



SATS GROUP ENVIRONMENTAL POLICY

Introduction

SATS Ltd. is an industry leader in providing food solutions and gateway services with a global presence. With the completion of the acquisition of Worldwide Flight Services (WFS) in April 2023, SATS has become a leading global air cargo handler, operating in more than 200 key cargo and ground handling hubs in over 20 countries. In addition to our growing food catering business, our cargo business will cover trade routes responsible for over 50% of global air cargo volumes. We are cognisant of the fact that the large scale of our operations and the nature of our industries have an impact on the environment, and we are highly committed to being a responsible company and generating positive impact with our sustainability initiatives across our value chain, as we fulfil our purpose to feed and connect communities.

Commitment

At SATS, we understand that effectively managing environmental, social and governance (ESG) risks and opportunities is vital for us to secure our future, sustainable economic prosperity and the health of our planet. Our environmental goals, organised around the pillars of Develop Smart Infrastructure and Reduce Food and Packaging Waste, commit us to being environmentally conscious. We integrate these principles into our work processes, culture, and network to manage the impact of our business on the environment. The following are our main objectives:

Sustainability is Our Business

We strive to integrate sustainability into our corporate strategy and make sustainability central to everything we do. Our core businesses and subsidiaries are encouraged to embed sustainability in their operations. Environmental considerations will also be an important factor in future investments.

Pioneering Leadership and Continuous Improvement

We aim to lead in the aviation and food solutions industries by demonstrating thought leadership, foresight and innovative approaches to sustainability. Our focus on continuous improvement will allow us to identify new opportunities and challenge ourselves to strive for better environmental performance.

Mobilising and Empowering Employees

Employee engagement is key to our success, and we aim to harness the skills and knowledge of our people to address sustainability-related issues. At the same time, we endeavour to strengthen our employees' sustainability understanding by building broader awareness and attentiveness to our organisation's efforts and initiatives to generate value for our business and that of our customers. Our people-led approach will empower our employees to contribute ideas and feedback and roll out initiatives within their country, company, division, or subsidiary.

Partnering with Stakeholders for Collaborative Advantage

We acknowledge the importance of ecosystem collaboration and stakeholder engagements, which will provide opportunities to develop solutions that benefit all stakeholders. This includes regulators, suppliers, customers, standards bodies and even competitors. We are also committed to helping our supply chain partners adopt sustainable business practices through outreach programmes and other appropriate policies to drive a culture of sustainability and social responsibility for our environment.



Driving Innovation and Technology Adoption

We are committed to fostering innovation, staying abreast of green technology advancements, investing in solutions that minimise our carbon footprint, developing environmentally-friendly products and services and mitigating any environmental risks in our business. We will also continually upgrade our environmental management systems to monitor and improve our environmental performance.

Achieving Transparency

To ensure that we remain transparent to all our stakeholders, we will strive to enhance data quality through our reporting and disclosures. To support this effort, SATS' Internal Audit is working toward providing assurance on our sustainability reporting process. This will enable us to better track our progress and help our stakeholders make informed decisions.

Minimising Negative Environmental Impact

We will continuously seek out ways to reduce our emissions, protect the natural environment, minimise any negative environmental impact and improve our overall environmental performance. This includes optimising our energy consumption, increasing the use of renewable energy, improving productivity and efficiency, transitioning to cleaner energy vehicles, exploring sustainable packaging and strengthening our procurement practices.

Recognising that our carbon footprint extends beyond those within our operations, we endeavour to reduce our Scopes 1 and 2 Greenhouse Gas emissions and develop a process for measuring and reducing our Scope 3 (value chain) emissions.

Complying with Environmental Regulations

Given SATS' global footprint, we endeavour to stay informed, adhere to relevant regulations, and collaborate with regulators as necessary to shape and advance sustainable environmental regulations.

Future Sustainability Roadmap

As the sustainability landscape is constantly changing, SATS is committed to reviewing and improving our Environmental Policy annually. In the near future, we have the following plans in the pipeline:

1. *Food Security*
 - Maintaining access to affordable and nutritious food, in light of supply chain disruptions resulting from climate change, by focusing on enhancing our supply chain resilience.
2. *Standards and Reporting*
 - Preparing for [CDP](#), [CSRD](#) reporting, seeking internal and external assurance to validate the accuracy and reliability of sustainability information disclosed and setting [Science-Based Targets](#).
3. *Responsible Sourcing*
 - Indicating preference for ISO 14001 certified vendors, procuring in accordance with our Supplier Code of Conduct and introducing the use of eco-friendly and recyclable materials where appropriate.
 - Building biodiversity protection into our procurement policies.
4. *Sustainable Employment*
 - Committing to diversity and inclusivity across all levels and operations, nurturing skills for the future and cultivating lifelong learning, investing in our people and helping them to fulfil their fullest potential.



Policy Communication and Review

This Policy applies at all levels and to all companies within the SATS Group. We encourage every subsidiary, employee, contractor and supplier to support this Policy and to either align with these policies or adopt similar ones. We encourage all stakeholders to read our Annual Sustainability Report to gain a deeper understanding of SATS' goals and sustainability initiatives. We welcome all stakeholders' feedback on the Policy. Please visit our website for the reports: www.sats.com.sg/sustainable-business/impact

This Policy has been reviewed by SATS' ESG Steering Committee and approved by the Board of Directors, who are committed to executing and providing resources to support the Policy. It will be periodically reviewed, revised, and communicated to employees via internal communication channels and made available to all other interested parties via the company's website. It will also be translated into various languages for SATS' employees and suppliers globally.

Effective 26 June 2023

A handwritten signature in black ink, appearing to read "Euleen Goh".

Euleen Goh
Chairman

A handwritten signature in blue ink, appearing to read "Kerry Mok".

Kerry Mok
President and CEO