

Complement to the Sulzer Sustainability Report 2009

Sulzer Global Compact Communication of Progress

SR Sulzer Sustainability Report

QESH Quality, environment, safety, and health

ESH Environment, safety, and health

Principles	Fulfillment	Further Reading in the Sustainability Report or on the internet.	Reference to GRI Index Sulzer
Human Rights			
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	The Sulzer Code of Business Conduct contains compliance-related topics, such as antitrust, corruption, bribery, conflict of interest, international trade restrictions, environment, health and safety, fraud and accuracy of records, insider trading, employment, and human rights matters.	Sustainability Report page 11 Sustainability Report page 4 (targeted measures)	EC5, LA4, LA6–9; LA13–14, HR1–9, SO5, PR1–2, PR8
Principle 2: make sure that they are not complicit in human rights abuses.	Since 2003, all Sulzer employees worldwide sign an agreement to adhere to the Sulzer Code of Business Conduct. Certain managers—in particular the members of the Executive Committee, heads of the operational units, and compliance officers—are required to confirm their adherence on an annual basis.	Sustainability Report page 11 Sustainability Report page 4 (targeted measures)	HR1–9, SO5
Labor Standards			
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Sulzer builds on a long tradition of close and trustful cooperation with its social partners. Between 50% and 60% of all employees are covered by collective bargaining agreements. Key social partners for Sulzer are employee representatives.	Sustainability Report page 20	LA4–5, HR1–3, HR5, SO5

Principles	Fulfillment	Further Reading in the Sustainability Report or on the internet.	Reference to GRI Index Sulzer
Principle 4: the elimination of all forms of forced and compulsory labor;	Sulzer respects different cultural backgrounds and is committed to complying with all employment and labor laws including those related to the elimination of all forms of forced and compulsory labor including child labor and the prohibition against all forms of discrimination in employment under applicable laws.	Sulzer Code of Business Conduct (www.sulzer.com/regulations)	HR1–3, HR7, SO5
Principle 5: the effective abolition of child labor; and			HR1–3, HR6, SO5
Principle 6: the elimination of discrimination in respect of employment and occupation.	<p>Sulzer has a neutral employment policy and offers equal opportunities to all employees regardless of national or ethnic origin, gender, or other differentiating characteristics.</p> <p>Sulzer launched an employer branding initiative in 2009 to further improve its attractiveness as an employer. The employer brand promotes diversity.</p> <p>Sulzer defined and introduced the three core values in 2008 and 2009 based on web surveys, focus group discussions, and management workshops. The values include the respectful treatment of all people.</p>	Sustainability Report page 19	EC7, LA2, LA13–14, HR1–4, SO5
Environment			
Principle 7: Businesses should support a precautionary approach to environmental challenges;	Sulzer is committed to sustainable development and strives to operate without eroding the livelihood base of future generations. The precautionary approach is part of Sulzer policies. Throughout the company, the Code of Business Conduct and the QESH (quality, environment, safety, and health) policy outline Sulzer standards and encourage a higher level of environmental protection than legally required.	Sustainability Report page 23	EC2, EN18, EN26, EN30, SO5
Principle 8: undertake initiatives to promote greater environmental responsibility; and	<p>Sulzer is committed to sustainable development and strives to operate without eroding the livelihood base of future generations.</p> <p>To ensure common standards at Sulzer locations worldwide, Corporate QESH has defined a set of minimal</p>	<p>Sustainability Report page 4 (targeted measures)</p> <p>Sustainability Report pages 23–25</p>	EN1–30, SO5, PR3–4

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	<p>standards and best practices with which all sites must comply.</p> <p>Adequate management systems are essential to improving the environmental performance. The company has set the goal of certifying all production sites according to the ISO 14001 standard by the end of 2010. By the end of 2009, 34 sites comprising 79% of all Sulzer employees had already been certified.</p> <p>Regular audits ensure that environmental requirements are being met. In 2009, the corporate QESH department conducted around 30 internal ESH audits. A global network of around 200 QESH officers ensures that QESH initiatives are continuously implemented, monitored, and improved. The local QESH officers receive regular training in answering employee questions and in training other employees.</p>	<p>Sustainability Report: <i>Insight</i> on pages 24–25</p> <p>Sustainability Report pages 32–33</p>	
<p>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p>	<p>Sulzer offers sustainable and tailored solutions for performance-critical applications. They increase the customers' competitive positions by increasing the eco-efficiency of the equipment and the total cost of ownership.</p> <p>Sulzer conducts studies on an ongoing basis to assess the environmental impact of its solutions. This process often involves close cooperation with customers: life cycle assessments, environmental product declarations, and carbon dioxide (CO₂) emissions analysis over the entire product life cycle.</p>	<p>Sustainability Report page 17</p> <p>Sustainability Report page 24</p> <p>Sustainability Report: <i>Insight</i> on pages 14–15</p> <p>Sustainability Report pages 32–33</p>	<p>EN2, EN 5–7, EN 10, EN 18, EN 26–27, EN30, SO5</p>
<p>Anti-Corruption</p>			
<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>The Sulzer Code of Business Conduct contains compliance-related topics, such as antitrust, corruption, bribery, conflict of interest, international trade restrictions. See also principle 1.</p>	<p>Sulzer Code of Business Conduct (www.sulzer.com/regulations)</p>	<p>SO2 – 6</p>

June 21, 2010