SGS HUMAN RIGHTS POLICY
INTRODUCTION

SGS believes that business can only flourish in societies where human rights are protected and respected. We recognize that while states have a duty to protect human rights, companies also have a responsibility to respect human rights and to manage any adverse human rights impacts through business relationships. This Human Rights Policy elaborates on the requirements within the SGS Code of Integrity and the SGS Business Principles and associated policies to treat everyone with whom we come into contact with fairness, dignity and respect. It consolidates our existing commitments and brings increased clarity on our approach to respecting human rights across our global business.

OUR HUMAN RIGHTS COMMITMENTS

- We are committed to conducting our business in a manner that respects the rights and dignity of everyone affected by our activities, acting with due diligence, and addressing the adverse impacts of our global operations.
- We honor the principles and guidance contained in the United Nations (UN) Guiding Principles on Business and Human Rights.
- We comply with all applicable laws and respect internationally recognized human rights wherever we operate. Where national law and international human rights standards differ, we follow the higher standard; where they are in conflict, we adhere to national law and we seek ways to respect international human rights to the greatest extent possible.
- We treat cause or contribution to human rights abuses as a legal compliance issue.
- In the course of its activities, SGS will not willingly be complicit in human rights violations.
- SGS policies and codes are based on and fully respect the International Bill of Human Rights and the International Labor Organization’s declaration on Fundamental Principles and Rights at Work; the Children’s Rights and Business Principles; UN Women’s Empowerment Principles; and the UN Global Compact.
- We strive to treat everyone with whom we come into contact fairly and without discrimination. Our employees, sub-contractors, business partners and suppliers are entitled to work in an environment and under conditions that respect their rights and their dignity.
- We respect freedom of association. Where our employees wish to be represented by trade unions or works councils, we will cooperate in good faith with the bodies that our employees collectively choose to represent them within the appropriate national legal frameworks.
- We respect the rights of people in communities impacted by our activities. We seek to identify adverse human rights impacts and take appropriate steps to address and remedy them.
- Our actions are guided by transparency, fact-based decision-making and based on a preventative, precautionary and integrated approach to environmental management. This means conforming to or exceeding the requirements of national or international regulations as well as investing in environmental technologies and engaging in continuous and informed dialogue with relevant stakeholders.
- In our business dealings we expect our partners to adhere to standards of conduct and business principles that are consistent with our own. In particular, we recognize the critical role our suppliers play in preserving our values and upholding the highest social, economic and environmental standards.
- We are also committed to working collaboratively with state and non-state actors to inform our approach, share experiences and help address shared challenges and influence systemic positive change.
HUMAN RIGHTS GOVERNANCE AND MANAGEMENT

Our human rights commitments are embedded in the SGS Code of Integrity, the SGS Business Principles, the SGS Supplier Code of Conduct and related policy statements, and the management processes underpinning them. We continually evaluate and review how to strengthen our approach to addressing human rights, ensuring that they remain in line with developments in international and relevant national laws and societal expectations.

GOVERNANCE

The SGS Human Rights Committee, chaired by the Chief Executive Officer, is ultimately responsible and oversees the respect and implementation of our human rights commitments across the Group. The Chief Compliance Officer is responsible for managing compliance with the SGS Code of Integrity, while SGS Supplier Code of Conduct is jointly managed by Global Procurement and Corporate Sustainability teams. Senior managers are expected to demonstrate visible and explicit support for human rights as defined in the SGS Code of Integrity, the SGS Business Principles, the SGS Supplier Code of Conduct and related policy statements.

COMMUNICATION AND TRAINING

We are committed to building awareness and knowledge of human rights across our business and supply chain and we work to increase the capacity of our management and suppliers to effectively identify and respond to human rights concerns. All managers and employees receive mandatory training on the SGS Code of Integrity, which includes human rights aspects and our suppliers are requested to sign our Supplier Code of Conduct driving our insistence on integrity, compliance and respect for human rights down our supply chain. We also provide specific training to relevant business functions. We recognize the importance of dialogue with our stakeholders and we pay particular attention to individuals and groups at greater risk of adverse human rights impacts due to their vulnerability or marginalization.

DUE DILIGENCE

We conduct impact and risk assessments, supplier screening, audits of local security arrangements and other due diligence processes necessary to identify, prevent, mitigate and account for how SGS addresses its impacts on human rights. We monitor suppliers’ compliance with the standards set out in the SGS Supplier Code of Conduct by asking suppliers to provide relevant information on different sustainability areas including human rights. Due diligence is an ongoing process, requiring particular attention at certain stages in our business activities, such as when forming new partnerships or when our operating conditions change. We also conduct, as appropriate, additional due diligence in certain countries where there are particularly high, systemic risks of human rights abuses.

Our Operations Council assesses the scope of SGS’ involvement in particular regions and evaluates the risks to individuals, communities and SGS assets using four critical factors: (i) compliance with international legislation, (ii) safeguarding the safety and security of employees, (iii) ensuring the continuity of essential services that enable civil society to function, and (iv) preserving our independence, impartiality and neutrality.

MANAGING COMPLIANCE

The SGS Code of Integrity and the SGS Supplier Code of Conduct contain clear requirements and guidance on grievance mechanisms. Suspected violations of the SGS Code of Integrity are reported via an Integrity Helpline or directly to the corporate and local Compliance teams. We are committed to building the awareness and knowledge of our employees and business partners on human rights, encouraging them to report any concerns without retribution.

REMEDIATION

We cooperate with the relevant authorities to identify, mitigate and remedy any adverse human rights impacts caused or contributed by our business operations. Additionally, we seek our suppliers to ensure transparency, remedy any shortcomings, and drive continuous improvement.

MULTI-STAKEHOLDER ENGAGEMENT

Through our membership of other multi-stakeholder initiatives we are committed to promoting reasonable standards for positive change in human rights practices at the operating level.

PERFORMANCE MONITORING AND DISCLOSURE

Performance against the SGS Code of Integrity is reported to the Professional Conduct Committee. Regular internal reports and briefings are prepared for senior managers on global security risks and our human rights performance globally. We are committed to the transparent reporting on our human rights commitments and performance through our Annual Report and our Corporate Sustainability Report.

FRANKIE NG
CEO
May 2018

OLIVIER MERKT
Senior Vice President Legal and Compliance
May 2018

DANIEL RÜFENACHT
Global Vice President Corporate Sustainability
May 2018