



SATS AND SEMBCORP FORM SUSTAINABILITY PARTNERSHIP TO GREEN OPERATIONS

Singapore, October 29, 2019 – SATS Ltd. (SATS), Asia’s leading provider of Food Solutions and Gateway Services, and Sembcorp Industries (Sembcorp), a trusted global integrated energy company, have signed a Memorandum of Understanding (MoU) for the development of a suite of integrated solutions to help SATS reduce its environmental footprint across several facilities. This will bring SATS a step towards achieving its sustainability goal of 80% reduction in its carbon footprint by 2030.

One of the first initiatives under the MoU will be the implementation of solar energy systems to power SATS’ onsite operations. Sembcorp, Singapore’s largest home-grown international renewable energy player, will install, own and operate rooftop solar panels with a combined capacity of approximately 7.8 megawatt-peak atop SATS Airfreight Terminals 1 to 4, both of SATS’ inflight catering centres as well as the SATS Maintenance Workshop. With this, SATS will achieve 12.4% use of renewable energy out of its total energy consumption, and this project is expected to reduce 4.1 million kilogrammes of carbon dioxide emissions per year, equivalent to removing about 887 cars from the roads annually.

This partnership combines SATS’ scale in the aviation market and Sembcorp’s capabilities in renewables, to optimise the use of solar energy. Both parties will be piloting the use of co-generation solar panels, a new-generation technology capable of harvesting both sunlight and heat to produce electricity and hot water. If successful, this technology will be expanded to all future SATS premises that require both resources.

As part of this partnership, SATS and Sembcorp will also explore trucking liquefied natural gas (LNG) to SATS and regasifying it to power boilers in both SATS’ inflight catering centres at Changi. LNG is a cleaner alternative to diesel and has 24% lower carbon dioxide emissions. In addition, to further reduce waste and optimise resources for SATS, Sembcorp will look to provide treatment for wastewater recycling.

Alex Hungate, President and Chief Executive Officer of SATS said, “At SATS, our sustainability goals are to enable more people to eat well and connect seamlessly across Asia, while minimising the impact these activities have on our environment. This partnership with Sembcorp allows us to explore renewable energy solutions that help us reduce our carbon



footprint.” In 2016, SATS partnered Sembcorp to develop solar energy systems on the rooftop of SATS Airfreight Terminals 5 and 6 at Changi.

Neil McGregor, Group President & CEO, Sembcorp Industries, said, “SATS was an early collaborator in Sembcorp’s renewable energy development journey. We are proud to partner them again in this ongoing journey to apply green solutions to the aviation and food industries. As an integrated energy player, bringing together novel sustainable solutions to reduce resources and energy costs for our customers is core to Sembcorp’s business proposition. We hope to continue paving the way on this front.”

The signing of this MoU is not expected to have a material impact on the earnings per share and net asset value per share of Sembcorp and SATS, for the financial year ending December 31, 2019 and March 31, 2020 respectively.

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ABOUT SATS LTD.

SATS is Asia's leading provider of food solutions and gateway services.

Our food solutions include airline catering as well as central kitchens for food service chains and institutions. Our comprehensive gateway services encompass airfreight handling, passenger services, ramp handling, baggage handling, aviation security services, aircraft interior and exterior cleaning, as well as cruise centre management.

SATS is present in over 60 locations and 13 countries across Asia Pacific and the Middle East.

SATS has been listed on the Singapore Exchange since May 2000. For more information, please visit www.sats.com.sg.

ABOUT SEMBCORP INDUSTRIES

Sembcorp Industries is a leading energy, marine and urban development group, operating across multiple markets worldwide.

As an integrated energy player, Sembcorp is poised to benefit from the global energy transition. With a strong track record in developing and developed markets, we provide solutions across the energy and utilities value chain, with a focus on the Gas & Power, Renewables & Environment, and Merchant & Retail sectors. We have a balanced energy portfolio of 12,500 megawatts, including thermal power plants, renewable wind and solar power assets, as well as biomass and energy-from-waste facilities. In addition, Sembcorp is a world leader in offshore and marine engineering, as well as an established brand name in urban development.

To date, Sembcorp has close to 170 megawatt-peak of solar project capacity in Singapore, both in operation and under development. It is a major solar player in the country and an established renewable energy player globally, with more than 2,600 megawatts of wind and solar projects across China, India and Vietnam as well. Last year, the company unveiled a new Climate Change Strategy, outlining ambitious targets to double its global renewables portfolio and reduce its greenhouse gas emissions intensity by approximately 22% by 2022.

Sembcorp Industries has total assets of over S\$24 billion and over 7,000 employees. Listed on the main board of the Singapore Exchange, it is a component stock of the Straits Times Index, several MSCI and FTSE indices, as well as the SGX Sustainability Leaders Index and the Dow Jones Sustainability Asia Pacific Index.