Connections

Case Study ^{2.1}

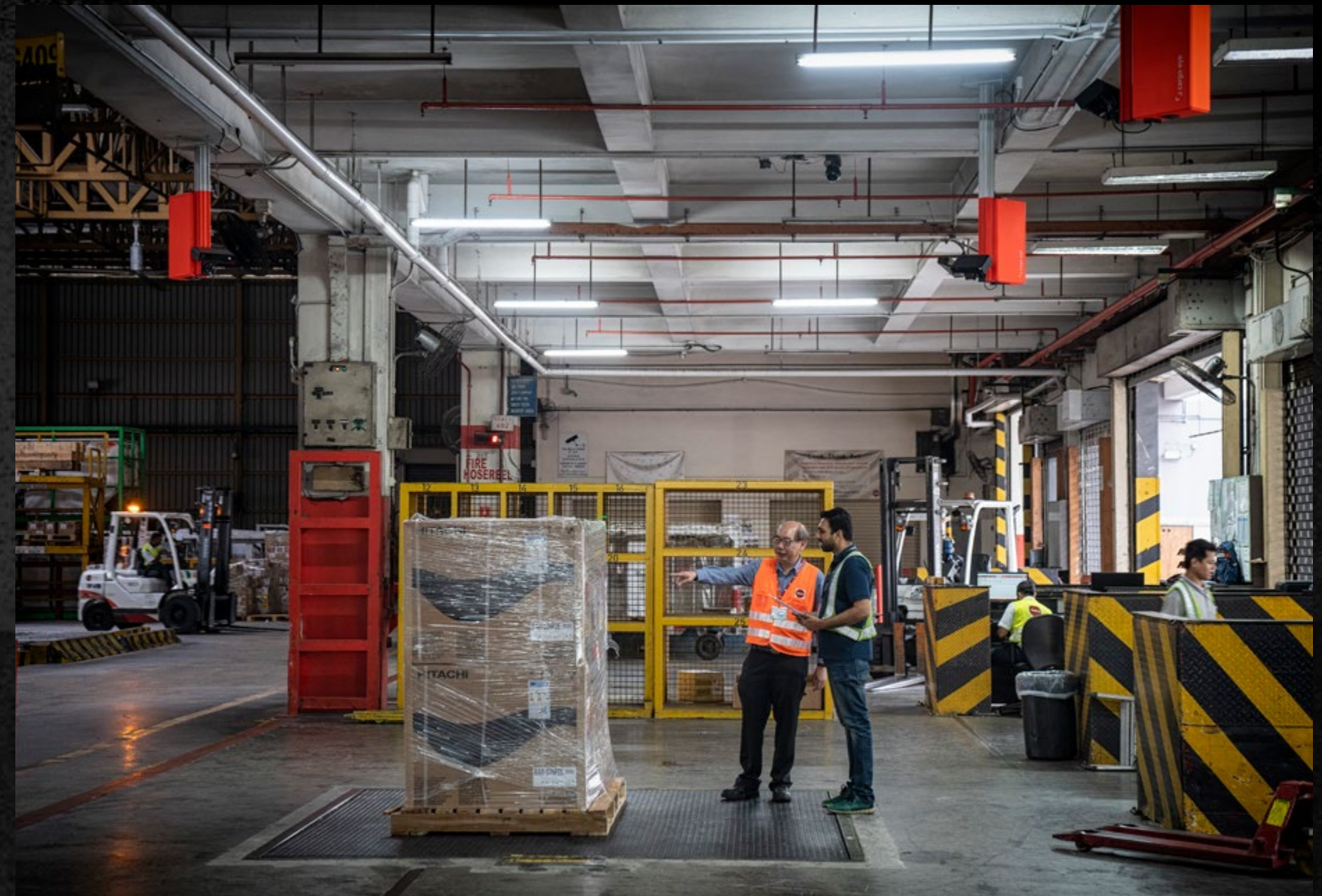
SPEEDCARGO, The World's First AI-powered Robotic Air Cargo System

SPEEDCARGO is the latest addition to SATS' technology-aided cargo handling capabilities. A collaboration between SATS and TUM CREATE Ltd (TUMCREATE), SPEEDCARGO is designed to accelerate cargo handling sustainably and securely.

An integrated solution, SPEEDCARGO comprises three products – CARGO EYE, CARGO MIND and CARGO ARM. These are targeted at optimising cargo acceptance as well as cargo palletisation through intelligent Unit Load Device (ULD) planning, and automatic ULD packing respectively. The AI-powered operating system enables seamless data connectivity for end-to-end optimisation and improves safety and security across cargo operations.

Since October 2018, TUMCREATE has been stationed at SATS Airfreight Terminal, working closely with SATS during the prototype development phase and for ongoing trials. To date, trials of CARGO EYE have achieved a 99.99% accuracy rate for the dimensioning of accepted cargo. CARGO EYE produces a digital fingerprint for incoming cargo in real time using an advanced 3D camera system for better pallet optimisation. SATS and TUMCREATE are concurrently making progressive enhancements to CARGO MIND and CARGO ARM, with the intention of commercialising each product in phases.

SPEEDCARGO, coupled with COSYS+, our cloud-based cargo terminal management system that was introduced in December 2018, will augment real-time cargo visibility along our digital corridors and strengthen our cargo network across the Asia Pacific.

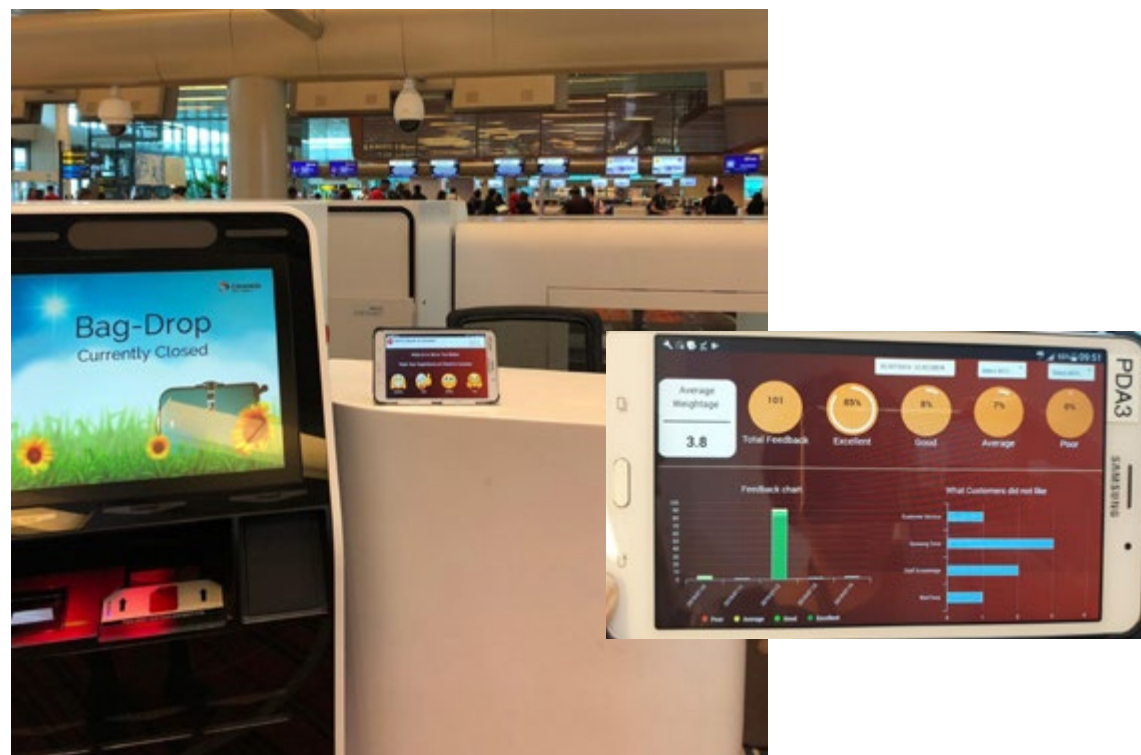


● Ensure Seamless Connections

Connectivity through service design

At SATS, we take pride in providing passengers with everything they need for safe and seamless travel through the airport. The passenger services we offer are thoughtfully designed to enable smooth transitions from one point of the journey to another.

This year, we launched special assistance programmes to offer people with reduced mobility (PRMs) smoother connectivity. We have been working with Changi Airport Group (CAG) to enhance accessibility for PRMs through the use of technology and by improving airport facilities and services. Some of the enhancements include the lowering of check-in and immigration counters and installing ramps at curbside for wheelchair access. Passenger lounges have also been refurbished to offer more PRM-friendly amenities, such as geriatric chairs and service options that offer greater convenience for PRMs, such as the option of having their meals at a lounge.



In addition, our service teams have developed the E-Caddy and upgraded Follow-Me Wheelchairs to increase the efficiency of PRM services and enhance the overall passenger experience.

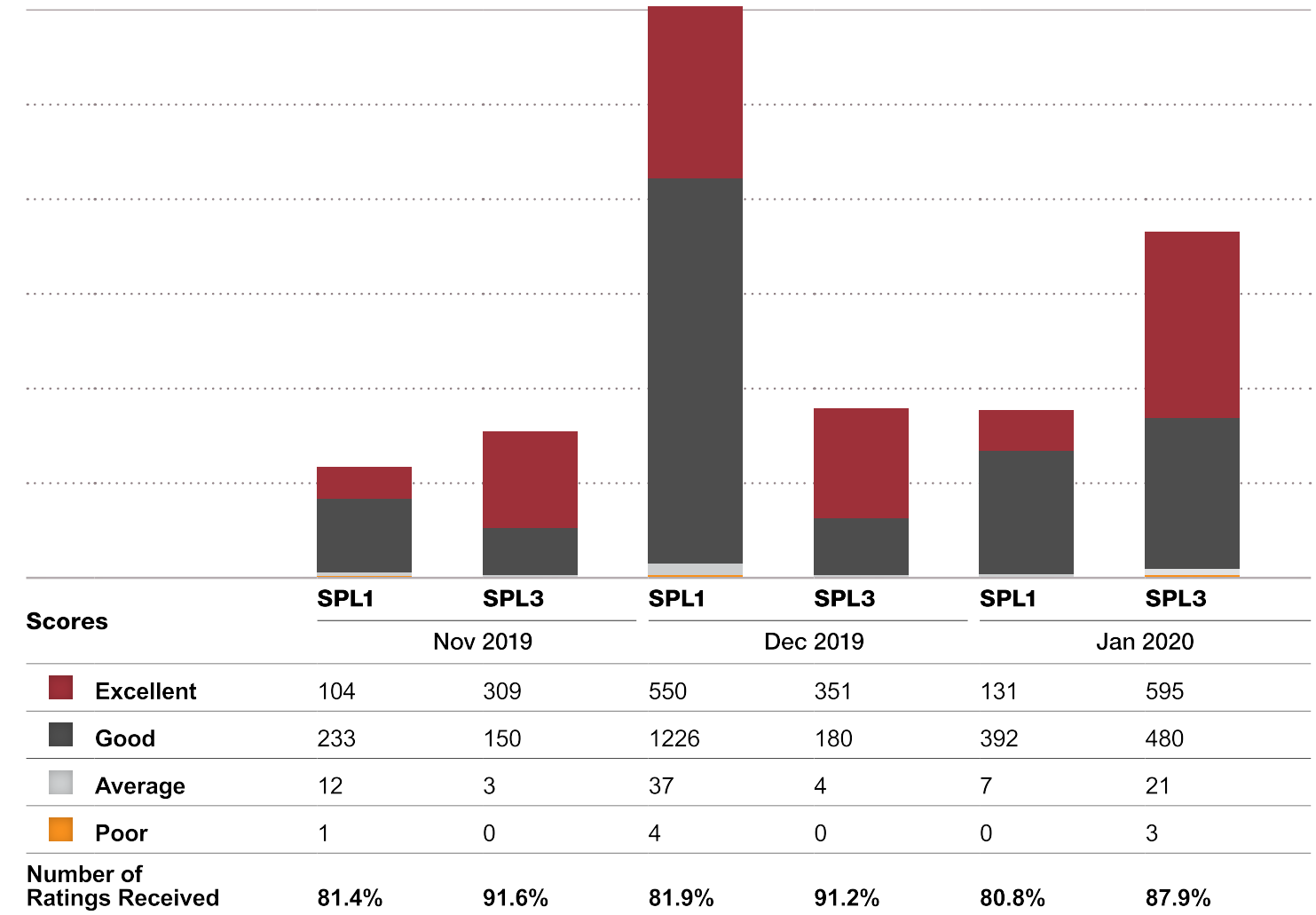
As Singapore eased its COVID-19 restrictions to allow more SIA Group flights to and from selected countries, we worked with SIA cabin crew to ensure the safety and comfort of transit passengers during their travels. Under a four-week attachment programme, our SIA cabin crew colleagues joined our team as Airport Experience Ambassadors and helped to deliver a seamless and positive transit experience.

In November 2019, we implemented a digital feedback system at check-in counters and SATS Premium Lounges (SPL), which allows us to capture feedback on areas of concerns and to follow up with immediate action. It also allows us to compliment and reward staff who consistently perform well. Moving forward, we will further enhance this platform to capture our customer experience and satisfaction levels.

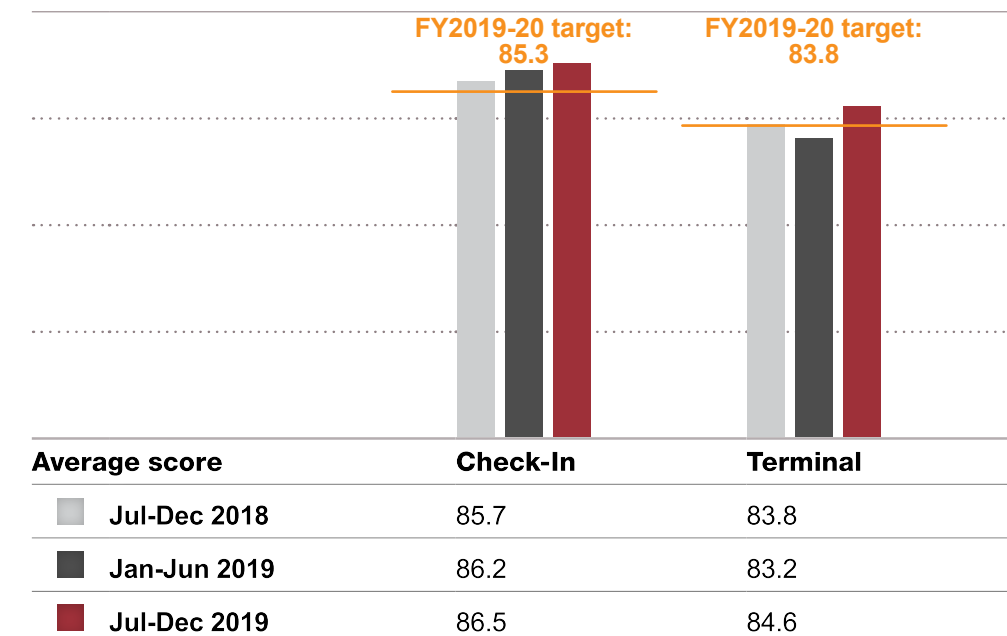
With shared aspirations to achieve excellence in safety, operations and customer experience, SATS developed a joint scorecard with SIA, our key customer and airline partner, as part of our collective efforts to serve passengers better. Working closely together, our Gateway Operations team supported SIA's Singapore station, enabling them to achieve an improvement in station ranking from 16th position in FY2017-18 to 6th position in FY2019-20. According to our bi-annual survey that measures the level of client satisfaction, for the period starting from July to December 2019, we achieved higher overall scores for both check-in and terminal services.

Moving ahead, SATS is committed to continue attaining high scores on seamless connectivity for both our customers and our cargo services.

SPL Feedback



Passenger Services



● Ensure Seamless Connections

Case Study 2.2

WELink Follow-Me Wheelchairs

In response to rising requests for wheelchair assistance, SATS has conceptualised and prototyped WELink – a system which allows one staff to transport three wheelchair-bound passengers using sensor technology operated via a mobile application.

Developed after multiple prototyping iterations, WELink is designed to deliver a user-friendly and safe experience for both passengers and staff. WELink's features include a baggage holder and comfortable and unrestrictive seats, and it also allows staff to control and maneuver the equipment hands-free.

Built-in Safety Features

The priority of this project is to ensure the safety of users and people in their immediate surroundings. Leveraging LIDAR (Light Detection And Ranging) technology, a feature typically installed in driverless vehicles, WELink can follow our staff closely through narrow corridors and make tight U-turns safely.



Manual Wheelchair



First Prototype



Second Prototype



Implemented Version

● Ensure Seamless Connections

Case Study 2.2

Key features of WELink

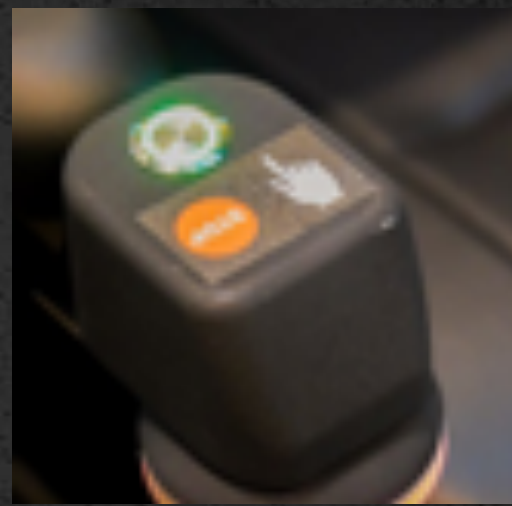
LIDAR sensor that allows for continuous updates of the surroundings through an alert system and an automatic emergency stop when encountering sudden obstacles.

Active braking systems that will take hold on slopes at steep aerobridges and prevent rollbacks or forward slides.

Smart seatbelts that allow WELinks to be activated only when the seatbelts are in place.

Dashcams that are installed in every WELink wheelchair, capturing footage that can be used for the investigation of any incidents.

Safety stop button that enables the user to activate emergency stops independently, if necessary.



Positioning of the electronic manual controls are designed to be out of reach for passengers in order to prevent mishandling.

Mobile application activation by authorised and trained personnel that allows for safe and seamless control of the wheelchair convoy.

Ergonomically positioned manual controls that are installed as a backup in the event of any electronics malfunction, to facilitate quick manual safety overrides.

A stowable baggage compartment that is installed in every wheelchair where passengers' belongings can be stowed and secured instead of being carried by the attending service staff.



Front

- 1. Smart seatbelt system
- 2. Stop button
- 3. Dashcam
- 4. Visual indicator
- 5. Electronically controlled wheels
- 6. Drive mechanisms
- 7. LIDAR sensor



Back

- 8. Push handle bar
- 9. Electronic manual controls
- 10. Unique QR code
- 11. Stowable baggage storage



● Ensure Seamless Connections

Stability through risk management

In a world where physical interactions have been severely disrupted by a global pandemic, digitalisation has become more crucial than ever. Yet, while digitalisation creates many new opportunities, the constantly evolving cybersecurity and data integrity risks mean that we have to maintain the highest level of vigilance. Across our operations, many of our teams interact with sensitive customer data on a daily basis. It is thus imperative for us to build a robust cyber defence system to protect critical information and to prevent any potential data breach.

Cybersecurity management framework

SATS has adopted a number of cybersecurity best practices to accelerate our digitalisation process while reducing cybersecurity and compliance risks. For instance, we have in place an Information Security Policy aligned with ISO 27001, and have incorporated a cybersecurity management framework into our risk management practices.

Covering three key areas of protection, operations, and governance, the framework provides SATS with a comprehensive defence by detecting and responding swiftly to cybersecurity threats. Notably, the governance component in our cybersecurity management framework plays an important role in stipulating standards and procedures, as well as reviewing the effectiveness of existing policies through metrics and reporting.

Cybersecurity training

User training is also a crucial part of our cyber defence system. Through the SATS Cybersecurity Awareness Programme, our employees undergo various simulation and

tabletop exercises, as well as e-learning and phishing simulation campaigns. Raising staff awareness of cybersecurity threats and the ability to detect and address anomalies can play an important role in helping to reduce the overall risk across the organisation.

Digital infrastructure

SATS is building and strengthening our digital infrastructure against cybersecurity risks and potential threats by adopting a 'Defense in Depth' approach, which aims to thwart attackers' access to sensitive data.

Due to the design and strength of our digital infrastructure, any attacks will have to circumvent several different barriers before any severe damage or breach can occur. Different layers of security platforms, which are installed in our data centers, include anti-denial of service, proxy, intrusion prevention systems and firewalls. Alerts are also configured to instantly detect unauthorised logins or suspicious behaviour, such as attempts to access multiple personal computers within a short period of time. Upon receiving such an alert, SATS' Cyber Incident Response team will be immediately deployed to investigate.

Building on our cybersecurity efforts, we have implemented a zero-tolerance policy towards security breaches, reinforced by a robust fall-back system. For the period from 1 April 2019 to 31 March 2020, we have received zero complaints concerning breaching of customer services and zero identified leaks of customer data.

Regulatory and market risk management

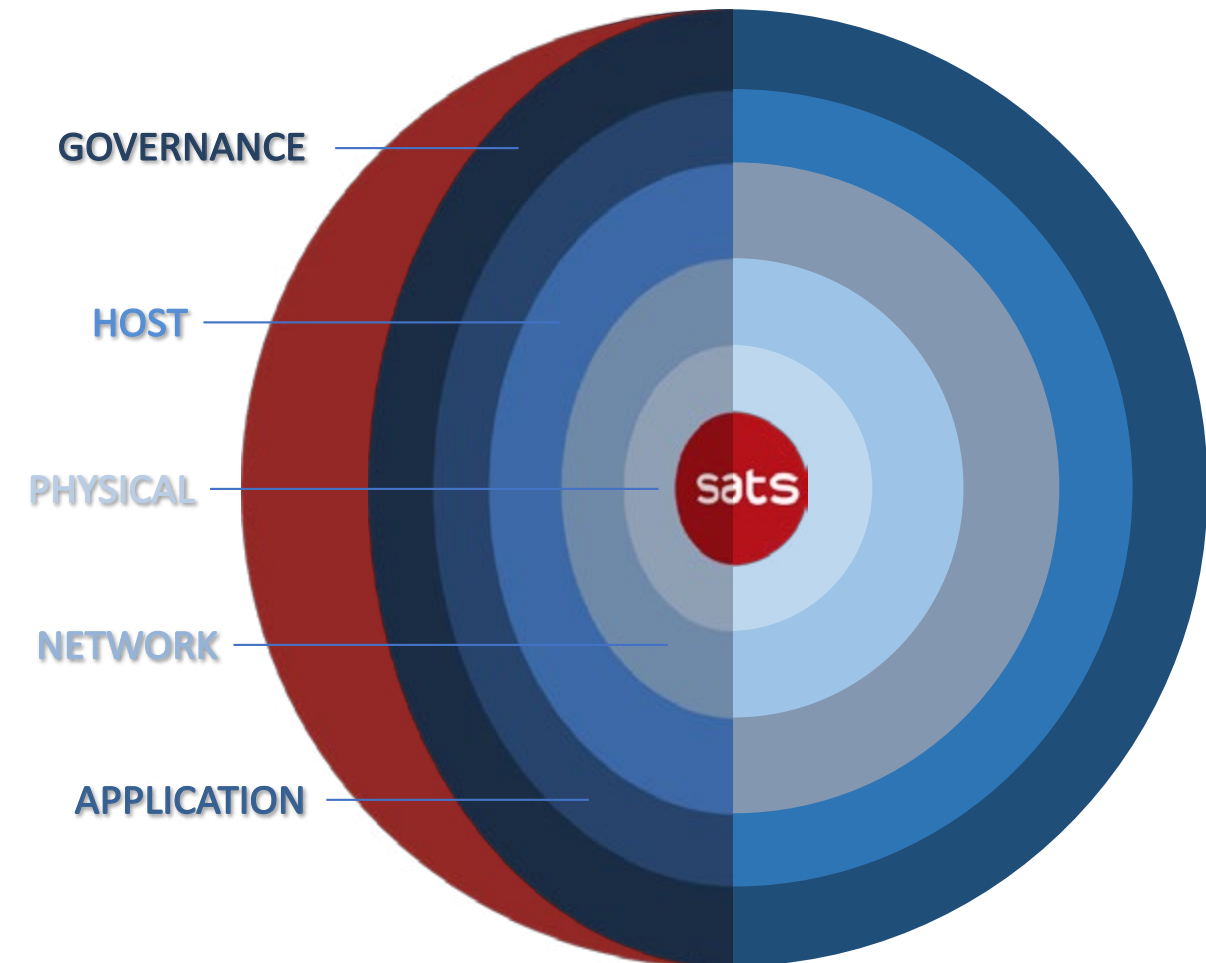
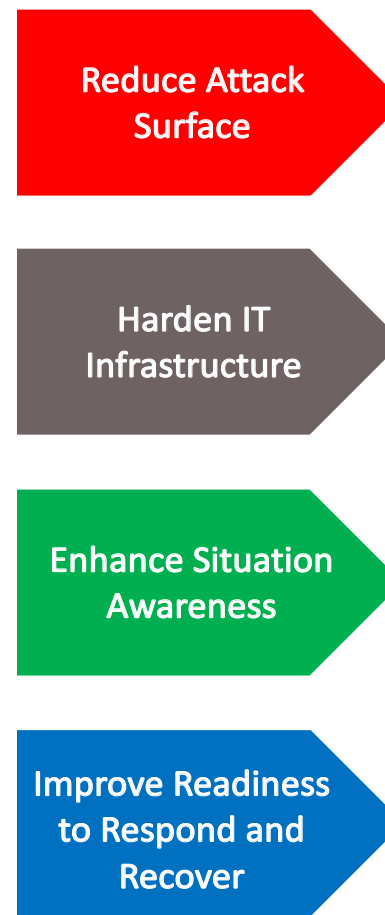
For organisations, sustainability also involves the ability to adapt to varying conditions in order to build resilience, achieve stability and ensure business continuity. To minimise and manage the risks to our business, SATS is always alert

to changes in the regulatory landscape, market conditions, and geopolitical stability in the locations we operate. In a fast-changing aviation industry, key drivers of change include environmental activism, infectious diseases and pandemics, and geopolitical instability⁷.

Our strategy is to diversify our market base in order to mitigate risks which may arise from geopolitical instability, changing environmental regulations and the challenges of operating in a post-COVID world.

As a multinational company that operates in different jurisdictions and is accountable to multiple groups of stakeholders, it is

Defense in Depth



paramount that we conduct business ethically, with integrity and in compliance with local laws and regulations. Our robust corporate governance structure also ensures that regulatory risks are effectively addressed.

As part of maintaining accountability, our management team, including our PCEO, communicates with policymakers regularly. Our Board, with support from Board committees such as the Board Risk and Safety Committee, oversees and ensures that policies, structures and mechanisms are sufficient to achieve compliance with regulatory requirements.

During FY2019-20, there were no incidences of non-compliance with environmental or socioeconomic laws and regulations, and our goal is to keep it this way.

We are assessing our business in material areas in order to evaluate our resilience to climate-related risks. As countries around the world seek to transition to a low-carbon economy, we are also evaluating the modalities of supporting disclosures in line with the Taskforce on Climate-related Financial Disclosures recommendation to support these efforts.

7. IATA, 'Future of the airline industry 2035', (2018), p.6.

Grow with SATS

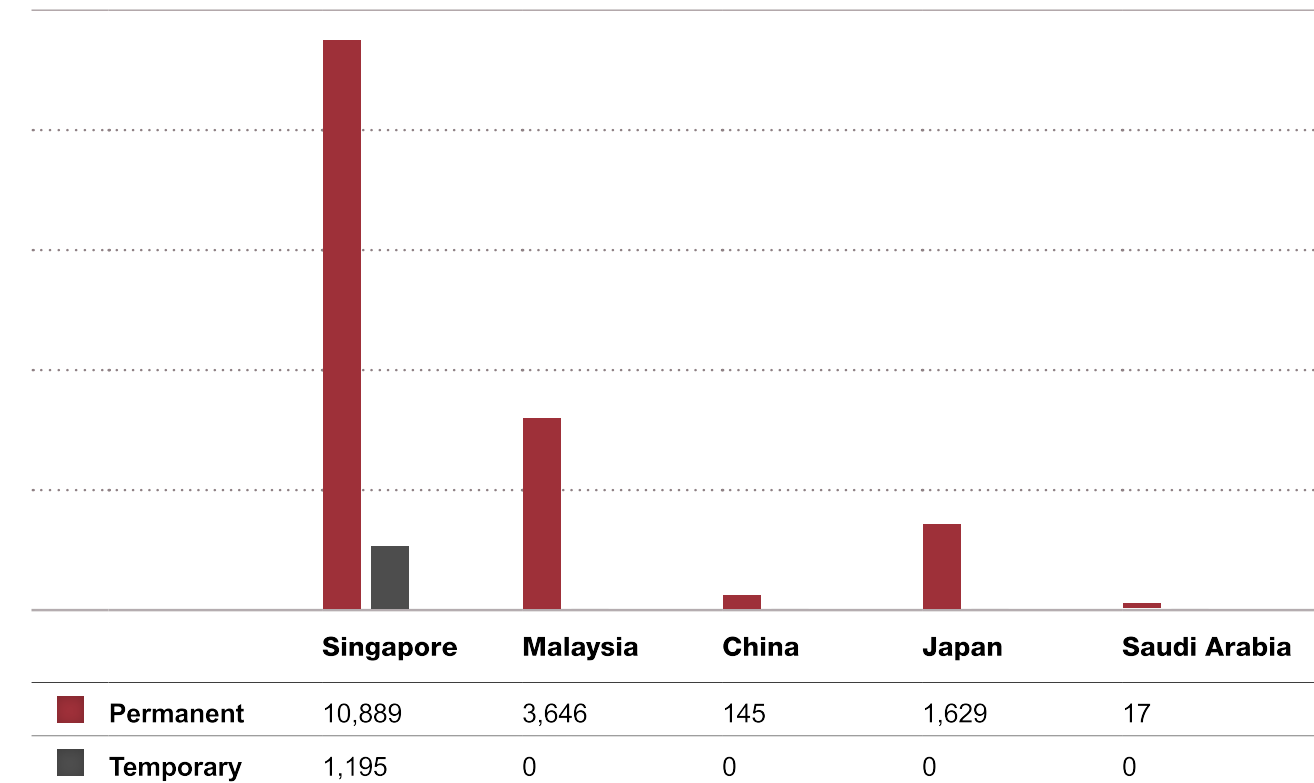
Resilient and agile, our people are the driving force behind the progress, success and sustainability of our business. Applying their skills, ideas and ingenuity to serve our customers and help drive long-term, purposeful growth, they play an instrumental role in fulfilling our vision of Feeding and Connecting Asia and delivering on our brand promise of 'Passion to Delight'.

With a large workforce of 16,516 employees⁸ across multiple operating locations, it is our responsibility to provide our employees with a cohesive and uplifting company culture, empowering them with meaningful opportunities for learning and development, and work environments that are safe, nurturing and inclusive.

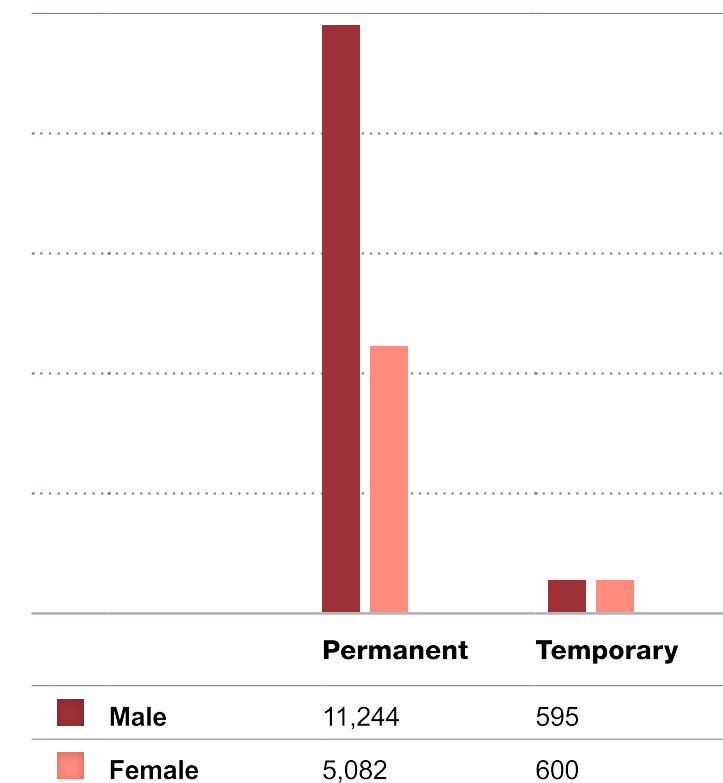
8. FY2019-20 average headcount. All charts comprise data as at 31st March 2020. The following steps were taken to compile the information on employees: 1. Identify the contract type and full-time or part-time status of employees based on the definitions under the national laws of the country where they are based; 2. Use numbers as at the end of the reporting period, unless there has been a material change during the reporting period; 3. Combine country statistics to calculate global statistics.



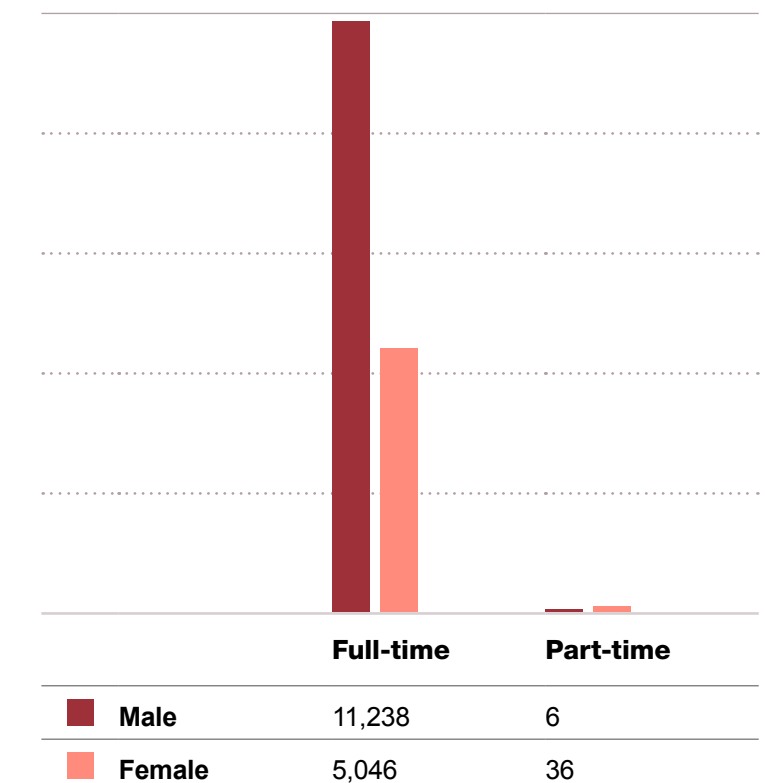
Total Number of Employees by Employee Contract by Region



Total Number of Employees by Employment Contract by Gender



Total Number of Employees by Employment Type by Gender



● Grow with SATS

Empowering through leadership and engagement

At SATS, we are passionate about enabling our people to achieve their fullest potential and believe in providing an environment in which they can thrive and grow. By building a culture that is inclusive, collaborative and empowering, our goal is to bring out the best in the many passionate and talented individuals who work for us.

Among our staff, we encourage each individual to take ownership of their work and develop qualities that would help guide them to create meaningful and purposeful impact throughout their service with the company. Captured in the SATS Code of Conduct, these qualities are represented by the four principles that inform our culture as an organisation: 'passion to delight', 'high integrity', 'safety in the workplace' and 'safeguarding assets'.

At the leadership level, we are also committed to nurturing those who are integral to our success. Guided closely by our four leadership principles, SATS is invested in the

growth and well-being of our employees. By engaging our employees through initiatives under three key action areas – Aware, Apply and Assess, we aim to help them better embrace change, boost morale and equip them to be a positive influence on one another.

To provide more effective support, our staff engagement activities are centred round priority areas identified through an annual employee engagement survey and feedback on past initiatives. This year, the key areas identified include creating an agile workforce that embraces diversity, increasing senior leadership communication and improving non-monetary benefits for our employees, which have been addressed through engagement efforts in FY2019-20.

For SATS, regular engagement is an important way of staying in touch with our people in order to better understand how we can help them succeed. In FY2019-20, we achieved an employee engagement score of 76%, well above Singapore's average of 47%⁹. Our target for 2030 is to achieve 80% for our employee engagement score.



Opportunities for learning and development

At SATS, we encourage our employees to adopt a culture of lifelong learning and innovation, equipping themselves with an ever-growing set of knowledge and skills needed to succeed in their roles, take on new areas of work and contribute fresh ideas. Through various e-learning and virtual training platforms, all employees are given the means and opportunities to accelerate their learning through reskilling and multiskilling programmes.

In addition, SATS' training arm, the SATS Academy, helps to build a sustainable talent pipeline with the core skills and competencies required to support the growth of aviation in Singapore. Having digitalised its training platforms, SATS Academy was able to respond readily during the COVID-19 pandemic, offering fully online programmes while adapting essential face-to-face sessions to meet health and safety requirements.

SATS Academy also tapped on government support, in particular the Enhanced Training Support Package from SkillsFuture Singapore, which enabled us to extend our training and know-how to the rest of the aviation sector by training our partners such as SIA, JetQuay, Cargolux and Smarte Carte. We structured our programmes to focus on building emotional resilience, so as to help equip our employees and partners with the right mindsets and a readiness to adapt to disruptions like the current pandemic. When the Circuit Breaker in Singapore began on 7 April 2020, we instantly converted our classroom training and conducted our first virtual training on 8 April 2020.

As an equal opportunity employer, we support the career aspirations of our older workers by upskilling them and helping them adapt and stay relevant in the new digital era. To date, SATS Academy has delivered 21,999 training seats and 25,688 training days to 3,792 employees in the Air Transport sector, covering a wide range of topics from competency-based learning to enhancing soft skills. 8,761 of the training seats were

attended by employees above 50, with the oldest being 77 years old.

Our effort was recognised at the Singapore Human Resources Institute's annual Singapore HR Awards 2019, where SATS won 11 awards including one for leading practices in Learning & Development.

Our 2030 goal is to ensure that our people benefit from 80 hours of structured and unstructured training a year.

9. Qualtrics EmployeeXM, '2020 Employee Experience Trends Singapore', p. 5.

SATS Leadership Principles

- Be Outcome-Oriented
- Be Courageous
- Be Open-Minded
- Servant Leadership

● Grow with SATS

Case Study 2.3

SATS' Response to COVID-19

Accelerate training through multi-skilling and reskilling to maintain an agile workforce

At SATS, in our journey towards purposeful and sustainable growth, our success has always depended on the passion, skills and creativity of our people. This has been especially apparent as we worked together to respond to the challenges brought about by the COVID-19 pandemic.

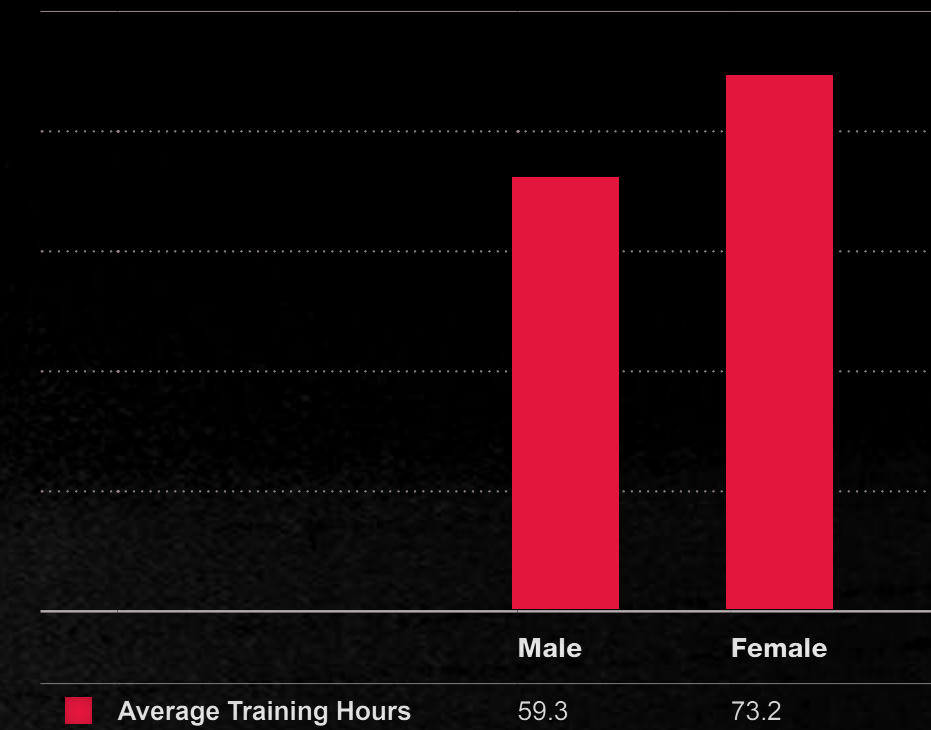
One of our key differentiating factors is the agility of our people, reflected by their willingness and ability to embrace change and technology, learn new skills and adapt to new situations. They have shown ingenuity and resourcefulness in overcoming the obstacles caused by the global crisis, tapping on their knowledge and expertise while adapting quickly to new roles in a rapidly evolving environment.

At the same time, the crisis has also provided the impetus and opportunity to accelerate the multi-skilling and reskilling of our people, in order to strengthen our capabilities and lay the foundation for positive business transformation. During this period, we have sent 17,500 staff for upskilling and reskilling about 3,800 employees in the Air Transport sector at SATS Academy who are receiving training to enhance their domain knowledge and prepare for new roles. Within the aviation industry, we were also the first company to serve as the pilot centre for training excellence, where companies could send their employees for training and upskilling.

As part of our digitalisation efforts, which started before the crisis, we have developed various platforms for virtual training and e-learning. This has allowed a smooth transition from physical classroom training to online platforms in order to comply with COVID-19 regulations on safe distancing. For sessions that require in-person sessions, we worked with CAG to transform terminal gatehold rooms into training locations, which provided sufficient space for participants, limited to a maximum of 10 persons, to maintain social distance.

Due to the halt in air travel, we have also been able to conduct a greater number of practical lessons within Changi Airport's apron area, teaching employees how to operate our fleet of ground support equipment including skyloaders and hi-lifts. When the airport was operating at full capacity before the crisis, such lessons could only be conducted virtually or limited to off-peak hours. As a result, we now have more people who are multi-skilled and can use different types of vehicles.

Average Training Hours by Gender



Average Training Hours by Employee Category



● Grow with SATS



Fair labour practices and respect for human rights

Fair employment

SATS is committed to fair and equal opportunity employment practices in line with Singapore's Tripartite Alliance for Fair Employment Practices and Guidelines. We recruit our employees based on merit, regardless of age, race, gender, religion, marital status and disability, and treat each individual with equal respect.

Freedom of association

We fully support our employees' right to join unions to voice their concerns and demands. In the same spirit, our union representatives are also given a platform to introduce the unions to new employees at our bi-monthly employee familiarisation programme.

Currently, 48.67% of our employees in Singapore and 99.88% of our employees in Japan are covered by collective bargaining agreements. Together, they form 42.39% of our total employees.

SATS shares a constructive relationship with our union representatives by maintaining open and regular communication as well as sharing collective agreements that provide fair outcomes for all union members. We inform our employees of any changes in the organisation that could affect them substantially. Prior to the implementation of significant operational changes, employees and their representatives are typically given two to four weeks' notice, depending on the operational locations as specified in the

agreements. For example, in our Singapore office, it would take approximately one month to discuss role changes with both the union and staff before actual deployment. Notice periods are also specified in collective agreements with Singapore Airport Terminal Services Workers' Union (SATSWU) and Air Transport Executive Staff Union (AESU).

Diversity

SATS is an equal opportunity employer and we are fully committed to creating and maintaining an organisation that embraces and celebrates diversity. Diversity allows us access to a greater pool of talent and can help to drive better business performance over time¹⁰. In this era of globalisation and digitalisation, we firmly believe that a diverse workforce also contributes to increased productivity and creativity. We view non-discrimination in our workplace very seriously, and make every effort to ensure that our people are treated fairly and equally.

SATS is proud to be an organisation where four generations of employees work harmoniously alongside four unions to achieve SATS' vision to Feed and Connect Asia. We have a good track record in retaining employees. To date, 23.5% of our staff have served for 20 years or more. During the reporting period, there were no reported incidences of discrimination.

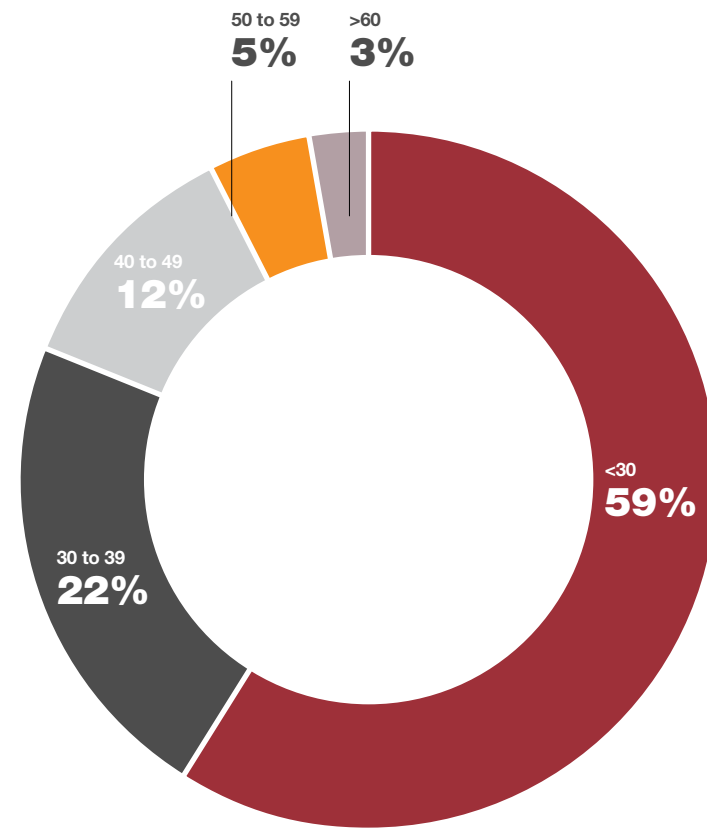
As part of our continuous efforts to support diversity in our workforce by ensuring equal employment and advancement opportunities for all, we aim to increase female representation at the senior management level from 18.31% currently, to 40% by 2030.

10. Holger, D., 'The Business Case for More Diversity', (26 Oct 2019), The Wall Street Journal.

● Grow with SATS

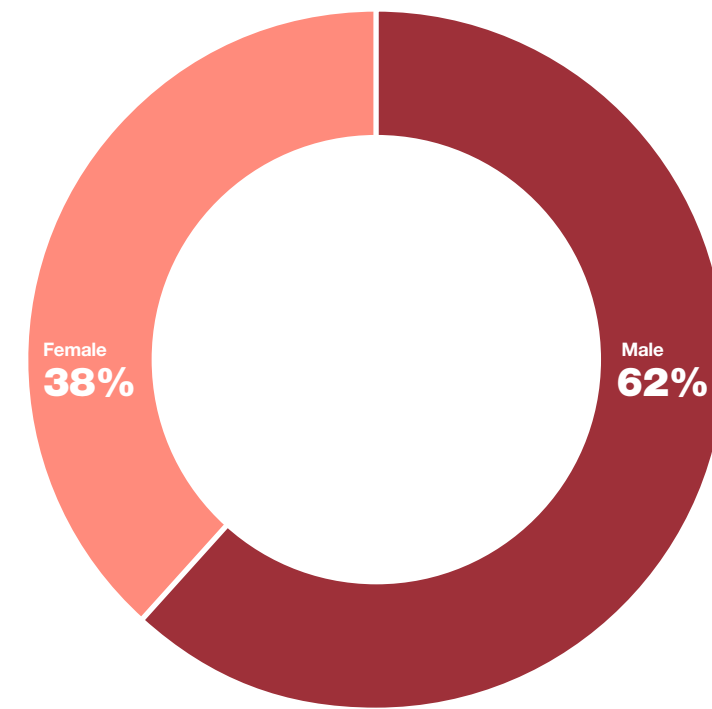
During this reporting period, we maintained an annual new hire rate of 17.31% and an annual attrition rate of 10.63%¹¹.

New Employee Hires by Age Group*



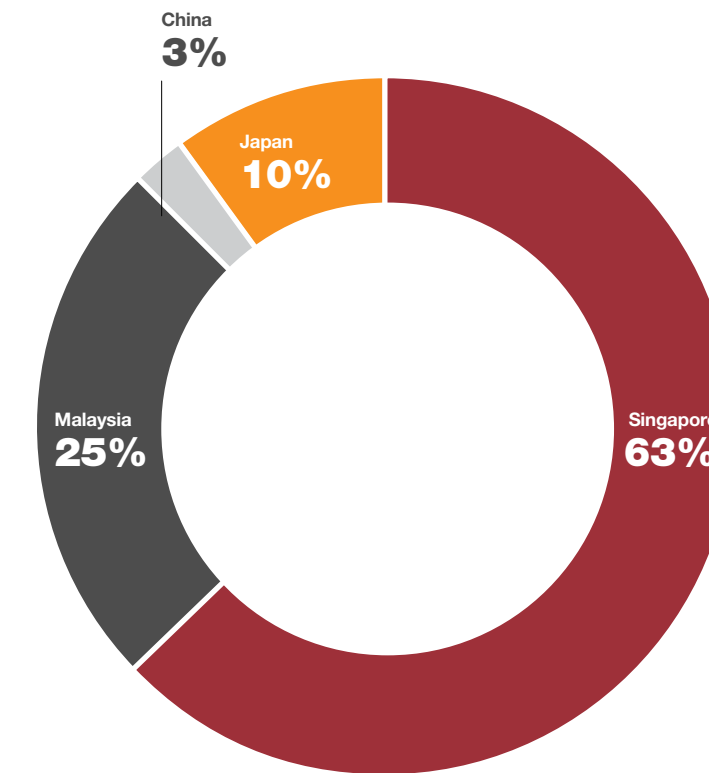
	Total number
<30	1,686
30 to 39	633
40 to 49	330
50 to 59	135
>60	75
Total	2,859

New Employee Hires by Gender



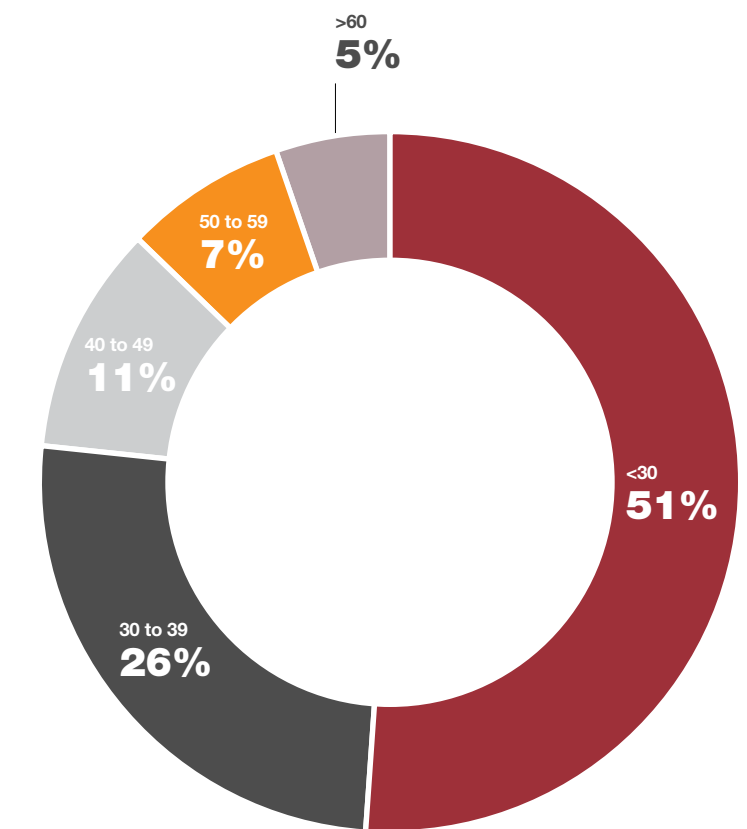
	Total number
Male	1,770
Female	1,089
Total	2,859

New Employee Hires by Region*



	Total number
Singapore	1,797
Malaysia	707
China	74
Japan	281
Total	2,859

Employee Turnover by Age Group



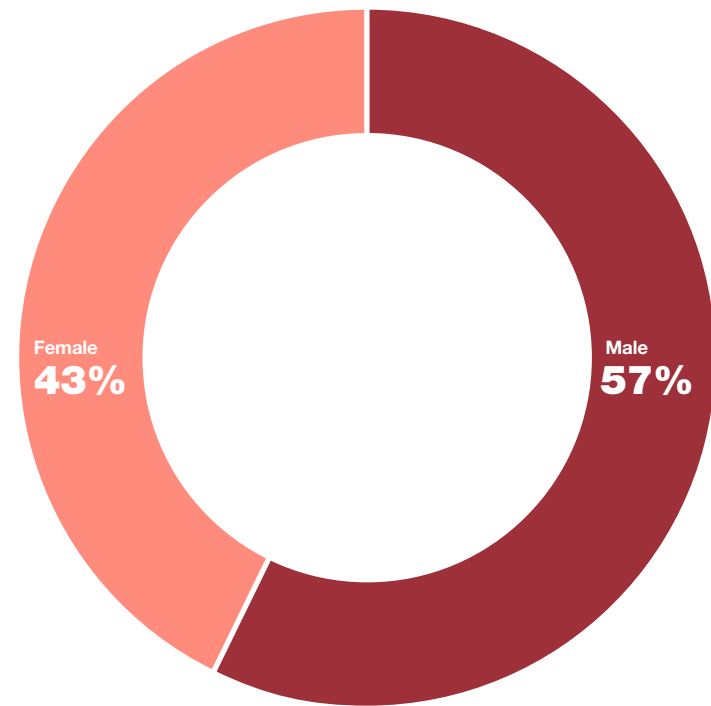
	Total number
<30	902
30 to 39	448
40 to 49	184
50 to 59	130
>60	92
Total	1,756

11. Annual new hire rate and attrition rate calculations are based on the average FY2019-20 headcount.

* Percentage may not add up to 100% due to rounding.

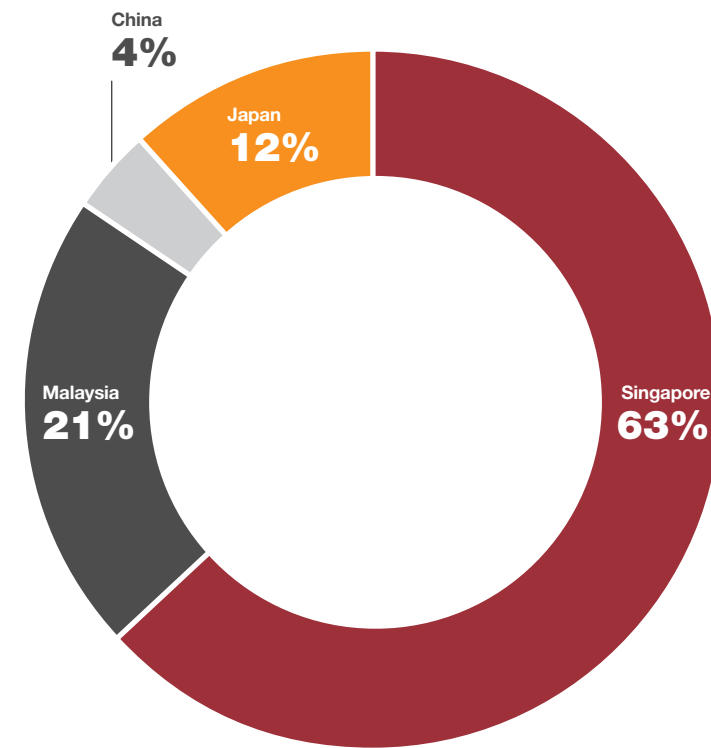
● Grow with SATS

Employee Turnover by Gender



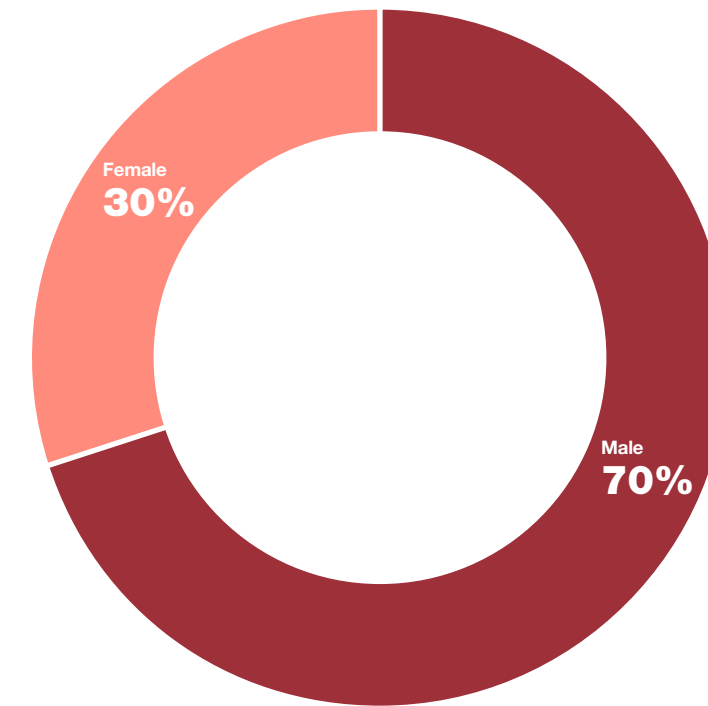
	Total number
Male	1,009
Female	747
Total	1,756

Employee Turnover by Region



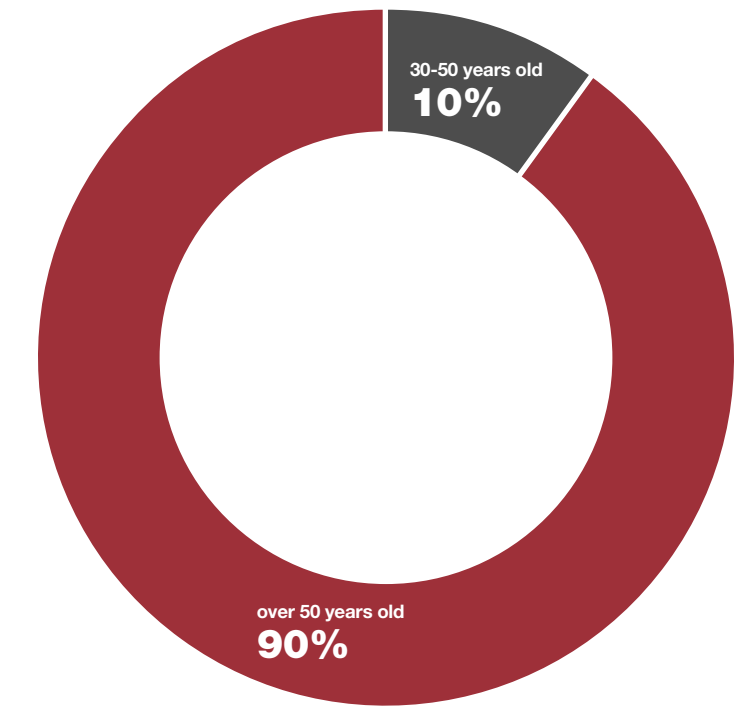
	Total number
Singapore	1,110
Malaysia	373
China	71
Japan	202
Total	1,756

Diversity of Board Directors by Gender



	Total number
Male	7
Female	3

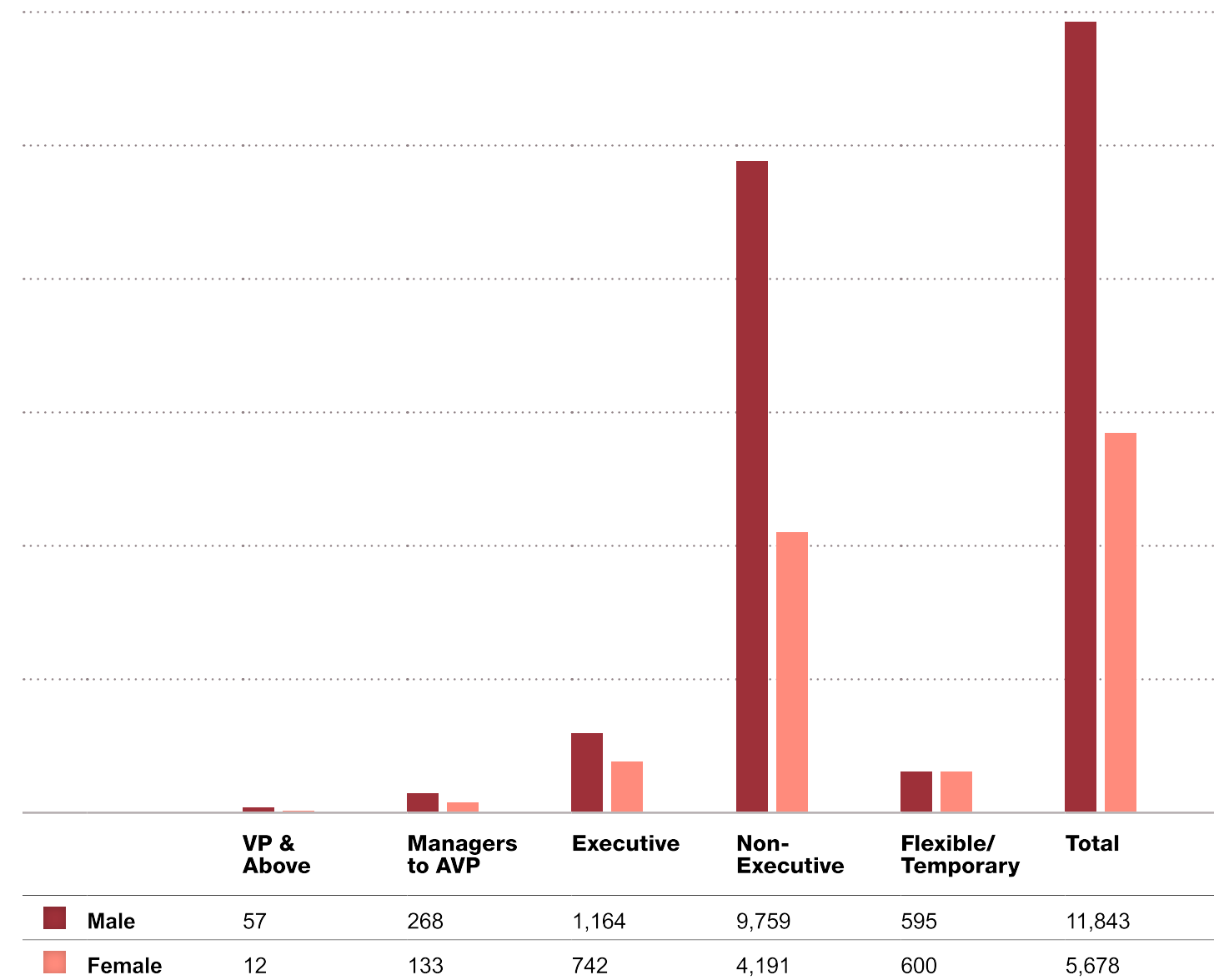
Diversity of Board Directors by Age Group



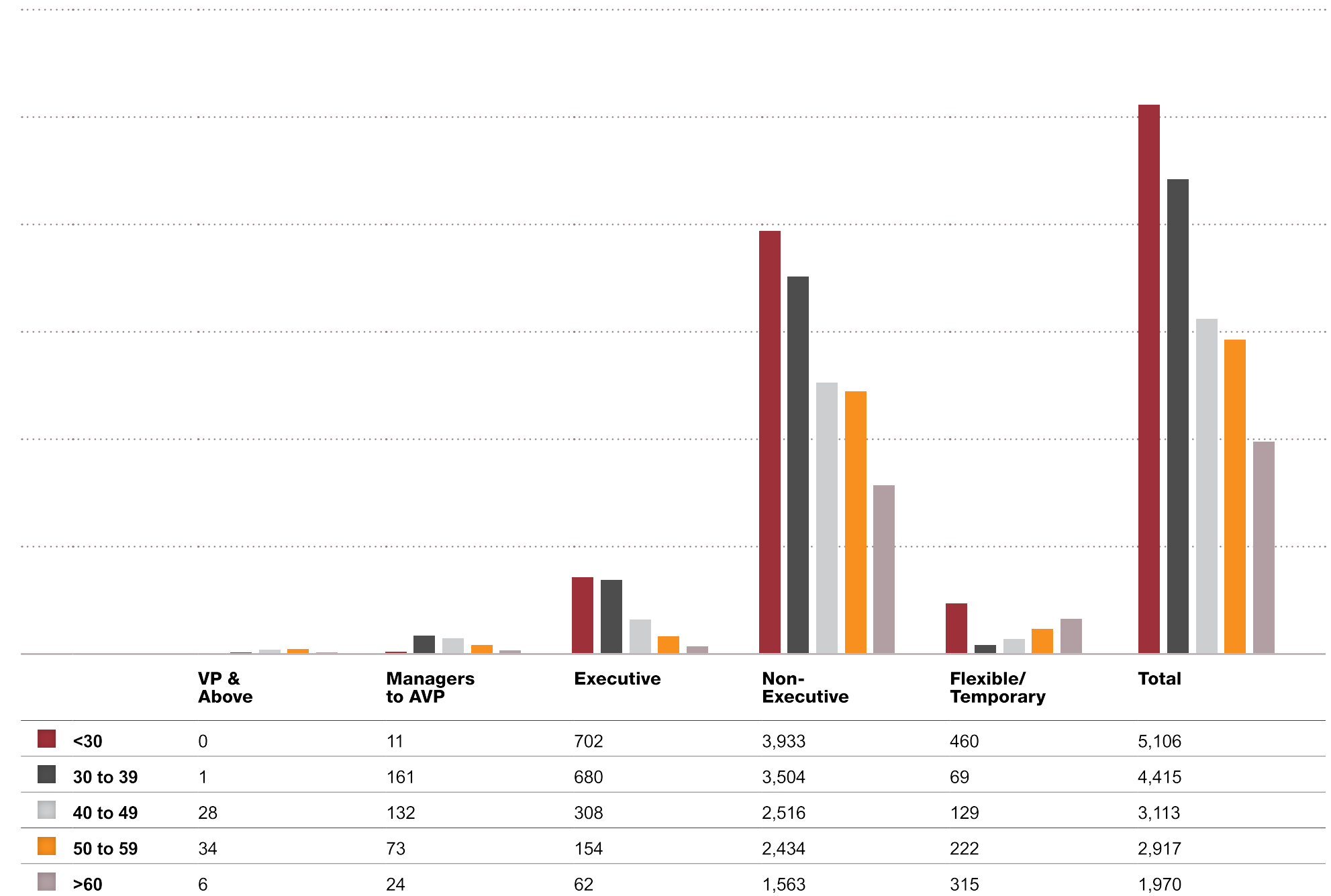
	Total number
30-50 years old	1
over 50 years old	9

● Grow with SATS

Employee Category by Gender



Employee Category by Age Group



Safeguard Operational Safety

Safety is one of SATS' core values, and is deeply rooted in our DNA. As a premium service provider with extensive regional operations that serve customers from around the world, we are committed to ensuring a safe, secure and healthy environment for our employees, contractors, and customers.

Just reporting culture

To encourage open communication and the reporting of unsafe practices and work-related hazards, we have adopted a 'Just Reporting Culture', a culture that creates an atmosphere of trust, which encourages and rewards our people for providing essential safety-related information. Accidents and incidents are reported through our mandatory reporting system, while unsafe acts and work conditions can be reported voluntarily and confidentially. Employees also have the right to stop work if they think that the conditions are unsafe.

SATS complies with the Workplace Safety and Health Incident Reporting regulation, which stipulates that an iReport must be filed for work injury incidents that meet the reportability criteria. In addition, we have an in-house Incident Reporting Procedure that requires all incidents to be reported to the Supervisor or Safety Personnel within 24 hours.

Occupational Health and Safety (OHS) Management System

We have a robust OHS Management System that has been in place since 2008 and covers all of our employees. Our OHS Management System has been certified as meeting the standards of the internationally recognised OHSAS 18001 OHS Management System. Moving forward, SATS will be adopting the new OHS Management Systems of ISO 45001:2018.

Regular audits are conducted by our customers, partners and numerous local and international safety and quality certification bodies, including OHSAS 18001 and ISO 9001 Quality Management System. In addition to IATA's Safety Audit for Ground Operations, which is an audit standard applicable to all ground handling companies worldwide, SATS was the world's first cargo ground handler to achieve IATA's Smart Facility Operational Capacity (SFOC) certification.

An initiative that aims to raise global standards in cargo handling operations by reducing redundancies and streamlining processes, the SFOC certification represents industry recognition for our world-class infrastructure and cargo handling capabilities. Achieving SFOC-certified status was made possible with the support of our key airline partner, SIA, which was the first airline globally to sign the IATA Audit Reduction Commitment under the same programme, committing to a 50% reduction in audit days effective from 2020.

By taking the lead to uphold the highest operational standards, we hope to encourage more of our industry and airline partners to do the same, as we collectively drive more efficient and sustainable performance across the industry.

We have recently updated our OHS Policy to reflect our commitment to nurturing a culture that focuses on safety and health.

Safety training, outreach and discussion

Another important platform for engaging our employees and raising awareness of safety issues is through training. SATS employees who work in our Cargo and Ramp operations are often exposed to risks that may cause musculoskeletal conditions, such as strains and sprains. To better manage these day-to-day working conditions, our business unit and management holds regular outreach sessions to raise awareness of common risks among Cargo and Ramp employees.

SATS has also been engaging the Health Promotion Board (HPB) to develop an ergonomics and fatigue management programme to help reduce and prevent work-related health issues and injuries. Formal joint management-worker health and safety committees, involving almost all our employees, oversee safety both on-site and within each business unit.



SATS OCCUPATIONAL HEALTH & SAFETY (OHS) 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:

- Nurture a culture that promotes a sustainably safe and healthy workplace
- Continually improve our processes through consultation, participation and engagement with employees, customers and partners to achieve the highest competency levels
- Comply with all legal requirements in every jurisdiction in which we operate
- Anticipate and respond to all possible terror risks
- Eliminate hazards using all reasonable measures including technological solutions

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

Alex Hungate
President & Chief Executive Officer SATS Ltd.



Dated: 20th May 2020

● Safeguard Operational Safety



Safety and health topics are discussed at SATSWU's monthly meeting with SATS management, which is chaired by SATS PCEO. Topics discussed at the meetings include safety initiatives, safety inspection, work-related accidents, accident prevention, and safety education.

The three most common injuries amongst SATS' employees are: being struck by moving objects, over-exertion and slips/trips/falls. This year, the high-consequence rate and injury rate of our employees recorded across SATS' operations were 0.10 and 9.64 respectively, tabulated based on 1,000,000 hours worked. There were no work-related fatalities during the reporting period.

As part of the employee benefits that SATS offers, both full-time and part-time employees are also provided with health insurance. Insurance benefits include deferred coverage for general practitioner, specialist, dental and hospitalisation claims. These benefits also include professional health services offered by our appointed partner, Raffles Medical Group. At SATS, we prioritise mental health just as we do physical health. To promote mental wellness at the workplace, we have trained a group of 'Buddies' in psychological first-aid skills to help their co-workers better manage issues pertaining to mental health.

Improving workplace safety

In an ongoing effort to improve workplace safety, SATS has been engaging WSH Council (WSHC) and HPB to prevent work-related health issues, injuries and improve work postures. A survey conducted by WSHC and HPB revealed that many of our workers experienced pain in the lower back, shoulders, knees and neck. We quickly worked to improve our workplace infrastructure and processes, as well as provide ergonomics training to correct posture.

As a testament to our dedication to protecting the health and safety of our employees, SATS won one Gold Team Award, one individual Gold, two individual Silver and three individual

Bronze awards at the annual Airport Safety Award, which recognises safety actions or contributions of exceptional standard taken by members of the airport community (beyond their scope of work) to prevent potential safety incidents or injuries.

SATS was also presented with the U Safe Champion Award by the Ministry for Manpower's Minister of State Za'ya Mohamad. SATS was nominated by AESU for this award which recognises unionised companies that have gone the extra mile to make their workplaces a safer place to work in.

Supplier safety

Beyond the immediate scope of our operations, we have also drafted a Supplier Safety Compliance Manual¹² to ensure that the same high standard for safety is upheld by all suppliers of SATS Group. As a prerequisite to working with us, our suppliers must ensure that their employees, sub-contractors and agents comply with the SATS Supplier Safety Compliance Manual, SATS Safety Policy and all applicable regulatory requirements. Before commencement of work, our suppliers are required to conduct safety meetings to brief employees on the requirements in the SATS Supplier Safety Compliance Manual.

- 12. SATS Supplier Safety Compliance Manual is available here.
- 13. High-consequence work-related injury refers to work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months.
- 14. The FY2019-20 injury rate is not comparable with the injury rate published in the FY18/19 Sustainability report. This year, we included injuries with one or more days of medical leave. Last year, we only included injuries with more than 3 days of medical leave or more than 24 hours of hospitalisation.

SATS Group	Number of injuries	Number of high-consequence injuries	Injury rate <small>(per million man-hours worked)</small>	High-consequence injury rate ¹³ <small>(per million man-hours worked)</small>	Man-hours worked
Employees	373	4	9.64 ¹⁴	0.10	38,698,823
Service Crews	32	0	5.07	0	6,309,964

Empower Communities

Giving back to the communities in which we operate is important to us. SATS is thus dedicated to creating a positive impact by actively contributing to social programmes and community development in Singapore and across our network.

In addition to providing services and donations through SATS Foundation and SATS Staff Association every year, we have adopted a three-tier SATS Volunteering Framework to guide our social outreach programmes aimed at supporting communities in need. These include events like the annual SATS Charity Run, which aims to raise money for local charities and causes. In 2019, proceeds from the event were donated to Assisi Hospice, which provides palliative care to patients suffering from terminal illnesses.

When the COVID-19 pandemic posed a large-scale threat to public health and safety, our colleagues stepped in without hesitation, volunteering their time and resources to provide assistance in nationwide response efforts (see case study below).

Through initiatives like these, our people continue to share their time, resources and expertise to support the needs of local and overseas communities, staying true to SATS' values and embodying our brand promise, 'Passion to Delight'.



● Empower Communities

Case Study 2.4

SATS' Response to COVID-19

1. Mobilising the largest redeployment across the Group to support Singapore's pandemic response efforts

We have seen and continue to witness the extent and impact of the pandemic across all aspects of society from healthcare, business activities to the simple routines of daily life. This has served to reinforce the importance of our sustainability efforts, proving how vital it is to build and maintain our resilience as a country, as an industry and as a community.

Within SATS, we have mobilised cross-deployments of 10,000 employees into different activities to support areas such as non-aviation catering, cargo and ramp operations. The largest deployment in the history of our organisation, this has helped to meet the increased demand for food and other critical supplies as well as address the shortage in airfreight capacity, as a result of the crisis.

In Singapore, to support a nationwide response to COVID-19, we have temporarily redeployed 1,000 staff volunteers to help with the work of government agencies. Some have bravely volunteered to serve in 'red zones' or areas where outbreaks have been identified. During this time, our people have contributed to public health and safety by taking on various tasks such as contact tracing, public engagement on safe distancing measures, temperature screening at public facilities, and simple care provision in low-risk, basic-care wards in hospitals.



● Empower Communities

Case Study 2.4



In May 2020, following the outbreak of COVID-19 in migrant worker dormitories across Singapore, the decision was made to convert two cruise ships into temporary accommodation for individuals who had recovered from COVID-19 and tested negative for the virus. This would help to contain the spread of the virus while reducing the density at existing dormitories, enabling more effective implementation of health measures.

The cruise ships were docked at Marina Bay Cruise Centre Singapore (MBCCS), which had to be rapidly converted, organised and managed as serviced accommodation for thousands of migrant workers. One of the biggest operational challenges was the short duration of time given to turn things around as most of the provision, facilities and workstreams had to be developed and implemented within a week.

A Dormitory Management Facility Unlike Any Other

The operations at MBCCS had to fulfil the requirements of an effective large-scale pandemic response while serving the welfare and needs of migrant workers as well.

Setting up adequate medical facilities

On-site medical facilities had to be set up quickly, in order to provide migrant workers with 24-hour medical care and easy access to medical supplies. Wharf movement operations had to be modified to handle ship logistics as well as the movement of medical patients, complete with a 62-bed sick bay with its own dedicated airflow and plumbing for separate toilets, as well as various evacuation and isolation points for medical emergencies.

Protecting the welfare and needs of migrant workers

To better understand the needs of migrant workers, we worked with non-government organisations such as Healthserve and Migrant Workers' Centre and tapped on their insights to establish suitable welfare arrangements. Communication channels between the authorities, the migrant workers and their employers were set up to ensure that the workers' needs would be tended to promptly. Care packs were also prepared and distributed to the migrant workers upon their arrival at the terminal.

Establishing movement operations

MBCCS' passenger operations had to be reworked and adapted to manage and monitor the movement of migrant workers within the facility. It was a complex process, which had to comply with existing health and safe distancing regulations. This evolved to facilitate the movement of workers to alternative sites where necessary as well as the daily movements of workers when they resumed work.

Enhancing screening processes

MBCCS security teams had to rework existing screening processes in compliance with new health guidelines regarding physical contact provided by the National Centre for Infectious Diseases.

● Empower Communities

Case Study 2.4

At the heart of the operations at MBCCS lies a tightly run stream of communications that relies on a combination of well-synchronised teamwork, agility and the ability to function effectively in a dynamic operational environment. Within three short days, our teams had to mobilise and learn an entirely new set of skills while setting up an inter-agency system to coordinate key activities, enabling the management and communication of a complex flow of information.

A Complex Inter-agency Communication System

The dormitory operations at MBCCS are effectively coordinated and managed by a tight-knit and integrated setup of three interdependent teams.

SATS-Creuers Ops Center (SCOC)

Operating 24 hours daily, SCOC is responsible for working with the SAF and FAST# teams to coordinate and monitor all operations throughout the terminal and on board the cruise ships. SCOC serves as the main contact point between Raffles Medical Group, the Dormitory Management team, and SATS-Creuers Cruise Services.

InfoHub

Operating 24 hours daily, InfoHub is responsible for collating all information on the movements of residents, submitting daily reports to SATS management and relevant government agencies as well as maintaining historical records of all movements. Coordinating its responsibilities with SAF and FAST Teams, InfoHub also distributes updates from daily operations meetings to key stakeholders.

Cruise Dorm Comms Centre (CDCC)

Operating 12 hours daily from 9am to 9pm, CDCC receives information from SCOC and Singapore's Ministry of Manpower. Serving as the main liaison between the migrant workers and their respective employers. CDCC provides daily information to SCOC on the movement of employers and schedules pick-up times for workers who have left to return to their dormitories.

FAST refers to Fast and Seamless Travel, an automated system that facilitates the check-in and immigration clearance process for departing passengers.



Drawing on their extensive experience of handling gateway operations at one of the world's busiest airports, our people have proved highly adaptable and effective in providing critical support during this national response to the COVID-19 pandemic. Working

tirelessly, many also voluntarily returned on their off days to provide additional support to the team on duty. The experience has not only tested but also strengthened our resilience as a team, our commitment to our values, and our passion to serve the needs of others.

● Empower Communities

Case Study 2.4

2. Extending our response efforts across our network

How do we use our expertise and resources to drive positive impact on our communities, businesses and the environment? This is a question that we constantly ask ourselves throughout our sustainability journey and it is especially pertinent today as we take on the challenges wrought by the global pandemic. The spread of COVID-19 and the resultant consequences extends beyond individual organisations, communities and countries and thus, so must our response.

Besides stepping up to help feed vulnerable communities affected by the public health crisis in Singapore, we have also stepped in to support hospitals in areas where we could harness our deep experience in customer service, to provide value-add assistance. In May 2020, 50 SATS Customer Service Agents were deployed to Changi General Hospital (CGH) to serve as Patient Concierges, providing customer service to CGH patients and visitors. These include helping them to fill up travel declaration forms, taking temperatures, assisting with registrations and wheelchair services. In addition, we worked with our partners to support their community efforts such as Temasek Foundation's #BYOBclean initiative, where our staff helped to distribute over 430 bottles of hand sanitisers to the public.



Overseas, our Maldives Inflight Catering (MIC) has been working closely with the National Disaster Management Authority, Ministry of Gender, Family & Social Services and Red Crescent to support some of society's most vulnerable communities. Despite the shortage of manpower exacerbated by a state-wide lockdown, the team has managed to provide 350 meals daily to the homeless and local orphanages. Once the food supply stabilises, MIC plans to increase production to 700 meals a day.

In the UK, Monty's Bakehouse, our wholly owned subsidiary, has donated over 75,000 hot snacks and meals to NHS workers and local community projects. At East Surrey Hospital, Monty's Bakehouse has also set up teams within the hospital premises to bake meals and feed over 700 doctors and nurses a day. To extend its efforts further, the Community Kitchen Project was created, donating a meal to the needy for every meal purchased.

In China, where extensive measures were introduced across the country to control the spread of the coronavirus, our teams adapted swiftly. Demonstrating agility and resourcefulness, they responded and adapted swiftly to handle chartered cargo flights at short notice, enabling the swift distribution of critical medical supplies across the nation.



Across India, doctors and healthcare workers were facing a shortage in meals due to the demands and disruptions resulting from the pandemic. As the only flight kitchen in the country to remain open, TajSATS, one of our overseas joint ventures, was the first to supply meals to healthcare workers and migrant communities affected by the crisis. The collective effort by staff, vendors and the local authorities has contributed over 1.68 million meals to communities across Mumbai, Bengaluru and New Delhi.