

## Communication on Progress 2012



## Contents

1. Statement of continued support by the Chief Executive Officer .....	3
2. The Ten Principles and their implementation .....	4
I. Human Rights Principles .....	4
a) Implementation .....	4
b) Measurement of outcomes.....	5
II. Labour Principles.....	6
a) Implementation .....	6
b) Measurement of outcomes.....	7
III. Environmental Principles .....	8
a) Implementation .....	8
b) Measurement of outcomes.....	9
IV. Anti-Corruption Principles .....	10
a) Implementation .....	10
b) Measurement of outcomes.....	10

## 1. Statement of continued support by the Chief Executive Officer

Opfikon, 12<sup>th</sup> October 2012

Dear Sir / Madam

Swissport International Ltd. has been a participant of the UN Global Compact for one year, expressing this way its support of the Ten Principles of the Global Compact with respect to human rights, labour, environment and anti-corruption. We are, and we will continue to be, committed to making the Global Compact and its Ten Principles part of the strategy, culture and day-to-day operations of our company.

In the following pages we have issued an annual report on Swissport's continuous efforts to implement the Ten Principles of the Global Compact and to support its broader development objectives within Swissport's sphere of influence.

Yours faithfully,

Swissport International Ltd.



Per H. Utnegaard, President & CEO

## 2. The Ten Principles and their implementation

### I. Human Rights Principles

*Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and*

*Principle 2: make sure that they are not complicit in human rights abuses.*

#### a) Implementation

The Swissport Group has a workforce of around 39'000 employees and is active at 195 stations in 38 countries on five continents.

As a service provider and therefore a human workforce business, Swissport has a big responsibility towards its employees. Swissport is fully committed to ensuring fair and equal employment opportunities, diversity and lack of discrimination as well as full compliance with health and safety regulations. For all its employees, Swissport maintains and promotes a corporate culture and behaviour in which honesty, integrity and respect for the law are viewed as essential to achieving its desired success. Swissport has issued a Code of Conduct which explains Swissport's ethical and behavioural principles which are applied in all the locations in which it is active worldwide and which serves as a guideline to its corporate and employees' ethical behaviour.

The **Swissport Code of Conduct** is based on the following corporate core values: "People, Professionalism and Partnership". Every employee is expected to live up to Swissport's corporate core values.

The Swissport Code of Conduct follows the principles of:

- behaviour with integrity and in compliance with the law;
- the recognition of internationally proclaimed human rights;
- respect for other cultures and opinions;
- responsibility towards society;
- care for the environment;
- loyalty towards the Swissport Group;
- fair, courteous and respectful behaviour towards colleagues, superiors, subordinates, customers, shareholders, authorities, business partners and the public;
- professional behaviour and observance of the rules of good business practice and of internal and external rules and regulations;
- protection from discrimination; and
- an open, transparent and constructive business style.

The Swissport Code of Conduct can be downloaded on Swissport's corporate website:

[www.swissport.com/corporate/swissports-code-of-conduct/](http://www.swissport.com/corporate/swissports-code-of-conduct/)

The Swissport Code of Conduct is an integral part of Swissport's corporate governance and it applies to the Board of Directors, the Group Executive Management Board and any and all other employees of the entire Swissport Group. It provides a consistent guideline for how all Swissport's employee work with clients, business partners, communities and with each other. The Code of Conduct is a compass, helping to make the right choices and providing a way forward when handling difficult situations. It gives a clear statement of the values and professional standards that are expected from all employees. The commitment to the Code of Conduct will ensure that Swissport maintains its culture based on trust and truthfulness.

**b) Measurement of outcomes**

The Swissport Code of Conduct has been distributed throughout the whole organisation of the Swissport Group worldwide.

Any and all of the employees are personally obliged to abide by the Swissport Code of Conduct. They are prompted to report any evidence of possible violation of the Swissport Code of Conduct to their superior or, if appropriate, to the General Counsel or to the Chairman of the Audit Committee.

## II. Labour Principles

*Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;*

*Principle 4: the elimination of all forms of forced and compulsory labour;*

*Principle 5: the effective abolition of child labour; and*

*Principle 6: the elimination of discrimination in respect of employment and occupation.*

### a) Implementation

The Swissport Code of Conduct condemns any form of illegal discrimination. All employees of the Swissport Group are obliged to:

- abstain from any discrimination of colleagues, employees, applicants, customers or business partners based on age, gender, race, disability, religion, political belief or any other category protected by law;
- abstain from and prevent harassment;
- abstain from any sexual harassment and especially do not enter into personal relationships with direct reports which might contravene moral standards or where moral pressure is used to force the workplace relationship;
- make a clear distinction between the interests of Swissport and their own private interests and avoid possible conflicts of interest such as the representation of Swissport in any business dealing or the making of any recommendation which may unduly influence an action of the company; and
- abstain from improperly pushing the promotion or employment of relatives and/or personal friends.

As an employer, Swissport cares for its employees, as they are the most valuable contributors to success. Therefore, Swissport is committed to making an effort when recruiting new staff where human resources specialists and line management are involved.

Swissport complies with all laws relating to the recruitment of staff, and to any more stringent requirements arising from its own internal policies (e.g. equal opportunities, employee advancement, etc.). Like in all other practices, Swissport adheres to its corporate core values (“People, Professionalism and Partnership”) and to its Code of Conduct.

Swissport strives to safeguard and continuously improve the health and safety of its 39'000 employees.

Swissport's operational procedures aim at the health and safety of the employees, in particular at the reduction of work accidents. Despite the wide spread of its stations (195 stations in 38 countries on five continents) Swissport strives to apply worldwide the same standardised operational procedures which are based on high national standards.

With regard to Health & Safety, all Swissport employees who work on the airport ramp near to aircraft, in cargo warehouses or in another potentially hazardous environment are fully equipped with personal protective clothing (security vests, helmet, gloves, etc.), and it is mandatory for them to wear it: we do not compromise on safety. For the same reason, the standard training programmes which are applied in all stations worldwide include safety aspects of the working environment, in particular the use of protective clothing as well as the special behaviour on the ramp aiming at minimising the risk of working accidents.

The operational procedures are reviewed by the management of the Swissport Group periodically and improved continuously.

Health and Safety is not only a matter of protective equipment, but also of different programmes that support a healthy lifestyle. Various stations of the Swissport Group run such programmes: “*Fit on Ground*” (exercise programme), “*Tao*” (relaxation and massage) and other local Human Resources programmes for health and well-being. Such programmes are addressed in all local Human Resources management and operational Quality and Safety agendas.

#### **b) Measurement of outcomes**

Woman employment: 31.8% of the total workforce of the Swissport Group is female, what represents a solid and good proportion in a naturally male-dominated industry.

### III. Environmental Principles

*Principle 7: Businesses should support a precautionary approach to environmental challenges;*

*Principle 8: undertake initiatives to promote greater environmental responsibility; and*

*Principle 9: encourage the development and diffusion of environmentally friendly technologies.*

#### a) Implementation

For Swissport, environmental protection means safeguarding mankind by preserving our living conditions as well as protecting humans from their technological environment. Our environmental protection activities are focussed on human beings.

We achieve environmental quality by proactively, systematically, and fully integrating environmental considerations into the planning and execution of our work.

We are committed to reducing our environmental impact by:

- complying with all applicable environmental laws, regulations and standards through rigorous regulatory compliance programs;
- implementing pollution prevention and waste minimization programmes to eliminate or reduce waste and emissions;
- conserving energy and materials through resource management and recycling;
- using safety analysis and review systems to identify, control, or reduce environment, safety, and health risks through engineering and administrative controls.

We strive to continually improve our environmental management system, with the goal of improved environmental performance.

The Swissport Group has issued an **Environmental Policy** which sets the following goals:

- to minimise negative environmental impact;
- to endeavour for continuous improvement for our services and for more effective production process with customer adapted solutions;
- to be economical with raw material, materials and energy, and also to minimise consumption of renewable sources of material and energy;
- to increase awareness of environmental issues among all employees to a level where environmental considerations become one's own responsibility;
- to foster low-emission service vehicles and ground service equipment.

In the fuelling service Swissport has implemented a "zero-drop" compliance programme, i.e. all measures are taken to avoid any spill of fuel on the ground.



In the Swissport de-icing business, the use of glycol is strictly monitored. Swissport constantly strives for an optimization of glycol use and glycol recovery by using state-of-the-art technology.

**b) Measurement of outcomes**

Swissport is compliant with all applicable environmental laws, regulations and standards worldwide. In the period covered by this annual report, Swissport was neither involved in any rulings, nor made liable as a result of environmental non-compliance.

#### IV. Anti-Corruption Principles

*Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.*

##### a) Implementation

Swissport strictly condemns corruption in all its forms. Under the Swissport Code of Conduct, all employees of the Swissport Group have the obligation to ensure that the activities they carry out comply with the law, in particular the applicable anti-corruption rules.

Swissport has issued **Anti-corruption Guidelines** which are based on the anti-corruption rules set forth in the 1997 OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the 1999 Criminal Law Convention of the Council of Europe on Corruption and the 2003 United Nations Convention against Corruption.

All directors, officers and employees of the Swissport Group are required to abide by the Swissport Anti-corruption Guidelines, regardless of their place of work. They are prompted to report any corrupt practice they are aware of (including attempts thereof) to their superior or to the Group General Counsel. Disciplinary actions (including termination without notice) will be taken against those directors, officers and employees who do not comply with anti-corruption rules.

##### b) Measurement of outcomes

In the period covered by this annual report, Swissport was neither involved in any rulings, nor made liable in relation to corruption.