



## CODE OF INTEGRITY AND PROFESSIONAL CONDUCT

Dear Colleagues,

Integrity is at the core of the business of the SGS Group, it is the common thread through all our activities. The purpose of this Code of Integrity and Professional Conduct is to lay down our rules of behaviour in all our dealings for the SGS Group and to provide guidance in our day-to-day business.

These rules apply to all employees of the SGS Group. Our joint venture partners, agents, intermediaries, consultants and subcontractors shall also be required to comply with them. It is the responsibility of all of us, at all levels of our organisation, to comply with, and live by, our Code. No deviation can or will be tolerated and no employee will suffer any adverse consequence for having complied or for reporting suspected violations.

Our Code of Integrity and Professional Conduct reflects the Business Principles for Countering Bribery issued by Transparency International and Social Accountability International. However, it expresses our values and standards in our own way. It has been approved by our Board of Directors and the Operations Council. Its rules are fairly simple. However, if you have any difficulty in a particular situation, you should apply the following common sense principles:

- Do not do anything which you know or believe to be illegal or unethical.
- Do not use any Company property for your own benefit.
- Do not engage into any transaction which does not have a genuine, legitimate business purpose.
- Ask yourself whether any contemplated transaction or business practice would withstand the scrutiny of the public eye if exposed.
- Do not do anything which could require you to be untruthful.
- Seek advice when in doubt.

A handwritten signature in black ink, appearing to read 'S. Marchionne', with a horizontal line underneath.

Sergio Marchionne  
Chairman of the Board

A handwritten signature in black ink, appearing to read 'C. Kirk', with a horizontal line underneath.

Chris Kirk  
Chief Executive Officer

## **1. INTEGRITY OF SERVICES**

All our services must be provided in a professional, independent and impartial manner, honestly and in full compliance with Group approved methods, practices and policies. We do not surrender to any pressure from clients in one area of our business in order to obtain a favourable treatment in another area.

All findings and results shall be accurately documented and not be improperly changed. Reports and certificates shall reflect these results and findings and the professional opinions obtained.

## **2. INTEGRITY OF FINANCIAL AND COMPANY RECORDS**

All transactions must be properly and accurately recorded and all book entries supported by proper documentation issued by bona fide parties.

All records must be retained in accordance with applicable laws and Group policies.

## **3. CONFLICTS OF INTEREST**

A conflict of interest is any situation where the interests of the SGS Group diverge from your own personal interests or those of your close relatives or of persons with whom you are in close personal or business contact. These situations must be avoided because they can influence your judgement, even without your noticing it. Even, the mere appearance of conflicts of interest must be avoided because it creates the impression of lack of impartiality.

The following are examples of conflict of interest situations which must be avoided:

- Rendering services to a client in which the SGS Group has a direct or indirect interest.
- Taking personal advantage of a business opportunity for the SGS Group or using company property or company resources for personal purposes.
- Accepting, directly or indirectly, any kind of personal advantage granted by reason of employment with the SGS Group, except for socially acceptable gifts and hospitality.
- Taking any interest in a supplier, client or competitor of the SGS Group except for publicly traded securities to an extent which does neither grant significant influence nor create undue dependence and subject to reporting this interest.
- Holding an office or any kind of position with, or performing services for, a competitor or client other than in the performance of your duties for the SGS Group.
- Accepting an office or any employment outside the SGS Group without having obtained clearance.
- Conducting any SGS business with a close relative or with an organisation with which you or one of your close relatives is associated.
- Employing a relative without having obtained clearance.

#### **4. PROCUREMENT**

Procurement of goods and services must be conducted fairly and transparently in order to secure the best quality and the best price in a competitive process rather than awarding contracts based on personal preference.

Whenever feasible, orders of a certain importance must be reviewed and awarded by a group of 2 or more individuals pursuant to a proper tendering process.

#### **5. IMPROPER ADVANTAGES**

Improper advantages may be neither granted nor accepted, whether directly or indirectly.

Improper advantages are advantages granted to influence governmental or corporate decisions or actions in violation of duty. They may take the form of bribes, gifts, excessive entertainment or kickbacks. They also include political contributions unless they are disclosed, comply with local law and have obtained prior clearance.

Improper advantages are often granted by agents, intermediaries, consultants or contractors claiming to perform a bona fide service or by joint venture partners or suppliers. We therefore do not deal with these parties if we know or have reasons to believe that they engage in granting improper advantages. In addition, in order to prevent any misuse of funds, all payments for goods or services must be made to the person who supplied them and cash payments must be avoided and may be made only in accordance with Group policies. Clearance must be obtained for the remuneration of agents, intermediaries and consultants.

Gifts, hospitality and entertainment must always be related to a genuine business purpose. They may not be intended or appear to be intended to influence a decision or action and must be kept within what is socially acceptable and legally permissible.

For charitable contributions or sponsoring of events, prior clearance must be obtained.

Facilitation payments are modest payments customary in certain countries to expedite the performance of routine actions which the proposed recipient has a clear and non-discretionary obligation to perform. Facilitation payments must be minimised and avoided wherever possible. They may only be made if there is a clear entitlement to the action to be performed and must be appropriately accounted for.

#### **6. EMPLOYEE RELATIONS**

The SGS Group is committed to providing a safe, healthy and respectful work place and fair working conditions to all its employees. No discrimination or harassment based on race, gender, national origin, disability, sexual orientation or age will be tolerated.

All employees are expected to respect their fellow employees. Sexual harassment and bullying are unacceptable practices which have no place in a work environment. Employees must also be open, transparent and truthful in dealing with their fellow employees, subordinates and superiors.

#### **7. FAIR COMPETITION**

We recognise the benefits of a free market economy and of competition as the optimal way to allocate resources, but we accept that we have to compete fairly within the framework of the applicable competition laws.

We never engage in discussions or enter into agreements with competitors on prices and market allocations. We do not exchange competitive information.

We conduct our marketing, including any references to our competitors or their services or to third parties, in a manner which is truthful, and neither deceptive, nor misleading or likely to mislead. We present ourselves in a fair manner and ensure that presentational information, including descriptions of our network and affiliations, resources employed and services provided is accurate and unambiguous.

## **8. COMPLIANCE WITH LAWS**

We are committed to fully comply with the laws of the countries where we do business. Each employee is responsible to ensure this compliance and to secure the legal assistance which may be needed.

## **9. INSIDER TRADING**

All employees shall abstain from trading in securities issued by SGS SA while in possession of confidential information which has not been publicly disclosed but which would, if disclosed, have a substantial impact on the price of the SGS shares or derivatives. They shall also abstain from passing any such confidential information to any third party.

## **10. CONFIDENTIALITY**

Openness and transparency are essential values in the SGS Group. In certain cases, these values must be balanced against a duty of discretion. Indeed, some information must be protected to safeguard the rights of our clients, partners or staff or our own business interests. This includes any information which is not available to the general public and which there is an interest to keep confidential, such as:

- Information relating to the business of the SGS Group, including details of clients, market or financial data, methods and processes.
- Information imparted by third parties under obligations of confidentiality.
- Information relating to personal data of employees.

This confidential information must not be disclosed to others and may not be used for personal benefit. When confidential information relating to the business of the SGS Group must be disclosed in the course of business, all measures must be taken to protect its confidentiality. Confidential information relating to others may only be disclosed with the approval of the person or entity involved.

## **11. IMPLEMENTATION**

The SGS Code of Integrity and Professional Conduct has been issued by the Board of Directors of SGS SA who shall issue implementation rules as required. The Professional Conduct Committee oversees the implementation of the Code and the Chief Compliance Officer co-ordinates it and provides guidance to management and employees.

Each employee is responsible to comply with the Code in his/her area of activity. All employees shall be informed about the Code and shall receive training on integrity issues.

Any report or request for clearance or advice under the Code should be addressed to the Chief Compliance Officer. You should also report any suspected violation of the Code as well as any solicitation from a third party or offer by a third party to you of an improper advantage, to the Chief Compliance Officer or to any other member of management with the request to inform the Chief Compliance Officer. Unless you have violated the Code or are acting maliciously or in bad faith, and to the extent that we are able to, we will protect you against any form of reprisal and will keep your identity confidential at your request.

You may make suggestions on the implementation of the Code at any time by submitting comments to the Chief Compliance Officer or to any other member of management for transmission to the Chief Compliance Officer.

You may contact the Chief Compliance Officer at your choice by post, telephone, fax, e-mail or by using our hotline:

**Chief Compliance Officer**  
**SGS SA**  
1, Place des Alpes  
P.O. Box 2152  
CH – 1201 Geneva  
Switzerland  
Tel.: +41 22 739 91 00  
Fax: +41 22 739 98 81  
E-mail: [compliance@sgs.com](mailto:compliance@sgs.com)

**Hotline: +1 888 475 6847**

*See our website at [www.sgs.com](http://www.sgs.com) for further details about contacting our hotline.*

Parties other than SGS employees may utilise these contact details as they deem appropriate.