



MEDIA RELEASE

SATS UNVEILS \$21 MILLION eCOMMERCE AIRHUB

- State-of-the art automated airside eCommerce mail sortation hub is region's first
- New facility multiplies mailbag processing capacity by more than three times
- Automation reduces mail processing time by 50 per cent

Singapore, 13 April 2017 – SATS Ltd. (SATS), Asia's leading provider of Gateway Services and Food Solutions, today unveiled its new eCommerce AirHub, at a ceremony officiated by Mr S Iswaran, Minister for Trade and Industry (Industry).

The \$21 million facility, co-funded by the Civil Aviation Authority of Singapore (CAAS), enhances Changi's eCommerce mail sorting capability to support the growing eCommerce market. This new 6,000 sqm facility also features new innovations that will improve productivity and enable airport workers to acquire new skills.

By deploying state-of-the-art technology, SATS has multiplied mailbag processing capacity by more than three times and streamlined the mail sortation process to deliver quicker turnaround for international eCommerce mail. Processing time is now reduced by 50 per cent. At the same time, automation has provided opportunity for employee upskilling. SATS is currently the only ground handler in the region to operate such an automated airside facility.

Alex Hungate, President and Chief Executive Officer of SATS said, "eCommerce is expected to continue on its growth trajectory in the region and beyond with continued strong consumer demand. The SATS eCommerce AirHub enhances the competitiveness of the whole airfreight industry in Singapore by offering greater speed and transparency, as well as higher capacity to handle future growth."

Kevin Shum, Director-General of CAAS, said, "CAAS is pleased to support the establishment of the eCommerce AirHub under the Aviation Development Fund. We are delighted that this initiative has enabled SATS staff to benefit from an enlarged job scope, higher pay, and a more comfortable and conducive workplace. Such collaborations are part of our efforts to transform Singapore Aviation, make the sector more efficient and competitive, create better jobs and improve productivity using technology."



Tapping on technology for greater efficiency

At the official opening of the SATS eCommerce AirHub this afternoon, the company unveiled several new innovations. These include a fully automated mail sortation system that increases the mailbag processing capacity of SATS to more than 1,800 an hour – up from 500 previously.

Additionally, due to interface integration with SingPost's airmail consignment operations and the facility's locality within the free trade zone on the airside, mail sortation operation is streamlined to eliminate the need for mailbags to be transported to and from the hub.

The combination of these factors has enabled faster mailbag processing that reduces turnaround time by 50 per cent – from six hours to three – thus allowing international eCommerce mail to connect to an earlier flight for faster delivery.

Traceability is also improved at the SATS eCommerce AirHub, as customers, such as SingPost, can now better track and trace their mail via the data interface, for example checking connection status by confirming arrival and departure times.

Mr Woo Keng Leong, Chief Executive Officer, Postal Services, SingPost, said: "The improved efficiency and tracking from our collaboration with SATS will enhance SingPost's international mail operations amid Singapore's growing importance as an eCommerce logistics hub."

As well as improving service, SATS eCommerce AirHub will also be more productive: airmail consignment operations are targeted to be at least 30 per cent more efficient with full automation.

Employee development is key to success

Recognising that employees are key to operational success, SATS has implemented comprehensive training programmes for the team running the new facility. Already familiar with apron and cargo operations, members were trained in new functions to help them acquire additional skills. This has enabled them to confidently manage the latest mail sortation technology and implement the new integrated process for sorting of eCommerce mail.



To date, eight cargo equipment operators – who initially performed driving functions – have had their jobs enlarged to become eHub Specialists. They learnt new skills such as controlling the new processes through a touch-screen, monitoring and managing exceptions, as well as data management for traceability of mail.

The new facility also facilitated transfers for 10 other Cargo Operations Assistants to become eHub Specialists, thus enhancing their careers through broader experiences within the business.

Future plans

Mr Hungate also spoke about future plans for the facility saying, “With ever-increasing eCommerce mail volumes, SATS has deliberately designed this eCommerce AirHub to be modular so that we can increase throughput even further with only incremental investment.”

- End -



About SATS Ltd.

SATS is Asia's leading provider of Gateway Services and Food Solutions.

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. Our Food Solutions include airline catering, institutional and remote catering, aviation laundry as well as food distribution and logistics.

SATS is present in 47 airports, 53 cities and 14 countries across Asia and the Middle East.

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

For media enquiries, please contact:

Carolyn Khiu

Vice President, Public Affairs & Branding
SATS
DID: (65) 6541 200
HP: (65) 9674 2737
Email: Carolyn_KhiuLW@sats.com.sg

Charlene Ho

Manager, Ninemer Public Relations P L
DID: (65) 6534 9909
HP: (65) 9178 0194
Email: charleneho@ninemer.com



Glossary of Chinese Terms

Mr S Iswaran Minister for Trade and Industry (Industry)	易华仁 贸工部长 (工业)
Alex Hungate President and Chief Executive Officer SATS Ltd.	洪纪元 总裁兼首席执行官 新翔集团
Wong Chee Meng Senior Vice President, Cargo Services SATS Ltd.	黄志明 高级副总裁, 货运服务 新翔集团
SATS eCommerce AirHub	新翔电子商务空运中心
eHub Specialists	电子商务中心专员
SkillsFuture Earn and Learn programme	未来技能在职培训计划
SkillsFuture Enhanced Internship programme	未来技能强化实习计划
Sortation system	分拣系统