

Modern Slavery and Human Trafficking Statement For Financial Year Ending December 31, 2019

The scope of this statement covers all our operations worldwide, including those of our subsidiaries.

About Sulzer

Sulzer holds leading positions in its key industrial markets of oil and gas, power, water, and general industries, where its global operations fall within four divisions:

Pumps Equipment: leading global pump manufacturer with manufacturing footprint encompassing more than 20 sites, together with a network of sales offices.

Rotating Equipment Services: leading independent service provider for all types of rotating equipment including turbines, pumps, compressors, generators, and motors with a global network of service centres.

Chemtech: leading player in the fields of process technology and separation towers and two part mixing and dispensing systems.

Applicator Systems: mixing and application systems for adhesive, dental, and healthcare segments. Systems for cosmetics and beauty accessories.

More: [About Sulzer](#)

Our principles and policies

Sulzer is committed to the elimination of modern slavery and human trafficking from the supply chain. Sulzer's Procurement function directs our activities and our relationships with suppliers in accordance with many internal and external ethical guidelines. These guidelines and policies serve as a point of reference for upholding fundamental human rights as well as working conditions, occupational health and safety, business ethics, and environmental law. The policies are reviewed regularly to ensure they remain relevant and fit for purpose in a market leading global company. They include:

- **Code of Business Conduct (CoBC):** This code explains the manner in which we behave as an organization and how we expect our employees to act. It includes a commitment to comply with all employment and labour laws, including those related to the elimination of all forms of forced and compulsory labour (including child labour). We require all employees to sign the CoBC.
- **Recruitment Policy:** We operate a robust employment policy, including conducting eligibility to work in a particular location and checks for all employees and contractor provided personnel to safeguard against human trafficking or individuals being forced to work against their will in high risk areas.
- **Whistleblowing Policy:** We operate an independently provided whistleblowing procedure where all employees know and are made aware that they can raise concerns without fear of reprisals about the treatment of colleagues or of practices within our business or supply chain.

- **UN Global Compact:** We are a longstanding signatory to the United Nations Global Compact and support its drive for human rights and social dimension of corporate responsibility.

Our supply chain

Our supply chain procedures include a Global Supplier Qualification Process (GSQP) for potential and existing suppliers. GSQP allows the systematic identification, selection, auditing, verification, and development of global suppliers based on quality and sustainable supply chain practices and performance. Our procurement management carefully select and evaluate suppliers' processes and products, this may include, particularly where a higher risk is identified, on-site visits and audit by internal sourcing personnel. In case of non-compliance, either the supplier is not qualified, or a corrective action plan is implemented before the partnership is continued. Our procedures examine procurement spend in countries identified as having high risk, allowing us to efficiently focus our due diligence and examinations.

During 2019 greater focus has been given to indirect procurement categories (which includes vendors of business services, facilities services and logistics), and risk categorisation of vendors by location and industry sector, to enable more focussed and prioritised due diligence processes for those in higher and medium risk categories.

During the financial year ending 31 December 2019, there were no reports or findings of the presence of modern slavery or human trafficking in our supply chain.

Training

We regularly conduct both intranet and classroom based compulsory training for our employees including our procurement teams so that they understand and implement all our principles and policies. We provide compliance training to suppliers who attend our regional supplier conferences.

Continued improvement

We believe that our current systems and procedures are robust in identifying any evidence of modern slavery or human trafficking within our organization, and that this risk remains low. Nevertheless, we recognize the need to further improve and enhance our tools and procedures on this complex subject.

The Board of Directors of Sulzer AG has approved this statement for the financial year ending on December 31, 2019.



Greg Poux-Guillaume
Chief Executive Officer
For and on behalf of Sulzer AG

30 March 2020