

SUSTANABILTY REQUIREMENTS FOR SUPPLIER SOURCING OF THE SWISSPORT GROUP

SUSTAINABLE SOURCING POLICY

CONTENTS

Policy Purpose	3
Applicability	3
Core Principles	3
General Requirements	4
Screening Process for Potential Suppliers	6
Governance and Responsibilities	7
Appendix 1	8
Appendix 2	8

1st Edition

June 2024

Global Head of Procurement

1. POLICY PURPOSE

At Swissport, one of our three corporate values is "Do the Right Things," which outlines our dedication to maintaining the utmost integrity at all times, to be transparent in what we do, and to hold ourselves accountable towards our stakeholders. This commitment is reinforced by a robust compliance process that ensures, on the one hand, strict adherence to all relevant legislation and, on the other hand, upholds human rights principles, including the 10 Principles of the UN Global Compact.

Because we recognize the significant impact our sourcing practices can have on both local and global communities and on the environment, we place high importance on sustainability and responsibility. As a result, we are committed to conducting our strategical procurement in a socially and environmentally responsible manner.

This Sustainable Sourcing Policy (SSP) and its principles embody our commitment and serve as the cornerstone to guide our sourcing activities. This includes sustainability criteria for the evaluation and prioritization of potential suppliers during selection processes and ensures that ethical, sustainable, and fair practices are upheld by our strategical vendors.

2. APPLICABILITY

This Sustainable Sourcing Policy applies to the holding company Swissport International Ltd. (SPI) as well as to all subsidiary companies with a majority owned by or under the majority control of SPI. The SSP gives a clear and concrete framework for conducting sustainable sourcing.

This Sustainable Sourcing Policy shall be governed by our Supplier Code of Conduct and by the Swissport Group Procurement Policy (SGPP), and shall apply to i) all strategical sourcing activities carried out by the Strategic Procurement Team when acquiring goods or services from third-party suppliers, and to ii) other Swissport stakeholders who are involved in vendor selection and ESG activities management of Strategic Suppliers.

3. CORE PRINCIPLES

Swissport's Strategic Procurement Team shall ensure that beyond obtaining economic benefit and fulfilling the functional requirements of the business, supply decisions are made in a responsible way that considers the core principles of sustainability:

- aim to minimize any adverse impact on the environment and communities within our society,
- supports Swissport in achieving its Sustainability Goals (listed in Appendix 1) by minimizing the carbon footprint of the supply and maximizing circularity,

- include sustainability indicators in supplier assessments for all strategic tenders, and
- avoid suppliers that fail to meet high standards for human rights, labor, health and safety, and environmental practices or violate our Code of Conduct.

4. GENERAL REQUIREMENTS

The general requirements described below are not exhaustive and do not address every possible situation. Suppliers are obliged to familiarize themselves with and adhere to Swissport's Supplier Code of Conduct and all applicable policies, procedures, laws, and regulations of the countries in which they operate.

Swissport's procurement teams and buyers are required to establish a contractual relationship (executed contract or Purchase Order [PO] that includes standard terms and conditions) with any supplier with which Swissport will expect to have more than 5,000 euro in spending before conducting any business together. Contracts with Strategic Suppliers and Standard Terms and Conditions shall include provisions that require suppliers to adhere to the following requirements:

4.1 LEGAL COMPLIANCE

All suppliers need to comply with all applicable laws, regulations, and mandatory standards in the jurisdictions where they operate and/or provide services to Swissport in relation to environmental protection, health and safety, labor, and human rights.

4.2 ENVIRONMENTAL COMPLIANCE

Our procurement decisions shall exclude suppliers that fail to comply with legislations, prioritize suppliers who are able to demonstrate compliance with relevant environmental legislations, and promote environmentally-friendly production and service delivery.

Suppliers are expected to have an environmental policy and environmental management system which ensures that the supplier, whenever possible i) protects the environment by preventing pollution and using natural materials / ingredients, ii) minimizes climate change impact by measuring and reducing carbon footprint and greenhouse gas emissions, and iii) conserves resources by monitoring usage and reducing the consumption of water, energy, and raw materials.

4.3 SUSTAINABLE SUPPLY CHAIN

We prioritize suppliers who share our commitment to sustainability. Preference is given to suppliers with recognized environmental certifications or eco-labels. The existence of an environmental management system and adherence to standards like ISO 14001 are part of our assessment criteria when selecting key suppliers.

Whenever reasonably feasible and without compromising quality, performance, or safety, we shall procure products and services with lower environmental impact,

including i) reduced energy consumption, resource efficiency, ii) low packaging waste or the use of sustainable / reusable packaging materials, iii) the use of recyclable and biodegradable materials whenever possible, iv) reduced waste generation and v) reduced need for transportation.

4.4 HEALTH AND SAFETY

Selected suppliers must meet occupational health and safety criteria following the requirements of ISO 45001 or equivalent practices, and shall provide a safe and healthy working environment for its employees in order to prevent accident and minimize risks.

As such, suppliers must ensure that their employees i) receive training in health and safety, ii) use adequate personal protective equipment and tools to undertake their tasks safely, and iii) report any major incident or accident related to occupational health and safety to their primary business contact at Swissport. Additionally, suppliers shall be prepared in handling emergency situations and adequately provide their employees with all the necessary health and safety information, equipment, and facilities.

4.5 LABOR AND HUMAN RIGHTS

When conducting work for Swissport, Strategic Suppliers are expected to have a human rights policy and effective systems that enable the monitoring, control, and improvement of performance. Vendors are required to eradicate all forms of bonded and forced labour, slavery, human trafficking, and sexual exploitation and promote a culture where all forms of harassment and abuse are eliminated.

Strategic Procurement Teams and legal managers shall endeavor to ensure that suppliers do not employ anyone under the age of 18 or the applicable minimum legal age in the countries they operate, unless in vocational and / or formal and structured apprenticeships or educational and training programs. The supplier shall guarantee that all its employees are employed of their own free will and no employee should be forced to work beyond maximum working hours, be debt bonded, subject to threat, human trafficking, slavery, or involuntary prison labor.

4.6 DIVERSITY AND INCLUSION

Suppliers shall not discriminate against any employee based on personal characteristics, such as gender, race, disability, nationality, religion, age, or sexual orientation unless specific laws or regulations expressly provide for selection according to specific criteria. Strategic Procurement Teams are encouraged to consider supplier diversity in procurement decisions and in vendor selection processes.

4.7 FAIR COMPETITION

Suppliers are required to adhere to competition laws that govern the countries in which they operate and shall not use illegal or unethical methods to compete in the market, or collude with other suppliers, or abuse its market dominance when offering services / products and when conducting business with Swissport.

5. SCREENING PROCESS FOR POTENTIAL SUPPLIERS

Strategic Procurement Teams shall, during the process of selecting a Strategic Supplier, assess the ESG maturity of the potential providers. Considering the specific risk of the given spend category, potential suppliers need to be screened for compliance of the applicable general requirements as described above before engaging with them.

The following process shall be followed, and requirements met in order for any supplier to be eligible to contract with Swissport.

5.1 SUPPLIER CODE OF CONDUCT

Suppliers need to accept the Swissport Supplier Code of Conduct, which outlines the fundamental environmental, labor, and human rights standards for working with Swissport. These standards include several key principles, such as:

- Avoidance of child and forced labor.
- Rejection of any bribery or corrupt behavior.
- Accountable management of environmental sustainability.
- Freedom of association.
- Freely chosen employment.
- Safe and hygienic working environment.
- Non-discrimination.
- Effective governance and compliance with regulation.

5.2 ESG SUPPLIER QUESTIONNAIRE

Potential Strategic Suppliers need to fill out and submit a self-assessment ESG questionnaire that allocates them an ESG score by quantifying the supplier's readiness about the relevant risks in the areas of environmental, human rights, health and safety, and governance topics.

5.3 SUPPLIER RISK ANALYSIS

Based on the supplier's ESG score, the Strategic Procurement Team is required to assess the risk associated with engaging with the potential supplier and, if necessary, request improvements from the supplier as part of the vendor qualification process.

Prior to executing a contractual document and subject to the risk profile of each spend category, the Strategic Procurement Team is required to process further risk assessment(s) on the supplier in the area of IT security and financial risk.

SCREENING PROCESS FOR POTENTIAL SUPPLIERS



In case the risk assessments identify a high risk of a new supplier in a certain risk category, then Strategic Procurement Teams, together with the relevant department owning that specific risk category (such as ESG, IT security, finance, or other), needs to identify an improvement action plan and require the supplier to carry that out in order to reduce the risk of the supplier to an acceptable level.

5.4 VENDOR DUE DILIGENCE

In addition to the supplier risk analysis, the Strategic Procurement Team needs to perform a background check to assess the supplier risks in relation to fraud, anti-bribery, anti-corruption, and ensure that the supplier is not subject to any sanctions.

It is prohibited to engage with suppliers which fail the due diligence. The requirements of this vendor due diligence process are defined in the Corporate Procurement Policy.

5.5 PROCUREMENT TRAININGS

Paragraph 7 of the Corporate Procurement Policy reinforces the principles of sustainability and diversity and defines internal requirements about implementation, like commitment to continuous improvement and to procurement trainings.

6. GOVERNANCE AND RESPONSIBILITIES

This Sustainable Sourcing Policy is written and managed by Swissport's Global Head of Procurement and Head of Procurement Excellence and owned by the Group CFO. Any amendments must be approved by the Group CFO prior to publication and communication.

Policy Revision: this SSP shall be reviewed under the lead of the Global Head of Procurement. Regular revision should not exceed the maximum of 24 months. Ad-hoc revisions should be conducted based on internal or external audit findings and as results of management reviews.

Supplier Code of Conduct: the Senior Procurement Legal Counsel is responsible for ensuring that all Strategic Suppliers have accepted the Supplier Code of Conduct.

Procurement Targets: the Head of Procurement Excellence is responsible i) for the execution of adequate vendor due diligence, ii) for monitoring the progression of the Procurement Targets set out in the Appendix 1, and iii) for the development of those targets on an annual basis. The revised targets shall be established at the beginning of each year and need to be part of the annual goals set for each Strategic Procurement Team member.

Sustainability Goals: the Head of ESG is responsible for ensuring that Sustainability Goals of Swissport are met.

Trainings: The Head of Procurement Excellence is responsible for ensuring that sustainable procurement trainings are organized for the Strategic Procurement Team and for other key stakeholders on an annual basis.

APPENDIX 1 – SUSTAINABILITY TARGETS

SWISSPORT'S SUSTAINABILITY GOALS

- Commit to achieving 100% carbon neutrality by 2050 by phasing out of fossil fuel vehicles and renewing the motorized ground support equipment fleet predominantly with electric/hybrid equipment.
- Reduce Scope 1 and Scope 2 carbon emissions by at least 42% by 2032.
- Reach at least 55% share of electric/hybrid motorized ground support equipment fleet by 2032.
- Gradually increase the year on year spend covered under ESG audits and reach a total of 30% of Strategic Suppliers spend until 2032.
- Increase circularity, reduce waste generation by processes for i) collection and recycling of 100% of the CGO plastic wrapping at 10% of Swissport stations by 2026, ii) procurement and use of 100% recycled paper and glasses at the Stations and at Corporate Offices by 2028.

SUPPLIER REQUIREMENTS

- All Strategic Suppliers shall accept and adhere to the Supplier Code of Conduct.
- All Strategic Suppliers shall achieve a score on the relevant ESG Supplier Questionnaire higher than the minimum threshold of 15 points with the goal of gradually increasing this threshold to 30 points by 2032.

PROCUREMENT TARGETS

- All Strategic Suppliers need to be assessed and pass the Vendor Due Diligence prior contracting.
- At least 50% of the Strategic Procurement Team shall receive training and/or other educational materials which develop their knowledge on sustainable procurement.
- It is the goal for Strategic Procurement Team during any competitive selection process (typically RFP/RFQ) to select the supplier with the highest ESG score among the shortlisted providers. The aim is that at least 40% of selected suppliers shall score with an ESG score of 50 as a minimum.

APPENDIX 2 – DEFINITIONS

- **Strategic Procurement Team** - Includes all the global procurement category managers and regional strategical procurement managers and global and regional strategical procurement leaders who are responsible for selecting Strategic Suppliers of Swissport.
- **Strategic Suppliers** - Includes all the suppliers with an annual spend value higher than 50,000 Euro, and any other suppliers with strategic importance to the company that are selected and contracted by the Strategic Procurement Team.