

SATS' Response to COVID-19

PCEO & Board Statement

Our Sustainability Framework

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Nourishing Communities

Connecting People

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Tackle Food and Packaging Waste



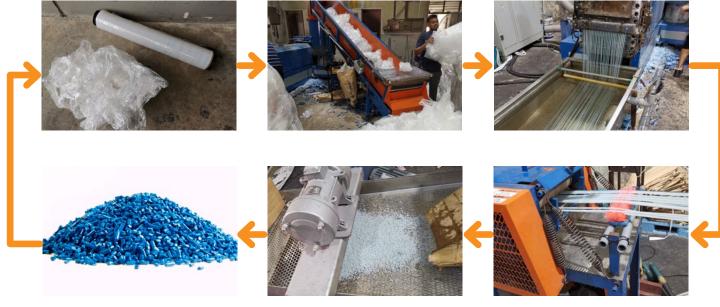
## Advocating sustainable behaviour among our employees

Sustainability is a holistic approach that determines the way we operate as a business and the choices we make as individuals. To build a corporate culture that promotes sustainability through behavioural change, we regularly communicate our sustainability pillars to our employees through many different platforms to encourage the rethinking of individual consumption patterns in our daily lives.

To promote this shift in mindset and serve as a source of inspiration, SATS has started an initiative to feature 'sustainability champions', individuals who display sustainable and responsible behaviour.

One such champion featured in our internal newsletter was Meng Leyin, a coordinator of our closed-loop plastics recycling programme with Plaslife. Since its inception in September 2019, the programme has enabled SATS to recycle 3,910 kg of our plastic waste materials into new plastic bags and trash bags which were purchased and reused in our production kitchens. Leyin made it her personal mission to ensure the programme's success, going above and beyond her responsibilities to collect plastic samples from the kitchens and encourage colleagues and cleaners to sort the plastics for recycling.

Closed-loop recycling is a process in which post-consumer/commercial waste, such as plastic cling wrap is collected, recycled and used to make new products.





Tackle Food and Packaging Waste

## Case Study 1.3

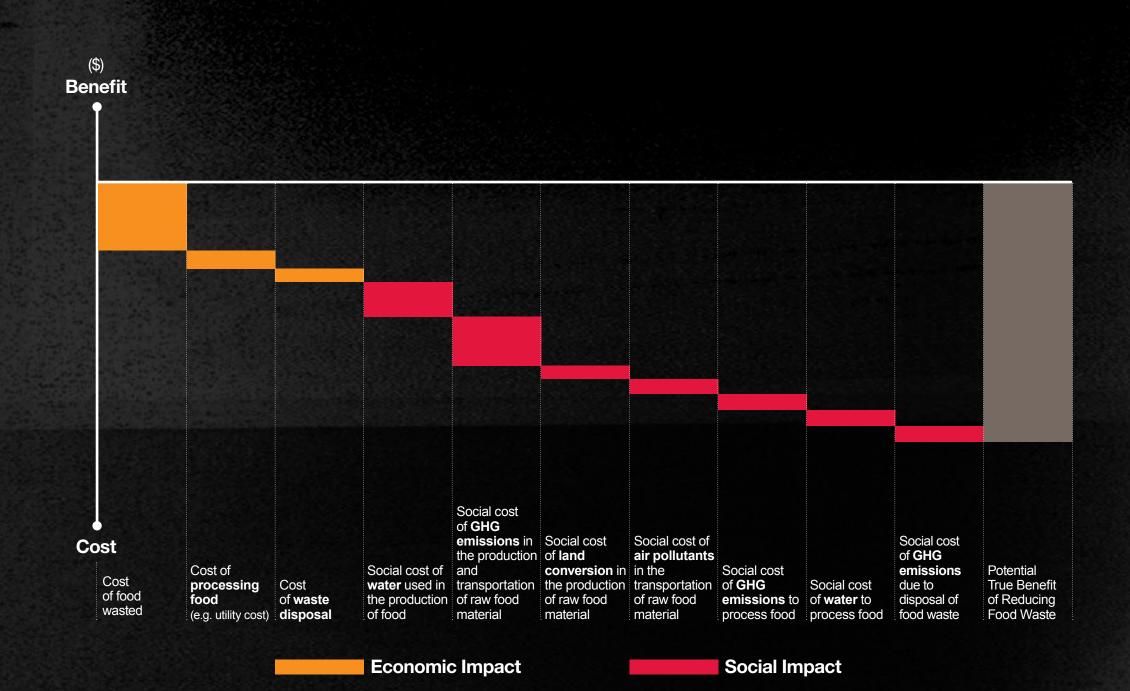
## Measuring the True Impact of Food Waste

In 2019, SATS engaged KPMG to conduct a true impact study of SATS' sustainability initiatives, including food waste measurement to reduce food waste. Using KPMG's True Value methodology, the study aims to assign monetary values to the social and environmental impact created by our sustainability initiatives, allowing these impact to be effectively integrated into business decisions alongside conventional financial considerations.

The true cost of our food waste will be calculated by taking into account both the economic impact, such as cost of food wasted, utility and waste disposal, as well as social impact throughout different stages of the value chain. Social impact refer to the social cost of water consumption, greenhouse gas (GHG) and pollutant emissions at different stages of the value chain, including growing, producing, transporting and processing the food.

Findings from this study will serve as a baseline for SATS to inform potential initiatives to reduce the impact of our food waste and to prioritise key waste categories requiring intervention. By analysing the varying impact of different types of food waste instead of measuring only the tonnage of food wasted, we will obtain a more comprehensive and holistic view of key issues and areas of opportunity.

The study and its findings will also serve as valuable communication tools to engage key stakeholders, such as our suppliers, customers and employees, on the collective impact of food waste and where we can make a real difference.





## Ensure Supply Chain is Sustainable

SATS maintains an extensive and complex supplier network with more than 3,700 suppliers globally. Our suppliers range from local farms to multinational companies. As a major customer and partner, we have the opportunity to raise the bar for sustainability by establishing sustainable practices and production methods while encouraging the businesses we work with to do the same.

