



Sustainability Guidebook for suppliers

Sustainability Supplier Engagement Program

SGS

Thank you for your commitment to sustainability with SGS

Dear supplier,

Sustainability across global supply chains has become a high priority topic for companies all around the world. At SGS, we encourage our suppliers to continuously enhance their sustainability performance, in line with our commitment to integrating sustainability throughout supply chain management.

To support you in this journey, and as part of our Sustainability Supplier Engagement Program, we are pleased to share our Sustainability Guidebook for suppliers, which offers insights and best practices to help you mitigate risks and minimize the impact on sustainability-related matters. This Guidebook is structured into nine sections: Sustainability management, Business ethics, Human rights and labor standards, Information security, data privacy and data protection, Health and safety, Environment, Carbon footprint and Sustainable Development Goals (SDGs).

We trust this resource will serve as a valuable tool to strengthen our shared commitment to sustainable practices and reinforce our long-term partnership.

Thank you for being part of this joint journey towards a more sustainable future.

Warm regards,

Olivier Cachat

Chief Procurement Officer

Ariel Bauer

Head of Sustainability,
Communications and Investor Relations



SGS Sustainable Supply Chain Approach

SGS fosters sustainability throughout its supply chain as we are committed to achieving the highest social, economic and environmental standards not only in our own operations, but in our entire value chain.

As part of this commitment, we have established a sustainable procurement approach to ensure that our standards will be applied by our suppliers worldwide.

Through this Guidebook, we aim to accompany you on your sustainability journey and help you improve your sustainability performance.

For more information on our Sustainability Supplier Engagement Program, please visit our [Sustainable Procurement Site](#).

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Sustainability management

Integrate sustainability into decision-making and day-to-day operations

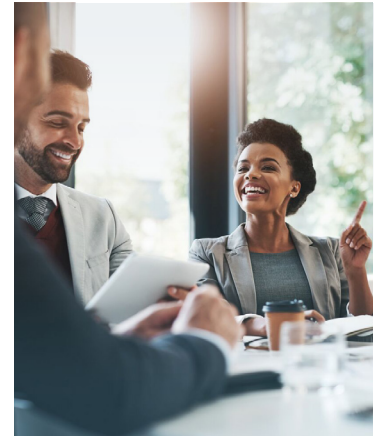


Strategic frameworks and global standards

Guide companies to structure strong sustainability strategies and prepare their sustainability reports.

Resources:

- IFRS - IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
- SASB Standards
- GRI Standards



Global sustainability initiatives

Promote responsible business practices; supporting companies to reduce their environmental impact, uphold human rights, promote ethical governance and contribute to a sustainable development worldwide.

Resources:

- United Nations Global Compact (UNGC)
- B-Lab

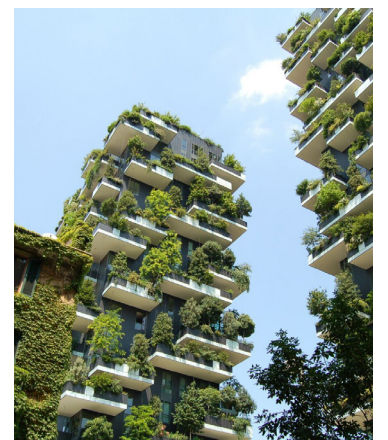


Climate related disclosure

Identify and communicate how climate change affects your business, and how the company is responding to those risks and opportunities.

Resources:

- IFRS - IFRS S2 Climate-related Disclosures



Human rights and labor standards

Promote a workplace where individuals are treated with dignity, consideration and respect

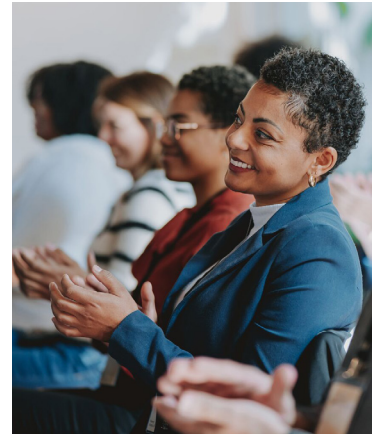


Diversity, Equity and Inclusion (DE&I)

Foster a diverse and inclusive workplace. Respect and promote diversity and avoid discrimination in the workplace.

Resources:

- Gender equality
- Fair recruitment



Forced labor

Ensure safe and voluntary work. Prohibit any type of involuntary, bonded, indentured labor and/or human trafficking.

Resources:

- Forced labor, modern slavery and trafficking in persons



Child labor

Prevent underage labor and encourage protection of young workers.

Resources:

- Child labor
- Youth employment





Working conditions and fair wages

Ensure decent work through adequate and secure working conditions, appropriate working schedules and fair remuneration.

Resources:

- [Wages](#)
- [Violence and harassment in the world of work](#)
- [Working time and work organization](#)



Freedom of association

Respect the right of employees to join trade unions or employee associations and to engage in collective bargaining.

Resources:

- [Freedom of association](#)



Commitment with international frameworks and/or initiatives

Commit with international initiatives and standards guiding and accelerating business engagement with human rights.

Resources:

- [Guiding Principles on Business and Human Rights](#)
- [Ten Principles of the United Nations Global Compact](#)



Human Rights Policy

Create an internal policy that reflects the company's commitment with human rights.

Resources:

- [Guidelines on how to develop a Human Rights Policy](#)



Human Rights Due Diligence (HRDD)

Define an internal process to assess and identify, prevent, mitigate and remediate risks and impacts related to human rights

Resources:

- [Human Rights Due Diligence guidelines \(interpretive guide\)](#)



Business ethics

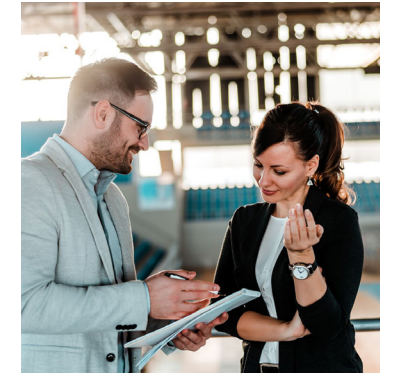
Be compliant with applicable, national and international laws and regulations, ensuring transparency and integrity

Compliance and business ethics

Comply with all applicable laws and regulations of the countries where the company operates. Foster an ethical business conduct.

Resources:

- [Anti-corruption compliance standards and guidelines](#)
- [Anti-corruption ethics and compliance handbook for business](#)



Anti-corruption and bribery

Prohibit and prevent any form of bribery, corruption, extortion and/or embezzlement within the company and in its business relations.

Integrity

Conduct business in an honest, fair, and responsible manner, with a strong commitment to truthfulness, accountability and respect for stakeholders, including customers, employees, business partners, shareholders and the broader community.

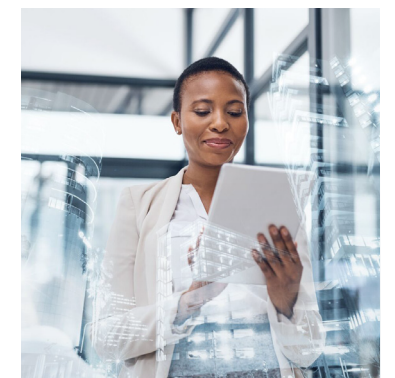
Resources:

- [Principle 10 | UN Global Compact](#)
- [Anti-corruption and integrity | OECD](#)
- [Anti-Corruption and Integrity Outlook 2024 | OECD](#)
- [Uniting against corruption: A playbook on anti-corruption collective action | UNGC](#)
- [Transparency International](#)



Transparency

Promote transparency throughout all business operations and business relations.





Confidentiality

Respect and protect sensitive information from employees, suppliers and third parties, from any kind of unauthorized access, use, disclosure, or loss.



Representation

Ensure accurate and appropriate representation of the company whenever an employee or third party acts on its behalf. Individuals authorized to represent the organization must do so with professionalism, integrity, and in alignment with the company's values, policies and legal obligations.



Conflicts of interests

Avoid personal interests to influence business operations, decision-making processes, or professional conduct, compromising the integrity of the organization and resulting in biased decisions that are not aligned with the best interests of the company or its stakeholders.



Intellectual property

Protect the company's intellectual property and respect the intellectual property rights of external stakeholders. This includes safeguarding proprietary information such as business strategies, processes, methodologies, designs, software and other innovations developed or owned by the company.

Resources:

- [Intellectual property guidelines](#)



Money laundering and insider trading

Prevent and actively combat any form of money laundering, insider trading, terrorist financing, or other criminal financial activities. This includes implementing robust internal controls, monitoring financial transactions and adhering strictly to all applicable laws and regulatory requirements.



Grievance mechanisms

Enable effective grievance mechanisms that allow individuals to raise concerns or complaints safely, securely and anonymously. These mechanisms should be accessible to employees, partners and other stakeholders, ensuring that issues such as unethical behavior, policy violations, or misconduct can be reported without fear of retaliation.



Information security, data privacy and data protection

Implement security measures, manage cyber risks and handle appropriately personal data within your organization

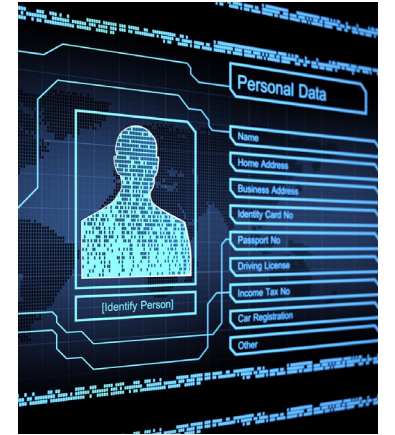


Information security

Ensure the security of personal information during transit and storage. Implementing measures and controls to protect against unauthorized access, disclosure, alteration, or destruction.

Resources:

- ISO/IEC 27001:2022(en), Information security, cybersecurity and privacy protection — Information security management systems — Requirements



Privacy and data protection

Respect and protect personal data from employees, contractors, customers, and other individuals, ensuring the safeguarding personal information.

Resources:

- General Data Protection Regulation (GDPR) compliance checklist



Data management systems

Implement appropriate processes, controls and reporting mechanisms concerning the categorization and handling of personal data to ensure confidentiality and integrity.

Resources:

- ISO/IEC 27701:2019 - Security techniques — Extension to ISO/IEC 27001 and ISO/IEC 27002 for privacy information management — Requirements and guidelines



Health and safety

Provide and ensure safe and healthy working conditions to ensure employees well-being

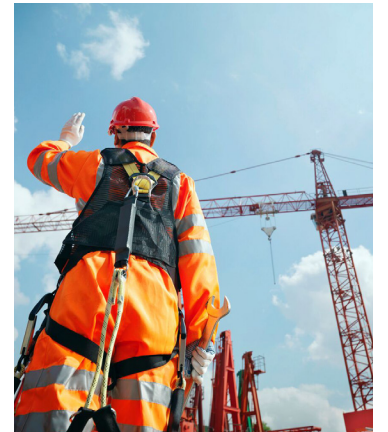


Occupational injury prevention

Prevent any risk of injury and occupational illness by implementing safe work practices, creating and maintain an adequate work environment and reporting any work-related incident.

Resources:

- [Safety and health at work](#)



Occupational safety procedures and management systems

Establish appropriate procedures and systems to manage, track and report occupational injury and illness.

Resources:

- [Occupational safety and health management systems](#)
- [ISO 45001:2018\(en\), Occupational health and safety management systems](#)

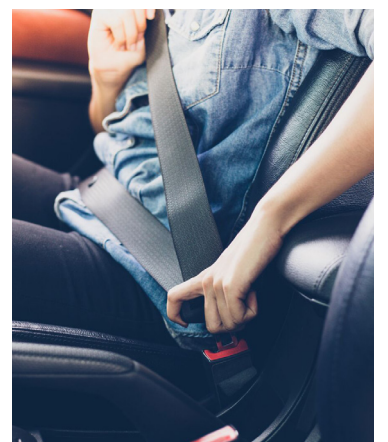


Health and Safety Policy

Create an internal policy that reflects the company's commitment to health and safety.

Resources:

- [Re-Guidelines on how to develop a Health and Safety Policy](#)



Environment

Protect the environment and implement appropriate management systems



Use of natural resources

Establish a strategic planning on use, conservation and restoration of natural resources (water, land, air, minerals, forests and biodiversity) within a business context, ensuring sustainable operations.

Resources:

- [United Nations Resource Management System \(UNRMS\)](#) | [UNECE](#)



Waste

Prevent and minimize generation of waste coming from business activities. Define and implement adequate waste management systems – consider a circular economy approach.

Resources:

- [Global Waste Management Outlook](#) | [UNEP](#)
- [SDG 12: Responsible consumption and production](#)
- [Waste Framework Directive](#) - [EU Commission](#)



Water

Optimize consumption of natural resources - increase water use efficiency methods to guarantee responsible water consumption.

Resources:

- [SDG 6: Clean water and sanitation](#)
- [Indicator | SDG 6 Data](#)



Environmental Due Diligence

Define an internal process to identify and mitigate any risks and impacts related to the environment.

Resources:

- [ISO 14001:2015\(en\), Environmental management systems — Requirements with guidance for use](#)



Environmental Policy

Create an internal policy that reflects the company's commitment to the environment.

Resources:

- [Re-Guidelines on how to develop an Environmental Policy](#)



Carbon footprint

Assess how your company measures, reduces and reports on carbon emissions, aiming for a more sustainable carbon footprint



Scope 1 emissions

Measure and reduce emissions that the company directly produces (from its own buildings and vehicles).

Scope 2 emissions

Measure and reduce emissions that the company indirectly produces (from the generation of purchased electricity, steam, heating, or cooling consumed).

Scope 3 emissions

Measure and reduce all other indirect emissions that occur in a company's value chain, both upstream and downstream (which are not included in Scope 1 or Scope 2).

Resources:

- GHG Protocol tools and resources
- Science Based Targets initiative (SBTi): ambitious corporate climate action
- CDP: Turning Transparency to Action



Sustainable Development Goals

Commit with the Global Agenda for sustainability (2030 Agenda) and the 17 Sustainable Development Goals

Sustainable Development Goals (SDGs)

Identify how your business activity is impacting the 2030 Agenda and its 17 global goals. Set priorities and measure progress.

Resources:

- [What are the 17 Sustainable Development Goals \(SDGs\)?](#)
- [The 17 SDGs](#)



SDG Compass

Align the company strategy with the 2030 Agenda. Identify priority SDGs for your company and define an accurate plan to advance measure impact and contribute to its achievement.

Resources:

- [SDG Compass – A Guide for Business Action to Advance the Sustainable Development Goals](#)

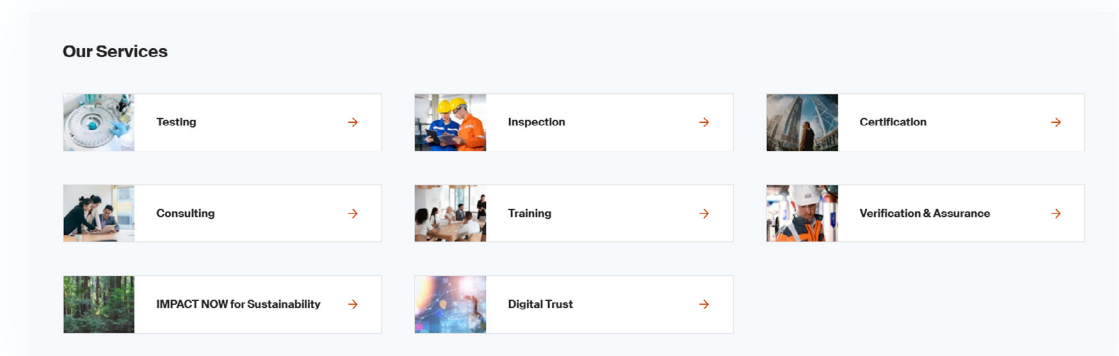


How is SGS supporting companies to cover these topics through its services?

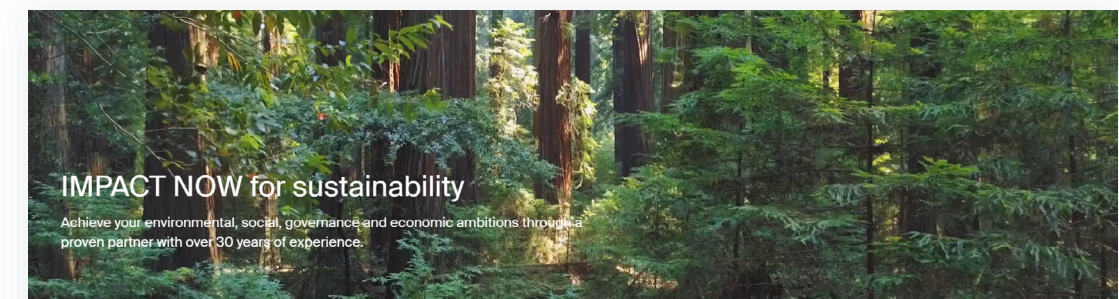


At SGS we are committed on helping other companies.

For more information on SGS services, please visit our website section "**Our Services**":

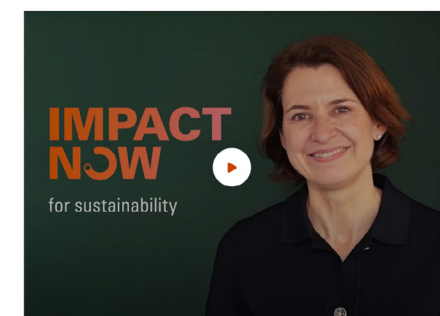


Discover **Impact NOW** - our suite of sustainability services and solutions designed to support your company's journey toward achieving its sustainability goals and driving impactful change.

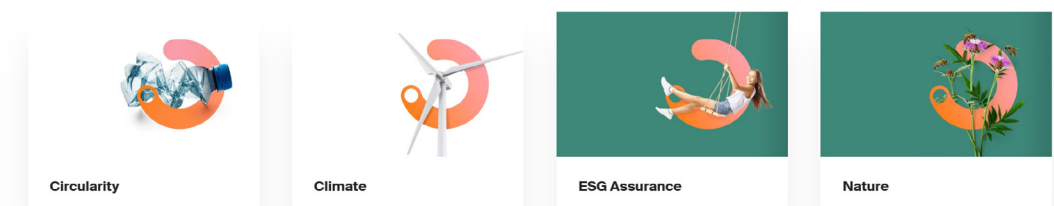


With ever-increasing concerns about climate change, human rights, effective governance and economic stability, coupled with new regulations, legislation and consumer demands, sustainability must be front and center of every organization.

As sustainability is a complex and rapidly evolving area, we hear organizations' concerns on a daily basis. Wherever you are, whatever your industry and ultimate sustainability aspirations, our global community of experts, equipped with our 30-plus years as a sustainability leader, are ready to move you from complexity to clarity, and from advice to transparent and meaningful action.



Our Services



For more information on our Sustainability Supplier Engagement Program, please visit our [Sustainable Procurement Site](#).

When you need to be sure

SGS Headquarters
1 Place des Alpes
P.O. Box 2152
1211 Geneva 1
Switzerland

sgs.com

