

GRI Content Index

FOR THE **PANALPINA**

2013

Corporate
Sustainability
Report

GRI Content Index to the Panalpina 2013 Corporate Sustainability Report

Achieving sustainable success in the current market environment requires a clear, strategic focus, efficient and well-managed processes, and trust-based partnerships with all stakeholder groups that influence the company's success. To this end, Panalpina is committed to responsible strategies and open dialogue with all its stakeholders, including shareholders, customers, staff, business partners, public authorities, neighbors, and other parties.

In order to inform shareholders, customers, employees, and other stakeholders on the progress in this arena in a transparent manner, the Group has prepared its first stand-alone corporate sustainability report, in alignment with the "core" level of the GRI G4 guidelines. The main goal of the Global Reporting Initiative (GRI) is to create a framework for systematic, transparent, and comparable sustainability reporting for corporations (see www.globalreporting.org).

The detailed content table below shows the location of General Standard and Specific Disclosures within the report. The indicators reported on are discussed to the extent that data were available.

General Standard Disclosures	Location in in 2013 Panalpina Corporate Sustainability Report	Comments and additional information	External Assurance?
G4-1 Statement from the most senior decision-maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy	Page 4		No
G4-3 Name of the organization.	31	Panalpina World Transport (Holding) Ltd. (PWT)	No
G4-4 Primary brands, products, and/or services.	5	Core products of Air Freight, Ocean Freight, Logistics and Oil and Gas Projects to deliver customized solutions for clients across the globe	No
G4-5 Location of organization's headquarters.	31	Panalpina Management Ltd. Viaduktstrasse 42 / P.O. Box CH - 4002 Basel / Switzerland	No
G4-6 Number of countries where the organization operates.	3	Approximately 70 countries	No
G4-7 Nature of ownership and legal form.	6	Panalpina World Transport (Holding) Ltd. (PWT), is the holding company of the Panalpina Group. PWT shares are exclusively listed on the SIX Swiss Exchange.	No
G4-8 Markets served.	6-8	The geographic breakout of where Panalpina operates is in four main regions: the Americas, Asia Pacific, Europe, and Middle East, Africa and CIS. Primary industries served are: <ul style="list-style-type: none"> • Automotive • Chemicals • Consumer and Retail • Fashion • Healthcare • Hi-tech • Manufacturing • Oil and Gas • Telecom 	No
G4-9 Scale of the reporting organization, including number of employees, net sales, total capitalization, and quantity of products or services provided.	6-8, 15	- Approximately 16,000 employees - Approximately 70 countries - 8.175 billion CHF	No
G4-10 Total workforce by gender, employment type, employment contract, supervised workers, and region in addition to description of workforce not considered employees or supervised workers, and significant variations in employment numbers.	15-17	~16,000 employees ~54% male, 46% female	No

G4-11 Percentage of employees covered by collective bargaining agreements.	17	~25% of employees are covered by collective bargaining agreements	No
G4-12 Description of supply chain	18	Panalpina's supply chain consists of upstream suppliers who primarily provide packaging materials, technical equipment, and freight carriers (planes and ships).	No
G4-13 Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.	28	No significant changes.	No
G4-14 Explanation of whether and how the precautionary approach or principle is addressed by the organization.	22	The precautionary principle does not explicitly guide decisions made by Panalpina.	No
G4-15 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	13	Panalpina is committed to conducting business with integrity, respecting different cultures and the dignity and rights of individuals in all countries. The company supports the principles outlined in the UN Universal Declaration of Human Rights and observe fundamental labor and environmental standards. These basic values are included in Panalpina's Code of Conduct which is used to guide employees in adhering to high levels of performance, integrity and professionalism.	No
G4-16 Memberships in associations (such as industry associations) and/or national/international advocacy organizations.	6	IATA: International Air Transport Association FIATA: «Fédération Internationale des Associations de Transitaires et Assimilés» or « International Federation of Freight Forwarders Associations» TIACA: The International Air Cargo Association C2K: Cargo 2000 (C2K) is an industry group with the mission to create and implement the quality standard and management system for the worldwide air cargo industry.	No
G4-17 Entities included in the organization's consolidated financial statements or equivalent documents and whether entities listed in such documents are not covered by the report.	28	Panalpina Group is the only listed entity included within the scope of consolidated financial statements and no other entities are excluded from such reports.	No
G4-18 Process for defining the report content and the Aspect Boundaries and how the organization has applied the	28	A comprehensive materiality workshop was led by an external expert to identify the relative relevancy and	No

<p>'Guidance on Defining Report Content' and the associated Principles.</p>		<p>boundary of G4 Aspects. The coverage of Indicators categorized under those Aspects deemed relevant were reported to the fullest extent possible as data availability allowed.</p> <p>Key criteria for the inclusion of various GRI items is, first, their relevance to Panalpina's business impact and its stakeholders – and second, the availability of corresponding data.</p> <p>Reporting of included indicators complies with the GRI guidelines as much as data availability allows. Stakeholders expected to use this report include customers, employees, shareholders and trade associations.</p>	
<p>G4-19 material Aspects identified in the process for defining report content.</p>		<p>The Aspects deemed material for this report are:</p> <ul style="list-style-type: none"> ● Economic Performance ● Market Presence ● Energy ● Emissions ● Products and Services ● Compliance ● Transport ● Supplier Environmental Assessment ● Labor/ Management Relations ● Occupational Health and Safety ● Training and Education ● Supplier Assessment for Labor Practices ● Labor Practices Grievance Mechanisms ● Non-Discrimination ● Anti-Corruption ● Public Policy ● Anti-Competitive Behavior ● Compliance ● Supplier Assessments for Impacts on Society ● Grievance mechanisms for Impacts on Society ● Customer Health and Safety ● Product Service Labeling 	<p>No</p>

<p>G4-20 Report Boundary for each material Aspect including limitations and list of entities for which the Aspects are/are not material.</p>		<p>The boundaries of the material Aspects are:</p> <ul style="list-style-type: none"> • Economic Performance – <i>relevant within Panalpina</i> • Market Presence – <i>relevant within Panalpina but more relevant for Africa, Asia, Brazil than for other markets</i> • Energy – <i>relevant within Panalpina</i> • Emissions – <i>not particularly relevant within Panalpina</i> • Products and Services - <i>relevant within Panalpina</i> • Compliance - <i>relevant within Panalpina</i> • Transport – <i>relevant within Panalpina</i> • Supplier Environmental Assessment - <i>relevant within Panalpina</i> • Labor/ Management Relations – <i>relevant within Panalpina but depends on region, highly important in Germany, Sweden, Holland, etc.</i> • Occupational Health and Safety - <i>relevant within Panalpina</i> • Training and Education - <i>relevant within Panalpina</i> • Supplier Assessment for Labor Practices - <i>relevant within Panalpina</i> • Labor Practices Grievance Mechanisms – <i>relevant within Panalpina and particularly in North America and some parts of Europe</i> • Non-Discrimination - <i>relevant within Panalpina</i> • Anti-Corruption - <i>relevant within Panalpina</i> • Public Policy - <i>relevant within Panalpina</i> • Anti-Competitive Behavior - <i>relevant within Panalpina</i> 	<p>No</p>
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<p>G4-21 Materiality of Aspects outside the organization, entities for which Aspects are material outside the organization and limitations.</p>	<p>(same as above)</p>	<ul style="list-style-type: none"> • Economic Performance – <i>relevant outside Panalpina</i> • Market Presence – <i>relevant outside Panalpina</i> • Emissions – <i>relevant outside Panalpina (customers and regulators)</i> • Products and Services - <i>relevant outside Panalpina</i> • Compliance - <i>relevant outside Panalpina</i> • Transport – <i>relevant outside Panalpina</i> Supplier Environmental Assessment - <i>relevant outside Panalpina</i> • Labor/ Management Relations – <i>not particularly relevant outside Panalpina</i> • Occupational Health and Safety - <i>relevant outside Panalpina</i> • Training and Education – <i>not particularly relevant outside Panalpina</i> • Supplier Assessment for Labor Practices - <i>relevant outside Panalpina</i> • Labor Practices Grievance Mechanisms – <i>relevant outside Panalpina</i> • Non-Discrimination - <i>not particularly relevant outside Panalpina</i> • Anti-Corruption - <i>relevant outside Panalpina</i> 	<p>No</p>

		<ul style="list-style-type: none"> • Public Policy - <i>relevant outside Panalpina</i> • Anti-Competitive Behavior - <i>relevant outside Panalpina</i> • Compliance - <i>relevant outside Panalpina</i> • Supplier Assessments for Impacts on Society – <i>relevant outside Panalpina</i> • Grievance mechanisms for Impacts on Society - <i>relevant outside Panalpina</i> • Customer Health and Safety - <i>relevant outside Panalpina</i> • Product and Service Labeling - <i>relevant outside Panalpina</i> 	
G4-22 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement.	28.	There are no significant restatements with relevance to GRI reporting.	No
G4-23 Significant changes from previous reporting periods in the Scope and Aspect Boundaries.	28	Unless explicitly noted otherwise, in the year under review there were no major changes in the scope, boundary, or measurement methods applied in the report.	No
G4-24 Stakeholder groups engaged by the organization.	28	Main stakeholders are shareholders, customers, regulators, employees, business partners, and the neighbors of all company sites.	No
G4-25 Basis for identification and selection of stakeholders with whom to engage.	28	Key stakeholders are selected based upon : -The stakeholders ability to significantly impact Panalpina’s economic, ecological and social performance -And where Panalpina’s economic, ecological and social performance significantly impacts stakeholders.	No
G4-26 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	28	Employees were engaged as part of the report preparation process, particularly during the materiality assessment workshop where key individuals representing a broad range of functions at the company participated in identifying relevant topics for the report.	No

		<p>On a more regular basis, Panalpina engages with stakeholders through the following mechanisms and frequencies:</p> <ul style="list-style-type: none"> • shareholders through annual meetings and selected interactions with interested parties • customers: <i>regular customer satisfaction and feedback surveys, quarterly business reviews</i> • employees: <i>employee engagement surveys conducted every two years</i> • Business partners- <i>Cooperative partnerships with suppliers include regular audits to ensure compliance with Panalpina's policies and applicable laws.</i> • Trade organizations through Panalpina's membership and engagement on specific issues. • neighbors of all company sites as issues arise 	
G4-27 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	p. 13, 28	In late 2013, a settlement was announced to a class action lawsuit filed in 2008 alleging anticompetitive industry practices regarding certain freight surcharges.	No
G4-28 Reporting period.	28. Calendar Year 2013	Calendar Year 2013	No
G4-29 Date of most recent previous report.	28. Annual Report 2012 published in March 2013	Annual Report 2012 published in March 2013	No
G4-30 Reporting cycle	28. Annual Reporting	Annual Reporting	No
G4-31 Contact point for questions regarding the report or its contents.	Page 31.	Lindsay Zingg Panalpina Management Ltd. Global Head Quality, Health, Safety and the Environment 4051 Basel Viaduktstrasse 42 Switzerland Phone: +41 61 226 1173 lindsay.zingg@panalpina.com	No
G4-32 GRI Content Index, identify the "in Accordance" option	This detailed GRI content index	This detailed GRI content index in accordance with the G4 Core Reporting Guidelines	No

chosen, and external assurance of report			
G4-33 Policy and current practice with regard to seeking external assurance for the report, scope of assurance, relationship between organization and assurance providers, and highest governance body/senior executive involved with seeking assurance.	28	At this time, Panalpina has decided to not seek external assurance for the report.	No
G4-34 Governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	27	Also see Disclosures of Management Approaches, included as an appendix to this report.	No
G4-56 Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	17	<p>Panalpina's core values are based on performance, integrity, and professionalism. The company's Code of Conduct is based on these values and also highlights business-specific best practices and adherence to local laws and regulations. The Code is available in 27 languages and is accessible through the Company's intranet and public website. Each employee is provided with a one-time training on the Code through an in person session with their supervisor. They are also asked to provide a signature indicating complete understanding of the Code and commitment to follow it in their daily work.</p> <p>Panalpina has appointed a Head of Ethics and Corporate Compliance, reportable directly to the CEO, to oversee the Code of Conduct and global compliance programs.</p>	No

Specific Standard Disclosures			
Material Aspects	DMA and Indicators	Omissions/ Comments	External Assurance
Economic Performance	EC1 – Pages 7 and 8		No
Market Presence	EC6 – Page 14	Panalpina does not have a policy of preferentially hiring management from the local areas where Panalpina’s facilities are located.	No
Energy	EN3 – Page 24		No
Emissions	EN15 – Page 24 EN16 – Page 24 EN17 – Page 24		No
Products and Services	EN27 – Page 9		No
Compliance	EN29 – Page 13		No
Transport	EN30 – Page 24		No
Supplier Environmental Assessment	EN32 – Page 18		No
Labor/ Management Relations	LA4 – Page 17	Notice periods vary by region and country. All local laws are complied with.	No
Occupational Health and Safety	LA6 – Page 22 LA7 – Page 22		No
Training and Education	LA11- Page 17		No
Supplier Assessment for Labor Practices	LA14 – Page 18		No
Labor Practices Grievance Mechanisms	LA16 – Page 17		No
Non-Discrimination	HR3 – Page 17		No
Anti-Corruption	SO3 – Page 13 SO4 – Page 13		No
Public Policy	SO6 – Page 13		No
Anti-Competitive Behavior	SO7 – Page 13		No
Compliance	SO8 – Page 13		No
Supplier Assessments for Impacts on Society	SO9 – Page 18		No
Grievance mechanisms for Impacts on Society	SO11 – Page 10		No
Customer Health and Safety	PR2 – Page 13		No
Product Service Labeling	PR4 – Page 13		No

Disclosure on Management Approaches

Economic Issues

The Panalpina Group is one of the world's leading providers of supply chain solutions. The company combines its core products of Air Freight, Ocean Freight, and Logistics to deliver globally integrated, tailor-made end-to-end solutions.

With regard to **economic performance**, strategic overview is provided by the Board of Directors with operational aspects delegated to the Executive Board and the leadership of the individual business units. In the field of risk management, the Audit Committee approves the detailed and weighted risk map of the Executive Board, adopts the necessary measures for risk control and risk mitigation and reports the respective outcome to the Board of Directors on a yearly basis. The risk map itself covers any strategic, financial, operational, legal and compliance risks that could significantly impact the company's ability to achieve its business goals and financial targets. Identified risks are weighted and prioritized by the Executive Board according to their significance and likelihood of occurrence. For each risk, specific risk mitigation measures – including their current status – are defined and responsibilities are allocated. The risk map, which is compiled by the Risk Review Committee, chaired by the Corporate Secretary, for review by the Executive Board and subsequent approval by the Audit Committee, contains risks identified and assessed by the respective corporate functions, regional management, Corporate Audit and the Group Auditors. The Group's key risks are annually reported to the Board of Directors. After assessing the potential risks identified through this program, which includes an assessment of climate risks, mitigation plans are implemented as needed.

GRI Aspects referenced: Economic Performance

Environment

As a leading provider of supply chain solutions, Panalpina **views environmental protection as an integral part of responsible business practices and is therefore committed to continuously refining products and processes, conserving resources, recycling, and monitoring its environmental performance.** At the highest governance level, responsibility for environmental issues rests with Panalpina's Executive Board and the Board of Directors. Panalpina's approach to environmental management is documented in accordance with its ISO14001:2004 certified environmental management system. Executive leadership for implementing Panalpina's environmental strategies and policies is provided by Global Head of Quality, Health, Safety and Environment, who reports directly to the Chief Commercial Officer of Panalpina, an Executive Board member. Local implementation in accordance with applicable rules and regulations is the responsibility of the general managers of Panalpina's facilities. All employees are responsible for ensuring that our business is conducted in compliance with applicable laws and in a manner that is protective of the environment. Employees are required to notify management if hazardous materials come into contact with the environment or are improperly handled or discarded.

Energy use is a cost driver for Panalpina and the company is taking steps to actively manage these costs, as well as the accompanying greenhouse gas **emissions** that come from energy usage. Towards this, Panalpina is committed to reducing energy consumption in ways that reduce costs and minimize environmental impacts. Coordination of global energy management and reductions comes from the Global Head of Quality, Health, Safety and Environment and the general managers of the

individual facilities. Energy usage and corresponding Scope 1, Scope 2 and Scope 3 (primarily from **transport** of employees) emissions are monitored on a regular basis and opportunities to drive reductions are evaluated against costs and potential benefits. Panalpina's energy usage and emissions are of a scale that they are not currently subject to any emissions regulations or national policies and offsets are not currently employed as a way to reduce greenhouse gas emissions. These results are communicated as part of annual reporting processes and are also included in reports published on the Panalpina website.

Compliance with environmental and health and safety laws is a material issue as it has the potential to impact our reputation and is shaped by our global certifications according to ISO14001 and OHSAS18001, the international environmental and safety management systems. We are committed to operating our business within the spirit and letter of the law, and will comply with all applicable laws and regulations of the countries in which we operate. Oversight for compliance with environment and safety laws as they relate to impacts on the environment, the safety of Panalpina workers, and **safety issues as they relate to our customers**, comes from the individual facility General Managers, supported by Global Head of Quality, Health, Safety and Environment, and the corporation's Chief Ethics and Compliance Officer. Health and safety metrics are tracked closely, and any health and safety related incidents are investigated thoroughly by the Panalpina team.

Panalpina's delivery of its **products and services** depends upon a global fleet of planes, ships, trucks and other vehicles. While it does not directly own many of its own vehicles, it contracts with parties who operate these vehicles on Panalpina's behalf. These fleets emit substantial amounts of greenhouse gases and use significant amounts of fuels. Panalpina has implemented a number of programs, including Modal Shift, where cargo is shifted to different transport modes, where schedules allow, to reduce the energy requirements of transport. Management of such modal shifts, and the energy and emission savings that result, are determined by the Panalpina Key Account Manager and the customer, and are determined by the needs and objectives of the customer.

Panalpina recognizes the value in **assessing its suppliers for their environmental performance, labor practices and for their impacts on society**. This is material as we are critically dependent on the contractors who provide the infrastructure to move our customer's products around the world. Under the leadership of the Global Head of Quality, Health, Safety and Environment, initial steps are being taken to implement such assessments, and progress on this effort will be disclosed in future reporting.

GRI Aspects covered: Energy, Emissions, Occupational Health and Safety, Products and Services, Compliance, Transport, Supplier Environmental Assessment, Supplier Assessment for Labor Practices, Supplier Assessment for Impacts on Society, Customer Health and Safety

Labor and Decent Work

Labor and management relations are an important element of our commitment to a work environment based upon treating all employees with respect and fairness at all times and to value the differences of diverse individuals from around the world. The materiality of this is clear: we depend on our employees to represent our company in an exemplary fashion, and to provide the service to our customers that drives our business growth. Employment decisions are based on business reasons, such as qualifications, talents and achievements, and must comply with local and national employment laws. Panalpina is also committed to fair treatment of employees, including providing clear and sufficient notice of operational changes including restructuring, job changes and

impending changes to facility status. Any employee with a grievance about labor practices, including **discrimination** or remuneration issues, is encouraged to bring their issue to the attention of local management, and if deemed necessary, the issue is escalated to corporate Human Resources. These issues are the ultimate responsibility of the Chief Human Resources Officer. Metrics regarding complaints about discrimination and unfair labor practices are monitored regularly and brought to the attention of senior management as needed.

Occupational health and safety is a key focus for Panalpina and is under the direction of the Global Head of Quality, Health, Safety and Environment and local site managers. Panalpina strives to provide each employee with a safe and healthful work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all employees by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions. Safety training is provided for all employees based on all applicable government regulations and internal standards. Panalpina has policies in place ensuring that emergency situations are identified and assessed. Emergency plans and response procedures are in place that are aimed at minimizing the impact of emergency situations. These include emergency reporting, employee notifications, worker training, fire detection and suppression equipment, and adequate exit facilities. Panalpina also operates health campaigns, with information and trainings about issues like ergonomics, cardiovascular health, hygiene, physical activities and weight management etc. A weekly report is prepared about major diseases that have surfaced in the countries where our business units are located – as well as about the precautions, vaccinations, trainings and health and wellness campaigns that should be taken as preventive measures.

Employee training is central to Panalpina’s success as a company. To foster continuous development of its capabilities, Panalpina conducts internal and external training programs, job rotation, international assignments, project work, and “on the job coaching.” Its group training and development approach complements local and business-specific training offerings with an increasing array of global opportunities. In addition to developing technical competencies, Panalpina offers many other development areas, which contribute to a holistic development of the workforce. Examples include sales skills, customer relationships, personal effectiveness, project management, change management, compliance, and leadership. The training and education programs are overseen by the Corporate Human Resources group, with the support of sponsors from the Executive Board.

In terms of **market presence**, the Company’s management and senior executives are hired based on experience and ability, and are not preferentially hired from the local regions where Panalpina has operations. However, the company is aware of the impacts that it has on the communities where it operates, particularly in terms of the salaries it pays its employees. Salary levels are driven by market norms and ultimately are overseen by the Chief Human Resources Officer in most cases.

GRI Aspects referenced: Market Presence, Labor and Management Relations, Occupational Health and Safety, Training and Education, Labor Practices Grievance Mechanisms, Non-discrimination

Human Rights

Panalpina has a strong commitment to conducting business in an ethical manner. The Panalpina Code of Conduct provides overall guidance regarding the performance, integrity and professionalism that the company expects from its employees and partners with whom it does business. Panalpina supports the principles outlined in the UN Declaration of Human Rights and is committed to the

observance of fundamental labor and environmental standards. Panalpina promotes a harassment free environment. We do not tolerate any conduct which inappropriately or unreasonably interferes with work performance, diminishes the dignity of any person or creates an intimidating, hostile or otherwise offensive work environment. This includes **discrimination or harassment** based on race, colour, religion, gender, age, national origin, sexual orientation, marital status or disability.

The same is expected of Panalpina's suppliers and other third parties that act on its behalf. In terms of procurement practices, Panalpina seeks mutually beneficial relationships with suppliers who also act responsibly and demonstrate integrity in the marketplace, including the recognition of basic human rights.

GRI Aspects referenced: Non-discrimination

Society

Panalpina's operations have relatively low impacts on the communities where they operate. However this does not reduce its obligation or commitment to being a good member of these communities.

Panalpina operates its business in compliance with all applicable **anti-bribery and corruption** laws as well as all applicable laws and regulations of the countries in which it operates. These issues are material as incidents of corruption expose Panalpina to legal, financial and reputational risk. We have policies in place prohibiting any payment or acceptance of bribes or participation in other illegal inducements in business or government relationships.

Panalpina has implemented wide-ranging **anti-corruption** training programs to help employees and other stakeholders understand the issues related to actual, potential or perceived corruption, including how to ensure that charitable donations, sponsorships or gifts and entertainment are not used as disguised forms of bribery. This training is required of all new and current employees and is refreshed on an annual basis.

To ensure that also Panalpina's suppliers, agents and any other business partners are adhering to the same principles, Panalpina has implemented comprehensive due-diligence procedures. These procedures are risk based and include back ground checks, compliance certifications and on-site assessments.

To enable all employees to speak up and report any **grievances or negative impacts** that the company might have anywhere in the world, Panalpina has implemented an Ethics and Compliance hotline. Via this hotline employees can make reports securely and confidentially 24 hours a day, 7 days a week, either online or by phone. All such reports are monitored, investigated and escalated as needed to ensure satisfactory resolution. The anti-corruption program is managed and monitored by the Corporate Compliance Officer and progress is reported to the board-level Ethics and Compliance Committee.

The issue of **anti-competitive** behavior is particularly material to Panalpina. In the wake of anti-trust investigations impacting the entire freight forwarding industry back in 2007, Panalpina has implemented various programs to detect and deter competition law violations. Panalpina's efforts included training key personnel about U.S. and international competition laws, providing in-person and on-line training, implementing whistleblower hotlines for anonymously reporting compliance violations, and creating and distributing codes of conduct to employees to promote compliance with

the competition laws and corporate policy. The policies and programs are continuously monitored at the highest level of Panalpina's management including the Board of Director's Ethics & Compliance Committee, the Chief Legal Officer and the Corporate Ethics & Compliance Officer.

With respect to **public policy**, Panalpina does not contribute to political campaigns. Panalpina has taken positions in industry debates that are consistent with its business goals, namely concerning issues regarding the transportation and logistics industry, and regulations regarding security and safety.

GRI Aspects referenced: Anti-Corruption, Public Policy, Anti-competitive behavior, Compliance, Grievance Mechanisms for Impacts on Society.

Product Responsibility

Panalpina's core business is to provide Air Freight, Ocean Freight, and Logistics to deliver globally integrated, tailor-made end-to-end solutions to its customers. While **customers are not typically exposed to any health and safety risks** as part of this provision of services, any such risks would be managed through the systems and processes established as part of Panalpina's global OHSAS18001 certification. These systems and processes are managed by the Global Head of Quality, Health, Safety and the Environment who reports to the Chief Commercial Officer of the company.

Panalpina remains vigilant to any impacts that its operations may have on the communities where it operates during the course of performing its core activities. As it develops new trade routes, implements new services or deploys new equipment, considerations are made for how these new products or services may impact these communities and publicly available grievance mechanisms are established.

Similarly, customers are given every opportunity to provide feedback to Panalpina regarding their **overall satisfaction with the products and services provided to them**. This feedback is acquired through regular quarterly business reviews, customer satisfaction surveys and other formal and informal mechanisms. Responsibility for customer satisfaction resides with the Key Account Managers, up through the heads of the service areas that provide the services.

GRI Aspects referenced: Customer Health and Safety, Product and Service Labeling.