

DIRECTIVE

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Summary	Sustainable Sulzer requires to engage with employees and communities and is substantiated with the human rights directive. This policy focuses on the rules applicable at Sulzer to respect child rights. This policy was designed based on interactions with stakeholders.
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Sulzer child rights policy

1 Purpose

Sustainable Sulzer requires to engage with employees and communities and is substantiated with the human rights directive. This policy focuses on the rules applicable at Sulzer to respect child rights. This policy was designed based on interactions with stakeholders.

2 Addressees

This policy applies to all Sulzer legal entities, employees, and organizations under Sulzer management control worldwide. By extension, this policy applies to Sulzer business relationships starting with its suppliers.

A child is every human being under 18 years old unless, under the law applicable to the child, majority is attained earlier as stated in article 1 of the Convention on the Rights of the Child.

A young worker is a child who is above the minimum legal working age and engaged in economic activity. Sulzer solely employs young workers who are 16 years old as a minimum.

3 Respecting child rights at work

Sulzer supports the education and growth of the future generation by offering young workers the opportunity to learn their future jobs. However, Sulzer does not tolerate the illegal or inappropriate child labor.

Sulzer solely employs young workers who are 16 years old as a minimum.

Subject to the applicable legal requirements on the sites of operations, Sulzer might welcome children between the age of 14 and 16 to a company site but only when this is an integral part of:

- A course of education or training for which a school or training institution is primarily responsible,
- a program of training mainly or entirely in an undertaking, which program has been approved by the competent authority; or
- a program of guidance or orientation designed to facilitate the choice of an occupation or of a line of training.

DIRECTIVE

2022.000098 Sulzer child rights policy | 12/31/2022

Page 2 of 5

The age is verified before entering any relationship.

Young workers are employed as part of their education and apprenticeship and formally contracted. They have fair incomes and are provided with age-appropriate social protection and health services.

The Sulzer supervisor and / or the HR team assesses the young worker's literacy and assures he/she understands the employment contractual conditions, including the right to reach out to employees' representatives and the Sulzer compliance hotline.

The Sulzer supervisor creates an environment for healthy dialogue with the young workers.

Young workers are not exposed to:

- life threatening hazards such as, but not limited to, carcinogenic, mutagenic and reprotoxic (CMR) chemicals,
- highly hazardous tasks such as confined space entry, lone works, heavy manual handling, works on high voltage electrical live systems, operation and/or maintenance of dangerous machineries, tools and equipment, and work at height,
- exposure to extreme temperature and noise,
- overtime,
- night shifts.

Young workers might work on machineries to learn their future job under the following conditions:

- they are 16 years old as a minimum,
- they are allocated to machines that are fully guarded meeting the European EC marking requirements (or equivalent) with operational safeguards that are regularly tested by the Sulzer supervisor,
- they have in-depth training on the machine risk assessment and user's manual requirements,
- they work under Sulzer continuous supervision.

Local Human Resources policies outline parents' benefits such as parental leave and provisions and protection for pregnant and breastfeeding women. This is to ensure that future and current child are provided with the best environment.

Managers and supervisors are made aware of this policy and trained on the Sulzer code of business conduct.

Sulzer performs regular assessments of its legal entities to verify the implementation of this policy.

Suppliers are assessed regarding their child labor practices through the procurement due diligence process. They are expected to have systems, policies and processes in place that meet this policy's requirements as a minimum.

Sulzer communication and marketing materials may use child's or young worker's pictures. In such a case, they promote child rights, as a minimum: positive self-esteem, healthy lifestyles, equal rights and / or non-violent values.

Sulzer collaborates with non-governmental organizations (NGO) in the field of human and child rights to learn and leverage its practices. It also partners with NGOs to provide benefits to child and promote child rights.

In case deviations from this policy are detected in its operations, Sulzer's priority is to protect the child's mental and physical integrity. This is done by immediately bringing the operations back to compliance with this policy and assessing remediation solutions with experts (either internal or external stakeholders) in the best interest of the child and their family. The immediate cessation of the work relationship might not be considered as a valid option for the child as it might lead him/her to go into worse forms of labor and/or exploitation. See appendix A for guidance.

In case deviations from this policy are detected in the Sulzer supply chain, Sulzer will immediately interact with the supplier's representatives and experts (either internal or external stakeholders) seeking a solution in the best interest of the child and their family. See appendix A for guidance.

4 Respecting child rights beyond work

Sulzer minimizes its environmental footprint to prevent pollution, allowing child to access clean water, soil, and air.

Sulzer has fenced and access-controlled properties around the clock to prevent child to access its premises and be exposed to manufacturing-related hazards.

Sulzer acts as a socially responsible company by promoting child's education through its tailor-made program named WISE (Women In Science and Engineering) and the promotion of STEM and Engineering within schools.

Sulzer promotes partnerships with local communities namely by offering apprenticeship and internship opportunities.

The Sulzer Flexwork policy allows families to adapt their worktime to meet their child's needs. Local Human Resources policies outline any relevant child targeted employee benefits such as access to good quality child and health care.

5 Management review

Sulzer monitors the implementation of the policy. Results are reviewed at the Executive Committee level using data such as but not limited to, child labor grievances recorded (number and nature) via the hotline, audit findings on child labor (self-assessment, GIA, external audits), progress on Corrective Action Plans, media reports on instances of child labor, official inspection outcomes.

6 Disclosure

This policy is publicly disclosed on the company website and referenced into the contracts signed with suppliers.

Status of the implementation of this policy is disclosed yearly e.g., Sulzer sustainability report, UN Global Compact Communication on progress report.

7 References

- International Labour Organization (ILO) Convention No 138 (Minimum Age)
- International Labour Organization (ILO) Convention No 182 (Worst Forms of Child Labour)
- The United Nations Convention on the Rights of the Child (UNCRC)
- The Child's Rights and Business Principles
- Directive 2022.000096 Human Rights directive

8 Abbreviations, terms, and definitions

- ESH: Environment, safety & Health. For safety this covers both occupational and process safety.
- GIA: Group Internal Audit
- Human rights: rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. Human rights include the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education, and many more. Everyone is entitled to these rights, without discrimination (source: United Nations).
- Salient issues: The human rights at risk of the most severe negative impact through the company's activities and business relationships (source: United Nations Guiding Principles). At Sulzer, the human rights salient issues are: child labour, forced labour, health & safety.
- Sustainability: Development that meets the needs of the present without compromising the ability of future generations to meet their own needs, encompassing three dimensions: environment, social and governance (ESG).
- Worst form of child labor: (a) all forms of slavery or practices similar to slavery, such as the sale and trafficking of child, debt bondage and serfdom and forced or compulsory labor, including forced or compulsory recruitment of child for use in armed conflict; (b) the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances; (c) the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties; (d) work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of child.

9 Effective date

December 31, 2022.

Signatures:

Suzanne Thoma
Chief Executive Officer



Armand Sohet
Chief HR & Sustainability Officer

Appendix A – Child labour related remediations – Guidance

If instances of child labour are identified, remediation actions should be taken to protect the child from further exposure and from a worse situation due to the loss of income. Child-focused actions may include:

- Job re allocation if the child is above the minimum working age but under 18.
- Provision of education alongside work if the child is above the minimum age.
- If the child is below the minimum work age, he/she is brought to a safe place, paid the wages he/she would have earned until reaching the working age and assisted in finding education opportunities.
- Assistance for the child's rehabilitation and social integration.
- Assistance of the child in finding employment opportunities upon reaching the legal working age.

If a child is identified performing hazardous work at Sulzer operations or within its supply chain, a medical examination is requested and will be carried out with his/her explicit consent, without any cost implication to either the child or his/her family. The examination is performed by a certified health practitioner who should establish if the child has experienced any negative impact through its work. In case of negative impacts being diagnosed, Sulzer and its stakeholders seek to remediate the impact.