



Responsible purchases charter



Version 2: 2022

Purpose of this charter

The SGT family business was founded in 1981. To meet the needs of a growing market, it has successfully adapted to its customers' demands, taking into account their needs by measuring the impacts its activities can have on ecology, the economy and civil society. With this in mind, its Chairman Frédéric MIGNOT has engaged the company in a CSR process. SGT's sustainability depends on the choices it makes and on enduring relationships with its stakeholders. Suppliers are an essential link. Applying good business conduct principles is of capital importance for SGT, SGR, its suppliers, employees and subcontractors.

Applicability

This responsible purchases charter applies to all our service providers and suppliers.

Our expectations

Responsible purchases contribute to the circular economy



Applying good business conduct principles is of capital importance for SGT, SGR, its suppliers, employees and subcontractors, with a view to:

- Learning more about our company's supplies and suppliers; through their willingness to engage in ethical business practices
- Controlling the risk of our suppliers defaulting and safeguarding our supplies; through due observance of their commitments
- Mitigating the risks of litigation; through their endorsement of shared values

Their signature at the end of this document confirms their undertaking to ensure that all their business relations with SGT and SGR comply with the measures set out in this Charter.

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Due observance of social standards and laws with regard to female and male staff

Our company takes great pains to abide by the law in all areas, the provisions of the fundamental conventions of the ILO(1), the code of conduct of the ETI(2) and the principles of the United Nations Global Compact. It expects its suppliers to abide by and promote them, and to ascertain in an appropriate manner that their own suppliers have undertaken to abide by them. Any deviation from or breach of the following points must be treated with due care and attention.

Due observance of the freedom of association and the right to collective bargaining:

The supplier must grant all its employees the right to freely and voluntarily form groups for the promotion and defence of their occupational interests; set up, join and run their own organizations without interference from the company. Everyone, both employees and employer, have the right to freedom of speech and opinion, including on the topic of trade unions - provided the exercising of this right does not infringe on a worker's right to freedom of association.

Employers, trade unions and other worker representatives have the right to freely discuss questions in the workplace in order to reach agreements that are mutually acceptable.

(1) ILO: International Labour Organization

(2) ETI: Ethical Trade Initiative

Elimination of discrimination in matters of jobs and professions, promotion of diversity

The supplier must ban all forms of discrimination, in its recruitment process, its practices or working conditions, including in matters of wages, fringe benefits, career advancement, discipline, dismissal or retirement, based on race, religion, age, social, cultural or ethnic origin, nationality, gender, sexual orientation, religious beliefs, marital status, political opinions, disability, physical capacity, or any other reason banned by law. It must promote diversity.

Elimination of forced or compulsory labour

Employment relations must be freely entered into and free from threats.

The supplier shall on no account have recourse to, participate in or benefit from any form of forced, compulsory or involuntary labour. This includes slavery, confinement in a workplace, prison or an individual's home, psychological restraint, retention or non-payment of wages, confiscation of identity documents, employment contracts that cannot be repudiated by workers, or any form of human trafficking.

The supplier must not produce in plants or production facilities where such conditions are not met, nor engage subcontractors or work themselves with suppliers who have recourse to such practices or use such facilities to manufacture their products.

Effective abolition of child labour

Child labour is a form of exploitation that violates a recognized human right.

The supplier is strictly prohibited from having recourse to the labour of children under the legal age of the country where it operates, but also inasmuch as the work poses risks or is likely to compromise education or be harmful to health or physical, mental, spiritual, psychological or social development according to ILO standards.

The fight against harassment, duress or reprisals

The supplier must be vigilant, prevent and not tolerate any form of psychological or sexual harassment of a member of staff. It shall treat all staff with dignity and respect, and never make any threats or take reprisals, administer corporal punishment, engage in violence or physical abuse or intimidation.

It must allow each member of staff to report in good faith a case of physical abuse, psychological harassment, discrimination or intimidation without fear of reprisal.

Wages and working hours

The supplier must ensure that its employees work in conditions compliant with all current laws and mandatory industrial standards in the country where it operates. These laws govern wages and working hours, including hourly rates, minimum wages, payment of overtime, maximum working time and rest time and other items of pay. Lastly, it shall provide legally required benefits, not least social security cover. If there is a contradiction between a law and a mandatory industrial standard, it is required to abide by the law that takes precedence at national level.

The right to disconnect

To protect the physical and mental health of its employees, the supplier must ensure due observance of rest and leave periods, and their work/life balance. To that end it may make arrangements enabling staff to exercise their right to disconnect and set up digital regulation instruments.

The right to training

The supplier undertakes to promote the development of the talents and skills of its staff wherever possible through training.

Confidentiality of workers' personal data

The supplier must abide by current regulations on the confidentiality of its employees' personal data and their privacy.

Measures must be taken to protect its premises and information systems in order to prevent files being altered or damaged, or to prevent unauthorized third parties from accessing them.

Respect for the health and safety of its employees

The supplier must consider the health and safety of its employees as a priority. All employees must be informed of the risks they are exposed to at their work stations and where relevant be given the necessary training.

At the very least the supplier must comply with current regulations. It shall take preventive measures, in particular by carrying out an occupational risk assessment, following up accidents and taking initiatives to eliminate or mitigate such risks. Such initiatives may include policies, procedures, interim measures and equipment

for preventing occupational accidents and disease, and for providing all its employees with a healthy and safe working environment.

Work stations must be adequately illuminated, safety equipment must be kept in good working order, the products used must be authorized on the market, personal protective equipment must be suitable and issued free of charge in an appropriate quantity.

First aid equipment and evacuation systems must be serviceable and compliant with current regulations, standards and codes.

The supplier must also provide adequate sanitary facilities, drinking water and where applicable safe accommodation conditions.



Due observance of fair practices

Our company attaches great importance to due observance of the confidentiality of information between trading partners.

The supplier must respect the confidentiality of data and information, and trade secrets where relevant, supplied by SGT or SGR. It shall:

- Avoid mentioning or working on proprietary information in public places where conversations can be overheard or documents seen by a third party;
- Disclose proprietary information only to those needing it in the interests of SGT or SGR;
- Keep customer and supplier data confidential and safe; it must take the necessary measures to safeguard information systems in order to prevent files being altered or damaged, or to prevent unauthorized third parties from accessing them;
- Prevent proprietary information from being disclosed to persons outside their company (including its staff's family members);

- Avoid conflicts of interests;
- Inform a customer of any suspected or potential conflict of interests.



Rejection of bribery and compliance with free competition rules

Rejection of bribery

Our company does not tolerate any bribery or other form of dishonest conduct. Giving or receiving gifts or promises of personal rewards or rewards to a third party can be considered bribery.

In carrying out their duties, the employees of SGT, SGR, business partners and their suppliers must never, in connection with a commercial transaction or to curry favour, directly or through intermediaries:

- Give or accept valuable gifts. Lunches and promotional products are accepted;
- Give or accept cash or gifts in the form of cards or vouchers;
- Give or accept gifts in exchange for an action;

We ask our suppliers to inform the Management of SGT or SGR of any inappropriate or ambiguous conduct;

Compliance with free competition rules:

The supplier must behave fairly in the conduct of its business in order to guarantee the existence of effective competition, essential to the normal operation of the economy and to regulation of the market on which it operates. In this respect the supplier

undertakes to abide by all applicable laws and regulations on the fight against anticompetitive and restrictive practices.

Our company thus expects fair competition, and to that end:

- no discussion partners should denigrate a competitor;
- no imitations that could risk a confusion with a competitor shall be made;
- suppliers shall refrain from poaching an employee from a competitor and thereby acquire the latter's proprietary information;
- suppliers must not engage in free-riding practices;
- suppliers shall not engage in price-fixing or abuse of market power.



Observance of commercial agreements

Commercial agreements aim to establish frank and enduring relations between the stakeholders of SGT and SGR. Each of them undertakes to abide by them and expects its suppliers:

- ✓ to observe their commercial, contractual and moral commitments vis-à-vis their own suppliers in the same way as they expect their customers to do;
- ✓ to report any breaches of contracts and any ethical or disloyal process, without fearing any retaliation.



Promotion of exchanges of information and of the partnership

The company encourages communication, understandings and cordial relations with its partners. And it more particularly expects its partners:

- ✓ to address each contact or member of staff in a cordial and respectful manner;

- ✓ to feel free to speak out and report any unacceptable or inappropriate behaviour or request without fear of reprisals;

- ✓ to be receptive to proposals but also to proactively make proposals;

- ✓ in the event of non-conformities, to follow the complaints handling procedure they have been sent.



Honesty and transparency

The company undertakes to pass on all the information required by law in a precise manner.

It expects its suppliers:

- ✓ to pass on accurate information to all supervisory and regulatory authorities or bodies that may conduct an audit: statutory auditors, the tax authority, the health and safety inspectorate, DREAL, CARSAT, etc.;
- ✓ to undertake to disclose the countries of origin of deliveries made at the request of SGT or SGR, to guarantee the traceability of products if need be;
- ✓ to agree to a representative from our company conducting an audit subject to our giving at least 2 weeks' notice;
- ✓ to see to it that its staff are available and cooperative during an audit.

The company undertakes to communicate the findings of this assessment, which will include a CSR dimension.



A constant concern for quality and sustainable

Our company is fully aware of the impacts of its activities on the environment, the economy and civil society. The quality and safety of the products it markets are of capital importance to its customers and end consumers. As suppliers are a link in the value chain of our products, they must help ensure:

Product quality and safety

All products and services delivered by the supplier must meet the quality and safety standards required by current legislation.

Clarifications or specifics may be stated in the technical specifications signed by both parties, in which case the supplier must comply with them and where applicable ensure that any subcontractors it uses observe them.

When the products or services involve food safety the supplier must take the necessary measures to avoid any risk of intentional contamination of the products.

Environment and sustainable development

The supplier must conduct its activities in accordance with the environmental regulations in force in the country where it operates.

It must more particularly make every effort, when this is relevant, to:

- Eliminate or reduce the polluting emissions of its activities, using efficient equipment and separating its waste;
- Preserve natural resources by controlling its processes, avoiding wastage and using recycled products wherever possible;
- Limit the use of hazardous substances, which must be reduced to what is strictly necessary. Where appropriate it must list harmful substances and products and ensure they are handled, moved, warehoused, recycled, re-used and disposed of in complete safety. The supplier must observe restrictions on certain materials

and the product safety requirements imposed by current legislation and regulations;

- Limit energy consumption through simple and public-spirited gestures (cut off energy supplies when they are no longer needed, report leaks, etc.)
- Respect plant and equipment, where necessary by carrying out the necessary maintenance and taking good care of the equipment;
- Introduce a reasonable travel policy
- Ensure its service providers and suppliers adhere to good ecological and human practices;
- Be a prime mover in reducing the carbon footprint of the items or products its offers to SGT or SGR.

Signed undertaking to abide by the responsible purchases charter

In signing this charter below, company:

Company name:

Address:

Postcode: Town/City:

- recognizes through its legal representative that it has received, read and understood this “Responsible purchases charter”;
- undertakes to circulate it or make it known to all employees concerned;
- declares it is familiar with and complies with the regulations of the countries where SGT and SGR operate;
- undertakes to promote the values of this “Responsible purchases charter” with its own suppliers or service providers.
- Any deliberate disregard of any of its principles could force the company to break of its business relationship and to inform the relevant authorities

First name:..... Last name:

Job title:

Signature:

Company stamp:

