Code of Conduct and Business Ethics

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</thead>
<tbody>
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</tr>
</tbody>
</table>

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# Table of Contents

1.0 **INTRODUCTION** ..........................................................4

2.0 **SCOPE** ...........................................................................4

3.0 **ETHICS** ...........................................................................4

4.0 **WORKPLACE** ..................................................................5

5.0 **CONFIDENTIAL INFORMATION** .....................................6

5.1 Disclosure of SGS’ confidential information ................................6

5.2 Employee confidentiality and access to records ............................7

5.3 Patents, copyrights, trademarks and proprietary information .................7

5.4 No inadvertent disclosures .....................................................7

5.5 Competitive information ......................................................7

6.0 **RECORDING TRANSACTIONS** ........................................8

7.0 **CUSTOMER, SUPPLIER AND COMPETITOR RELATIONS** ........8

7.1 Permissible payments ...........................................................8

7.2 Gifts and favors ....................................................................8

7.3 Entertainment .......................................................................9

7.4 Bribes ................................................................................9

7.5 Agreements with competitors ................................................9

7.6 Agreements with customers ..................................................9

7.7 Trade association activity .....................................................9

8.0 **CONFLICTS OF INTEREST** ...........................................9

9.0 **THE SOCIETY** .................................................................10

9.1 Bribery and corruption .......................................................10

9.2 Government representatives ................................................11
9.3 Third party agents ........................................................................................................................................... 11
9.4 Prohibited dealings with certain countries ..................................................................................................... 11
9.5 Political activity and contributions .................................................................................................................. 11
10.0 ENVIRONMENTAL RESPONSIBILITIES ................................................................................................. 12
11.0 INVESTOR RELATIONS ............................................................................................................................. 12
12.0 INSIDER INFORMATION AND TRADING ..................................................................................................... 13
13.0 MEDIA RELATIONS ....................................................................................................................................... 13
14.0 USE OF COMPANY ASSETS ....................................................................................................................... 13
14.1 Computer use and network security ............................................................................................................... 13
14.2 Third party software ....................................................................................................................................... 14
15.0 RECORD MANAGEMENT ............................................................................................................................... 15
16.0 COMPLIANCE ................................................................................................................................................ 15
17.0 REFERENCES ................................................................................................................................................ 15
1.0 INTRODUCTION

SGS (the “Company”) believes in maintaining the highest legal and ethical standards in the conduct of its business. We seek success in all of our business endeavors, but not at the expense of high ethical standards.

Our ethical commitment builds on the following core values:

- Integrity – foster trust and honesty in exemplary behavior
- Respect and Diversity – Treat all persons with dignity; capitalize on the wealth of viewpoints that reside in a multi-faceted organization; all contributions are valued.
- Responsibility – being accountable for own behavior to society and stakeholders

As SGS’ businesses become increasingly complex, the right actions to take may not always be obvious. This Code of Conduct provides the basic principles for handling such situations. Although it cannot answer every question of conduct that may arise, this document should alert you to situations that may require extra caution, concern or guidance.

2.0 SCOPE

All SGS’ directors, management, employees, casual employees, consultants, sub-contractors, agents, representatives, lobbyists and others who act on behalf of SGS must be familiar and adhere to this Code of Conduct. We expect similar conduct from our suppliers and customers.

The Code of Conduct will be distributed to all employees and be attached to all future employment and temporary employment and consultancy contracts. Furthermore, it will be attached to agreements relating to people acting on SGS’ behalf.

You are urged to read and understand this document. This document, together with related policies, procedures and educational efforts comprises SGS’ internal compliance program.

3.0 ETHICS

In its business activities, SGS operates in accordance with relevant laws and act in an ethical sustainable and socially responsible manner. We respect the ten principles set out in the “UN Global Compact Principles”:

**Human Rights**

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and


Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

In our conduct, we are responsible towards our colleagues, customers, suppliers and partners, shareholders and the society. We ensure that we

- provide a healthy and safe work place and develop our personnel
- supply customers with quality products and services
- compete fairly
- treat our suppliers and partners with fair terms and conditions
- provide our shareholders with complete and transparent information
- safeguard the environment
- comply with local legislation and regulations.

Each of us is responsible for knowing and following the laws that apply where we work.

4.0 WORKPLACE

SGS strives to create a positive and safe work environment that gives management and employees the opportunity to contribute meaningfully to our company's performance and long-term success.

It is SGS' belief that every SGS colleague has genuine worth and deserves to be treated with dignity and respect. In fulfilling this belief, SGS will seek to employ a diverse workforce; encourage self-development; assist employees in improving and broadening their job skills; provide equal opportunity for all employees to
succeed based upon merit; and seek to provide a safe and healthful workplace in which each individual’s privacy and personal dignity are respected and protected from offensive, hostile, or intimidating behavior.

SGS maintains important policies which specify the manner in which we will carry out these endeavors. Management and employees must be aware of and must comply with all applicable policies relating to integrity in the workplace. These include, but are not limited to, the following:

- Health Safety & Environment Policy
- Drug, Alcohol and Contraband policy
- Smoking Policy
- Stop Work Policy

Furthermore, we will make all employment related decisions and provide all terms and conditions of employment solely on the basis of job qualifications and performance, without regard to a person’s race, creed, color, religion, gender, national origin, age, non-job related disability.

SGS will not tolerate any discriminatory harassment of directors, managers or employees or those doing business with us in any form. This includes any unwelcome verbal, physical, or graphic conduct related to an individual’s race, creed, color, religion, gender, national origin, sexual preference, marital status, age, or disability, or any other illegal or inappropriate basis. Anyone who commits or condones harassment will be subject to disciplinary action.

5.0 CONFIDENTIAL INFORMATION

SGS believes its confidential proprietary information is an important asset in the operation of its business and prohibits the unauthorized use or disclosure of this information. The Company respects the property rights of other companies to their proprietary information and requires its employees to fully comply with both the spirit and the letter of laws and regulations protecting such rights.

All directors, managers and employees have a duty to safeguard SGS’ proprietary and confidential information and protect it from unauthorized disclosure. This duty is not limited to the time the individual is engaged by SGS, but continues after the engagement has ended.

5.1 Disclosure of SGS’ confidential information

Open and effective dissemination of information is critical to our success. However, much of the information concerning the SGS’ business activities is confidential. All non-public information about SGS, our Customer and suppliers that might be of use to our competitors or harmful to the company, is confidential. The disclosure of this information outside the Company would seriously damage SGS’ interests.

To protect this information, it is SGS policy that:

- Confidential information of SGS should be disclosed within the Company only on a need-to-know basis;
• Confidential information of SGS (paper or electronic) should be marked with additional handling instructions.
• Confidential information of SGS should be disclosed outside the Company only when required by law or when necessary to further SGS’ business activities and in accordance with Company guidelines.

Under no circumstances are employees to provide confidential Company documents to any third party without proper authorization. This includes but is not limited to any confidential Company documents relating to clients, competitors or suppliers of SGS.

5.2 Employee confidentiality and access to records

SGS respects the confidentiality of personnel information. Access to personal records is limited to those specific company personnel who have appropriate authorization and a legitimate and pertinent business requirement to know. Personal employee information will not be provided to anyone outside of SGS without proper authorization.

5.3 Patents, copyrights, trademarks and proprietary information

Protection of the Company’s intellectual property—including its patents, copyrights, trademarks, scientific and technical knowledge, know-how and the experience developed in the course of the Company’s activities—is essential to maintaining the Company’s competitive advantage. This information should be protected by all Company personnel and should not be disclosed to outsiders.

5.4 No inadvertent disclosures

Employees should be especially mindful in the use of conference calls, telephone, fax, electronic mail, and other electronic means of storing and transmitting information. Caution should also be exercised when discussing SGS’ internal affairs outside of SGS.

Employees should take every practicable step to preserve the Company’s confidential information. The loyalty, integrity and sound judgment of the Company’s employees both on and off the job are essential to the protection of such information.

5.5 Competitive information

Collecting information on our competitors from legitimate sources to evaluate the relative merit of their products, services, and marketing methods is proper and often necessary. However, there are limits to the ways information should be acquired. Practices such as industrial espionage and stealing are obviously wrong. Any form of questionable intelligence gathering is unacceptable.
6.0 RECORDING TRANSACTIONS

The integrity of SGS’ record-keeping and reporting systems is of the utmost importance. The Company shall make and keep books, invoices, records and accounts that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company. No entries will be made that intentionally conceal or disguise the true nature of any Company transaction.

Each employee shall maintain accurate and fair records of transactions, time reports, expense accounts, and other Company records. Employees, managers and directors must use special care to make sure that records are accurately and completely prepared and reviewed, whether they are intended for internal use or for an external party, including any governmental authorities.

The Company shall devise and maintain a system of internal controls sufficient to provide reasonable assurances that transactions are properly authorized, executed, and recorded.

7.0 CUSTOMER, SUPPLIER AND COMPETITOR RELATIONS

The Company supports the principles of fair competition, and we will comply with the antitrust and competition laws of every jurisdiction in which we do business.

7.1 Permissible payments

The payment of normal discounts and allowances, commissions, fees, sales promotion activity, entertainment and the extension of services and other customary courtesies in the ordinary course of business is permissible so long as they have been authorized and properly recorded. If a customer, supplier, vendor or government agency has adopted a more stringent policy than SGS’ regarding gifts and gratuities, then the SGS representative must comply with that more stringent policy when dealing with that person or entity.

7.2 Gifts and favors

Business gifts and favor can interfere with the conduct of a sound and objective business relationship, and therefore need to be approached with caution. The circumstances under which a gift is given may dictate whether it is permissible. However, no gift and favor should be accepted from a supplier, vendor or customer unless the gift has insubstantial value and a refusal to accept it would be discourteous or otherwise harmful to the Company.
7.3 Entertainment

Appropriate business entertainment occurring in connection with business discussions or the development of business relationships is generally deemed appropriate in the conduct of official business. This may include business-related meals and trips, refreshments before or after a business meeting, and occasional athletic, theatrical or cultural events. Entertainment in any form that would likely result in a feeling or expectation of personal obligation, should not be extended or accepted. This applies equally to giving or receiving entertainment.

7.4 Bribes

It is imperative that each and every person who does business with the Company understands that we will not, under any circumstances, give or accept bribes or kickbacks. A violation of this policy will subject the employee to disciplinary action as well as potential criminal prosecution.

7.5 Agreements with competitors

Formal or informal agreements with competitors that seek to limit or restrict competition in some way are often illegal. Unlawful agreements include those which seek to fix or control prices; allocate products, markets or territories; or boycott certain customers or suppliers. To ensure compliance with antitrust law, discussions with competitors regarding any of these potential agreements is a violation of Company policy and will subject the employee to disciplinary action as well as the potential for criminal prosecution.

7.6 Agreements with customers

Certain understandings between the Company and a customer are also considered anti-competitive and illegal. These include agreements that fix resale prices or that result in discriminatory pricing between customers for the same product. These types of restrictive understandings must not be discussed or agreed to with a customer.

7.7 Trade association activity

Contact with competitors at trade shows or trade association meetings are unavoidable. However, these contacts are not immune from antitrust law. Consequently, contact with competitors necessitated by these meetings should be kept strictly to the subjects on the agenda for the meeting.

8.0 CONFLICTS OF INTEREST
Every SGS director, manager and employee has a responsibility to avoid any activity or relationship that may interfere with, or appear to interfere with, their independent judgment and objectivity on the company’s behalf.

A "conflict of interest" occurs when an individual’s private interest interferes in any way – or even appears to interfere – with the interests of the company as a whole. A conflict situation can arise when a director, officer or employee takes actions or has interest that may make it difficult to perform his or her company work objectively and effectively. Conflict of interest also arises when a director, manager or employee, or a member of his or her family, receives improper personal benefits as a result of his or her position in the company.

The following outlines some of the basic rules that apply to directors, managers and employees regarding conflict of interest matters:

- You must not use your position of employment or other relationship with the company to influence decisions concerning business transactions between SGS and a company in which you or a member of you immediate family has personal interest through ownership. The exception to this is investments in publicly held corporations when the investments result in less than one percent ownership interest.
- You must not accept personal favors or benefits from those dealing the company which could influence or could give the impression of influencing your business judgment.
- You must not engage in outside business activities which in any way could utilize confidential information known to you as an employee of SGS.

While specific rules cannot be written to cover every possible conflict of interest situation, ask yourself the following question, "Am I, or a member of my family, gaining some improper personal benefits from this business decision or transaction." If the answer is "Yes" you should not proceed with the transaction or activity.

Employees are under a continuing obligation to disclose to their supervisors any situation that presents the possibility of a conflict or disparity of interest between the employee and the Company. An employee’s conflict of interest may only be waived if the proper manager waives the conflict in writing.

9.0 THE SOCIETY

9.1 Bribery and corruption

SGS’ objective is to compete in the marketplace on the basis of superior products, services and competitive prices.
SGS will adhere to the "OECD Guidelines for Multinational Enterprises" and will accordingly, not directly or indirectly offer, promise, give or demand a bribe or other undue advantage in order to obtain or retain business or other improper advantage in the conduct of international business.

9.2 Government representatives

Under no circumstances may an expenditure or payment be made which could reasonably be construed as an improper inducement to the recipient to corruptly perform some governmental or business act for SGS.

9.3 Third party agents

The Company’s business may involve the use of agents, consultants, brokers or representatives in connection with its dealing with governmental entities, departments, officials and employees. Such arrangements may not be employed to do anything prohibited by this code. The commissions or fees payable to such a third party must be reasonable in amount for the services rendered in accordance with local business practices.

9.4 Prohibited dealings with certain countries

Sanctions imposed by governments or the United Nations may restrict or prohibit business or personal dealings with certain countries and with companies or individuals in or from those countries.

Activities that may be restricted include: commercial activities, funds transfers, provision of services, exports of sensitive technology, imports, investments, and travel to restricted countries.

It is SGS policy to comply with the export control laws and regulations of all countries in which SGS does business. Compliance with these laws and regulations may result in some loss of business opportunities for SGS. Failure to comply may result in heavy fines and penalties and loss of exporting privileges.

9.5 Political activity and contributions

It is a SGS principle that the company does not support or make any direct or indirect contribution to support any political party or any political candidate.

We do however, encourage individual employees to be involved in the political process and to make personal contributions as they see fit. Good citizenship is fostered by taking part in activities on a local, regional or national level and expressing personal views on government, legislation and other matters of public interest. When we speak out on public issues, we must take care not to give the appearance of acting on SGS' behalf unless authorized to do so.
In addition, SGS employees may not allow personal political efforts to infringe on their normal workday commitments to the company. Company facilities and equipment may not be used for personal political purposes.

10.0 ENVIRONMENTAL RESPONSIBILITIES

SGS is committed to safeguarding the global environment, natural resources and human health.

We maintain compliance with environmental laws in the territories we operate in. We commit to incorporate sound environmental practices into our business processes. These include proper handling of all materials stored, distributed, processed, manufactured, produced, handled, installed or otherwise utilized in our activities.

Each SGS operation maintains environmental management systems in compliance with environmental laws, regulations and generally accepted "good management practices."

All SGS employees are encouraged to achieve the effective use of energy and natural resources to support our business operations. Preference is given to environmentally safe and sustainable energy sources.

11.0 INVESTOR RELATIONS

Members of the investing community (a term which includes stockholders, securities analysts, creditors and others), depend on us for providing reliable information about our business operations, performance and outlook.

It is essential that we not provide "special" or favored treatment to some. SGS' policies require that we provide all members of the public equal access to material information.

Material information includes all information that a reasonable investor would consider important in deciding whether to buy, sell, or hold SGS stock. Information that is likely to affect the trading price of our stock is almost always material.

The only SGS personnel authorized to communicate with the investment community are the Chief Executive Officer (CEO), the Chief Financial Officer (CFO) or the Chief Operation Officer (COO). All other managers and employees must avoid discussions with the investment community except when participating with one or more of the above three authorized individuals.

Day-to-day contact with the investment community is the responsibility of the CFO. If any employee other than the CEO, CFO or COO is contacted by a member of the investment community, he or she should refuse comment and report the contact to the CFO.
12.0 INSIDER INFORMATION AND TRADING

In the course of employment at SGS, you may come into possession of confidential and highly sensitive information. This information may concern SGS, our customers or other corporations with which we may have contractual relationships or with which we may be negotiating transactions. Much of this information has a potential for affecting the market price of securities issued by SGS or the other corporation(s) involved. Such information is “material non-public information.”

Employees must not, either directly or through family members or other persons or entities, trade in securities (i.e. stock, bonds, options) while in possession of material non-public information. To avoid even the appearance of insider trading, employees must avoid speculating in SGS’ securities.

All employees shall follow the Insider Trading Policy adopted and issued by the company.

13.0 MEDIA RELATIONS

SGS’ continuing success depends not only on our customers’ acceptance of our services and products, but also on public acceptance of our conduct. Therefore, the public is entitled to a reasonable explanation of our activities, especially concerning those activities that directly bear on the public interest.

Designated Company spokespersons will respond to all public and media inquiries. These spokespersons are responsible for meeting our obligations for timely and widespread public dissemination of material news and information at the appropriate time, and for guarding against the inadvertent disclosure of confidential or competitively sensitive information.

Except for these designated spokespersons, employees should never talk about company matters with the news media on their own, regardless of whether they are on or off the record. All inquiries from the media should be referred to the designated spokespersons.

14.0 USE OF COMPANY ASSETS

We all have an obligation to protect the company’s property. Our responsibilities include ensuring that company property is properly maintained and used only to further SGS’ business objectives.

Directors, officers and employees should always first consider whether a decision to use or commit company property is in the company’s best interests. Company property may not be loaned, given away or otherwise disposed of without proper authorization. Similarly, it may never be used for personal benefit. This includes company-issued credit cards and computer software.

14.1 Computer use and network security

The company's business computers and electronic media systems, such as e-mail, voicemail, and access to the Internet, are entrusted to employees to assist in conducting the company's business. SGS expects all users to conduct themselves honestly and appropriately when using these systems, and to respect the

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copyrights, software licensing rules, property rights, and privacy of others, just as they would in any other business dealings.

All directors, managers and employees with access to SGS' computer resources must fully comply with SGS' electronic mail and Internet usage policies.

Any personal use of the Internet or other electronic systems that interferes with the performance of any employee's work is strictly prohibited. Directors, managers and employees may not without proper authorization use or subscribe to e-mail or Internet services for which there are charges billed back to the company. In addition, as with any other business communications, directors, managers and employees may not send, view, or download content that may be reasonably considered offensive to or a harassment of another person.

The ease of sharing information through e-mail heightens the need for careful use of this system to avoid the unauthorized communication or exchange of highly sensitive information. The risks of using e-mail to communicate trade secrets or any confidential or sensitive information must be carefully assessed and appropriate mitigations must be implemented; e.g., encryption.

Directors, managers and employees should understand that any information entered into the company's computer system is company property, and there should be no expectation of privacy.

SGS reserves the right to monitor e-mail communications and periodically review logs of any directors, managers and employee's company computer usage to assure that the company's resources are being used wisely and are devoted to the highest levels of productivity.

In providing access to the Internet, the company employs a variety of security schemes such as firewalls and proxies to maintain the safety and security of the company's networks. Only those Internet services and functions with documented business purposes will be enabled at the Internet firewall. Directors, managers and employees should never attempt to disable, defeat or circumvent any company security facility. These actions may be subject to disciplinary actions.

### 14.2 Third party software

Third Party Software is provided as a productivity tool for employees to perform their job functions. “Software” includes programs, routines, and procedures that cause a computer system to perform a predetermined function or functions, as well as the supporting documentation.

Employees and Company representatives have an obligation to protect and manage our software. Software must be identified, accounted for, controlled, documented, priced, and classified for security purposes.

All software use must be in compliance with applicable laws and contractual obligations assumed by SGS, including copyright laws and necessary licensing. No Company employee, manager or director may use unlicensed software or create or use unauthorized copies of software. Employees may be liable as individuals for illegal software use.
15.0 RECORD MANAGEMENT

Records should be maintained to comply with applicable statutory, regulatory or contractual requirements, as well as those pursuant to prudent business practices. It is Company policy that no records that are the subject of or related to litigation or an ongoing or impending investigation shall be destroyed by any employee or agent of SGS. Employees should review the Record Management Policy and guidelines.

16.0 COMPLIANCE

Violations of this code may expose SGS to significant civil and criminal penalties and the Company’s reputation may be severely damaged. In addition, violating certain standards referred to in this document may subject such violator to personal fines and jail terms. In any event, violating the standards of business conduct outlined in this document may subject a violator to severe disciplinary action, up to and including immediate termination.

This Code of Conduct is an important part of SGS’ effort to promote compliance with policies, laws and regulations, and to ensure appropriate business behavior. The Code of Conduct will be reviewed periodically to ensure it remains applicable to conducting our business.

There are no easy answers to many ethical issues we face in our daily business activities and may involve formidable dilemmas. If you are concerned or are aware of what appears to be an inappropriate situation, you are encouraged to notify your supervisor or an appropriate Company representative or pursue an issue with any higher level of management.

All reports of suspected violations, whether made anonymously or otherwise, will be treated confidentially and will be investigated promptly, thoroughly and fairly. Intimidation or retaliation against anyone making such a report will not be tolerated.

17.0 REFERENCES

For further reading, the references can be accessed by looking them up on the SGS Intranet where they are located in the “Archives-> Records-> Corporate Management-> Mission, Vision & Code of Conduct-> References” folder.