

SOCOTEC

SUSTAINABLE PROCUREMENT CHARTER



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A WORD FROM THE CEO

Our purpose: BUILDING TRUST FOR A SAFER AND SUSTAINABLE WORLD guides our actions and is reflected in auditable achievements that demonstrate our sincerity, reliability and commitment to transparency.

The SOCOTEC Group is committed to an ethical and sustainable approach through its Corporate Social Responsibility (CSR) strategy, its values and its corporate purpose.

As an independent third-party, our relationships with customers, partners and suppliers are grounded in mutual trust and the determination to embrace responsible practices that make a positive impact on society.

As an international leader in Testing, Inspection and Certification in the Construction and Infrastructure sector, acting throughout the life cycle of built assets, we take concrete action on the projects we support to develop their compliance, performance and sustainability. With our business lines and expertise, we contribute to the environmental and energy transition of buildings, as well as to reducing their environmental impact from construction to demolition, including operations. This «Green Trust» expertise is at the heart of our activities.

Similarly, we see it as an opportunity to ensure that our partners and suppliers act without contradiction to our own CSR issues and also develop their contribution through transparent and positive actions on society and the environment.

There is no ambitious CSR policy without suppliers actively engaging with their customers on social, societal and environmental issues.

SOCOTEC's Sustainable Procurement Charter details our CSR criteria to facilitate the transition to more Sustainable Procurement practices. In order for the approach to work, the evaluation of suppliers involves a dialogue on the various purchasing categories to which we subscribe. The ability of suppliers to commit to practices that are adapted to and comply with regulations and ethics is a determining factor. By adhering to it, the supplier commits himself and his subcontractors to implement the necessary means to respect the principles and requirements set out in it.

Today, we are convinced that there is no company that wins in a world that loses, which is also the meaning of this Sustainable Procurement approach.

Hervé Montjotin
CEO of the SOCOTEC Group

THE SOCOTEC GROUP

The SOCOTEC Group carries out **RISK MANAGEMENT** and **TECHNICAL CONSULTANCY**. We support our client in the Construction, Infrastructure and Industry sectors throughout the life cycle of their assets, in order to ensure compliance, extend their life, improve their environmental performance and guarantee the safety of people.

11,073 **6,500**
PEOPLE **ENGINEERS**
included

1.210 Md€ **200,000**
REVENUE **CUSTOMERS**

26 **190**
COUNTRIES **LOCATIONS IN**
FRANCE


**BUILDING TRUST FOR A SAFER
AND SUSTAINABLE WORLD**

With more than **250 external approvals and authorisations**, SOCOTEC is an independent third party acting on behalf of its clients in the field of **Testing, Inspection and Certification in Construction, Infrastructure and Industry sectors**, including nuclear.

We provide independent expert advice and ethical conduct in all risk assessment and analysis throughout a construction, operations or decommissioning project. Our experts are fully experienced with the technical, compliance, safety and environmental issues, as well as the sectors in which they operate: real estate and sustainable property, construction sites and complex infrastructure sites (tunnels, bridges, motorways, railways, etc.), wind farms and photovoltaic farms, polluted sites and soils, environmental analyses and measurements, carbon assessments, etc.

Our 6500 technicians, engineers and experts are located in 26 countries. They have a thorough knowledge of the cities, districts and centres in which they operate. Their Testing, Inspection and Certification missions are part of a network of professionals, either at their request or at the request of a third party: real estate promoters, landlords, builders, project owners and property managers, design offices, investors, etc.

**NEARLY 200,000 CUSTOMERS TRUST US EVERYWHERE
IN FRANCE AND IN ALL SECTORS.**

Initiatives and commitments of the SOCOTEC Group:



SOCOTEC complies with the principles of the Universal Declaration of Human Rights and the eight fundamental conventions of the International Labour Organisation (ILO), particularly with regard to forced labour and child labour.



Since June 2022, SOCOTEC has been a signatory of the United Nations Global Compact and supports its 10 fundamental principles.



SOCOTEC Group selected 5 SDG's linked to its CSR strategy, and representing how it commits to the Sustainable Development Goals of the United Nations.



Since August 2022, SOCOTEC has been a signatory of the French Business Climate Pledge to act in favor of climate change and successfully transition to a low-carbon economy, innovation and the development of solutions, technologies, products and services, carbon economy, innovation.

1

INTRODUCTION

The SOCOTEC Group has implemented a CSR (Corporate Social Responsibility) strategy as part of its corporate strategy.

In line with its CSR strategy, SOCOTEC has implemented a Sustainable Procurement Policy which enables it to maintain a relationship of trust with its SUPPLIERS. SOCOTEC wants to share the requirements of its Sustainable Procurement Policy with its SUPPLIERS, in order to involve them in a Sustainable Development approach inherent in any commercial commitment.

As a responsible company committed to social and environmental issues, SOCOTEC wants to ensure respect for fundamental rights and the reduction of social, environmental and ethical impacts of its purchasing process.

This Sustainable Procurement Charter aims to provide a common framework to the buyers and employees of SOCOTEC, and its SUPPLIERS and any of their subcontractors.

This Charter sets out the Group commitments in terms of ethics, corruption, compliance with human rights and labour standards, as well as the protection of human health and safety and the environment that SOCOTEC asks its SUPPLIERS to observe. In addition, it sets out the Group's commitments to its SUPPLIERS.

SUPPLIERS play a key role in SOCOTEC's success, and the Group seeks to share with them its commitment to sustainable development and to involve them in a dynamic of continuous improvement.

By accepting this Charter, the SUPPLIER (generic term covering all categories of supplier and subcontractor) strives to comply with, implement and ensure its own SUPPLIERS comply with and implement all of the principles set out herein (in accordance with the contractual provisions and relevant national regulations) and take all necessary remedial measures to ensure continuous improvement. Compliance with the principles of this Charter is essential to ensure continuity in the relationship between SOCOTEC and its SUPPLIERS.

The SUPPLIER must also observe the principles of the United Nations Universal Declaration of Human Rights, the fundamental conventions established by the International Labour Organisation (ILO) and the various applicable laws and regulations.

The SUPPLIER will observe the 10 principles of the United Nations Global Compact, which SOCOTEC fully endorses.

Accordingly, SOCOTEC undertakes to:

- ▶ Appoint an officer(s) responsible for applying the Responsible Sourcing Charter;
- ▶ Have the Charter signed by its buyers, its TOP 100 SUPPLIERS, and encourage all other SUPPLIERS to sign it as well;
- ▶ Incorporate disabled-friendly companies (ESATs) into a maximum number of sourcing categories;
- ▶ Monitor the Charter's application and track its indicators every year;
- ▶ Review the Charter annually.

This Sustainable Procurement Charter is shared with all SOCOTEC SUPPLIERS. The Sustainable Procurement Charter is essential and required for any relationship between SOCOTEC and a supplier. By signing it, the SUPPLIER becomes a supplier referenced by SOCOTEC. The charter commits its signatory.

In accordance with French law, SOCOTEC has adopted a whistleblower protection procedure, together with a Code of Ethics. These documents are freely available on SOCOTEC's website:

Whistleblowing: [view the procedure here](#)

Code of Ethics: [view the Code of Ethics here](#)

A dedicated email address has been created for all alerts, guaranteeing full protection for the anonymity of the person issuing the alert:

ethics.committee@socotec.com

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ETHICS

SOCOTEC and its SUPPLIERS will demonstrate loyalty in establishing and maintaining a long-term relationship of trust.

The SUPPLIER will conduct its business in accordance with its contractual commitments to SOCOTEC, based on the principles of honesty and fairness, and observe applicable regulations pertaining to competition and the prohibition of corruption in commercial transactions.

SOCOTEC will treat its SUPPLIERS with honesty and fairness, regardless of their size and business sector, in accordance with the principles of fair and open competition.

SOCOTEC's SUPPLIERS strive to implement and maintain governance based on:

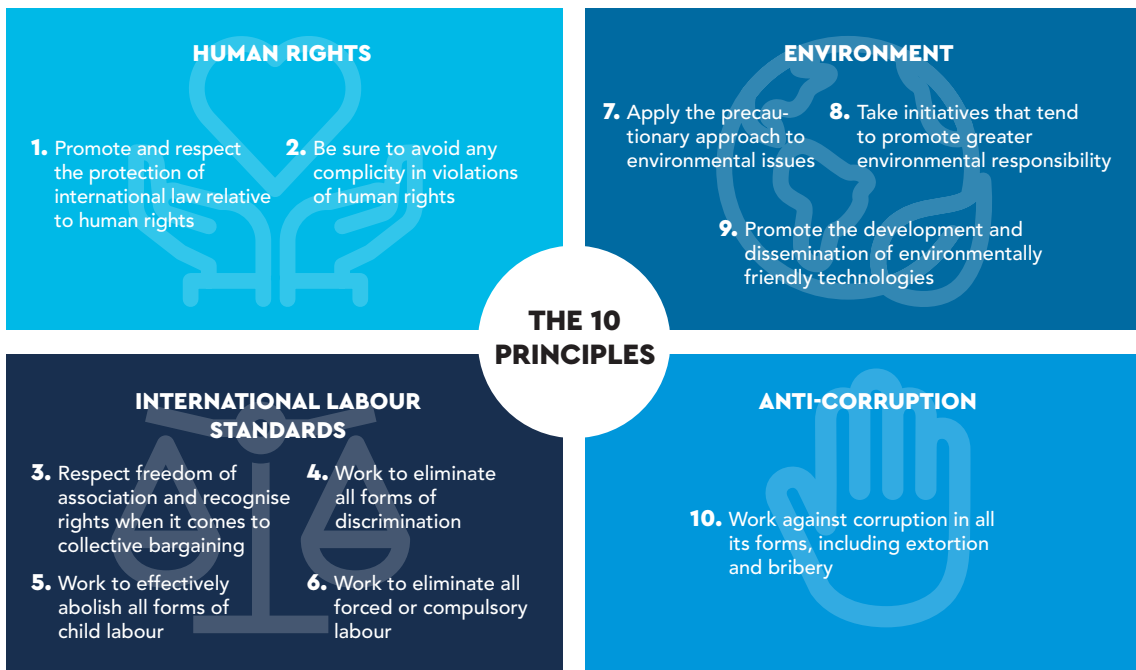
- ▶ Responsibility
- ▶ Transparency
- ▶ Ethics
- ▶ Respect for the interests of stakeholders
- ▶ Compliance with laws and regulations
- ▶ Data protection

- ▶ Compliance with the human rights set out in the United Nations Global Compact.

Consideration for social, environmental and economic issues must be central to their relationship with SOCOTEC.

SOCOTEC selects its SUPPLIERS based on objective criteria in accordance with its Ethics Charter, and expects its SUPPLIERS to allow the Group to fully meet its expectations and those of its customers.

SOCOTEC expects its SUPPLIERS to adopt the principles of this Ethics Charter and apply them to their own SUPPLIERS.



SOCOTEC supports the 10 principles of the United Nations Global Compact.

3

COMPLIANCE WITH LABOUR STANDARDS & HUMAN RIGHTS

SUPPLIERS working with SOCOTEC support and respect the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work, along with international human rights legislation.

They are not complicit in human rights abuses.

Accordingly, the SUPPLIER must implement measures to ensure compliance with the following principles:

- ▶ Abolishing child labour and observing the minimum age for admission to employment or work as defined by the fundamental conventions No. 138 and No. 182.
- ▶ A commitment never to resort to any forms of slavery or forced or compulsory labour, or any other practice of servitude or involuntary labour, as defined in the ILO fundamental conventions No. 29 and No. 105.
- ▶ Upholding the freedom of association and protecting their employees' right to organise and to collective bargaining, as defined in the ILO fundamental conventions No. 87 and No. 98.
- ▶ Not discriminating on the basis of age, sex, religious beliefs, political opinion, sexual orientation, social or ethnic origin, disability, family status, nationality, surname or physical appearance.
- ▶ Promoting equal treatment and equal opportunities in accordance with the ILO fundamental conventions No. 100 on equal remuneration for men and women workers for work of equal value, and No. 111 on the principle of non-discrimination.
- ▶ Complying with all regulations applicable to SUPPLIERS in respect of wages, benefits and working hours, in particular those relating to minimum wages, overtime pay, piece rate pay, and any other element of remuneration and limits on working hours and supplies (ILO fundamental conventions Nos. 1, 30, 95, 100, 131, 163 and 171).
- ▶ Implementing a health and safety policy that aims to ensure a safe and healthy working environment for every employee, to maintain an environment where the dignity of persons is respected (ILO conventions No. 155 and No. 120) and to take all necessary precautions to limit the occupational accidents that may occur in the course of an employee's routine duties.
- ▶ Not resorting to any verbal or physical threats, physical violence, sexual abuse or any form of harassment (ILO conventions No. 29 and No. 111).
- ▶ Establishing an internal procedure allowing the supplier's employees to whistleblow in the event of malpractice in the working relationship between us and the supplier.
- ▶ Establishing a disability policy to promote access of disabled persons to employment and equal opportunities.

4

PROTECTING THE ENVIRONMENT

The SUPPLIERS of SOCOTEC and their own SUPPLIERS must be able to provide proof that they have adopted environmental measures in order to continuously reduce their environmental impact, and most notably to comply with all applicable environmental laws and regulations.

The Supplier will make every effort to adopt best practices in terms of environmental protection. In particular, the Supplier will endeavour to protect nature, to preserve biodiversity and ecosystems, to fight the depletion of natural resources and to ensure the safe management of waste and toxic substances.

The SUPPLIERS of SOCOTEC must be able to account for their actions in the following areas:

- ▶ Reducing or minimising potential environmental risks and applying the principle of precaution (due diligence) in their approach to environmental issues
- ▶ Designing products and services that take environmental considerations into account. Measuring their performance in terms of environmental policy and the sharing of operations covered by an identifiable management system

- ▶ Limiting their environmental impact by reducing greenhouse gas emissions and their use of resources (energy and water), non-renewable raw materials and environmentally unfriendly products
- ▶ Promoting the use of renewable and recyclable materials, including energy
- ▶ Empowering employees to take responsibility for waste production, introducing measures to limit waste and optimise recycling

Where a multi-year contract is signed, the supplier must demonstrate a positive trend in at least two of the aforementioned areas.



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SOCOTEC'S COMMITMENTS TO ITS SUPPLIERS

These commitments set out the principles that ensure a fair sourcing process in accordance with applicable laws and regulations. SOCOTEC has made the following commitments to its SUPPLIERS to ensure they are treated with fairness, respect and neutrality:

- ▶ SUPPLIERS are chosen based on a transparent, fair and unbiased sourcing and selection process drawing on predefined and objective requirements, which include the environmental and social impact of the products and services they offer. SOCOTEC treats its SUPPLIERS with loyalty, honesty, fairness and respect.
- ▶ Observing the principle of fairness in its dealings with SUPPLIERS, SOCOTEC will provide bidders with the same information in calls for tenders, request the same deadlines and assess bids along the same criteria.
- ▶ Keeping confidential all commercial and technical information provided by the SUPPLIER.
- ▶ Applying the principles of transparency and traceability throughout the sourcing process and selecting SUPPLIERS without bias, according to predefined, explicit and clear criteria.
- ▶ Informing unsuccessful SUPPLIERS of the reasons why they were not selected.
- ▶ Observing the contractual terms agreed to.
- ▶ Preventing potential conflicts of interest. To avoid any risk of conflicts of interest, buyers or specifiers must act in the best interests of SOCOTEC. Their personal interests, family ties and friendships may not affect their professional decisions.
- ▶ Observing the ethical rules applicable to individual behaviour. For all sourcing and all tenders, buyers and specifiers must refuse any proposed gifts or benefits which might influence the outcome of the contract awarding process.

Approaching costs and overall impacts by assessing the full lifecycle of products, i.e. considering the total manufacturing process, the optimisation of packaging, delivery, storage, maintenance, disposals etc.

- ▶ Introducing a progressive responsible sourcing approach. Adopting a responsible approach is a virtuous circle that requires the collaboration and support of SUPPLIERS with respect to the environmental and social quality standards of their proposals.
- ▶ Seeking to develop long-term relationships with SUPPLIERS as part of a common, continuous improvement approach. SOCOTEC may help its strategic SUPPLIERS to perfect their efforts if their results fall short of the practices required, should they so request.
- ▶ Involving local SUPPLIERS in sourcing activities to help develop the local economy.
- ▶ Avoiding any economic dependence between SOCOTEC and its SUPPLIERS which could jeopardise either party.
- ▶ Providing regular and consistent communication about SOCOTEC's Sustainable Procurement Programme, both in-house and externally. Training its employees and buyers in anti-fraud regulations and the Sapin 2 Act.
- ▶ Limiting the use of paper by digitalising the customer-supplier relationship.
- ▶ Organising a minimum number of in-person meetings.

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THE SUPPLIERS' COMMITMENTS TO SOCOTEC

Comply with principles relating to human rights and labour law in accordance with the ILO declaration and strive to continuously improve the working conditions of employees, especially in terms of diversity and social protection.

Comply with safety rules specific to people and installations across all sites.

Promote the employment and professional integration of people with disabilities or who are side-lined from the labour market.

Comply with applicable legislation, in particular social and tax laws.

Comply with data protection regulations, in particular the General Data Protection Regulation (EU) 2016/679 of 17 April 2016 (GDPR). Personal data shared by SOCOTEC must be kept secure, and SOCOTEC must be informed immediately of any personal data breach at the following address: dataprotection@socotec.com. In addition, the SUPPLIER must maintain an up-to-date register of data processing activities, available to SOCOTEC upon request.

Comply with environmental protection regulations.

Limit the environmental impact by reducing emissions into the air, water and ground, reduce the use of energy and raw materials and recycle waste and packaging. The supplier must provide two areas of development that may be audited in the event of a multi-year contract.

Put forward any initiative that fosters local economic development.

Strive to combat any form of corruption, including extortion, fraud and bribery. SUPPLIERS agree not to offer SOCOTEC employees any benefits (free goods or services, jobs or opportunities) potentially aimed at facilitating their activities with the SOCOTEC Group.

Disclose any situation that appears to present a conflict of interest and report cases where a SOCOTEC employee may have an interest of any kind in the SUPPLIER's activities, or a personal economic relationship with it.

Take preventative measures to avoid anti-competitive practices and behaviour.

Keep any information received that is the property of SOCOTEC confidential. Never use this information for their own benefit and ensure compliance with intellectual property rights.

Share accurate and true information that is not likely to be misleading with respect to its business activities.

Strive to work transparently and to be held accountable in their business. Promote the principles of this Responsible Sourcing Charter to its own SUPPLIERS, and ensure that they meet the same requirements at every step of the process.

Respond swiftly to reasonable requests from SOCOTEC representatives on the implementation of these principles.

In addition to the aforementioned principles, SUPPLIERS must adhere to the following two principles laid down by SOCOTEC:

1. Establish procedures that assure SOCOTEC of the SUPPLIER's compliance with this Charter;
2. Demonstrate their ability to implement the commitments laid down in this Charter.

Where the SUPPLIER is subject to legislation that contains more stringent standards or requirements than those set out in this Charter, said stricter legislation shall apply. Otherwise, the provisions of this Charter shall prevail.

7

IN THE EVENT OF NON-COMPLIANCE

SOCOTEC will ensure that the SUPPLIER receives this Charter and implements the commitments and principles contained therein:

- ▶ By obtaining the SUPPLIER'S signature (an electronic signature is acceptable).
- ▶ By asking the Supplier to resolve any non-compliance that SOCOTEC may find by drawing up a remedial plan in conjunction with the supplier. This will need to be prepared within 30 days of the observed non-compliance and be implemented within two months.

SOCOTEC reserves the right to cease working with SUPPLIERS that fail to observe this Charter.

In the event of practices that run contrary to this Sustainable Procurement Charter and which infringe human rights and respect for people or the environment, SOCOTEC reserves the right to alert the French Equal Opportunities and Anti-Discrimination Commission (HALDE) and the French Data Protection Authority (CNIL).

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ACCEPTING THE SOCOTEC GROUP'S RESPONSIBLE SOURCING CHARTER (document attached to be signed by the supplier)



**ACCEPTING THE SUSTAINABLE
PROCUREMENT CHARTER
OF THE SOCOTEC GROUP**

I, the undersigned, hereby confirm that:

- ▶ We have received and read in full the Responsible Sourcing Charter of SOCOTEC;
- ▶ We accept the CHARTER and strive to comply with its principles, and understand that the failure to do so may be considered a breach of our obligations and may, in serious cases, result in the termination of the contract;
- ▶ We will inform all of our direct SUPPLIERS and incite them to follow these principles;
- ▶ We will also inform all our employees and incite them to follow these principles;
- ▶ We will strive to provide all information demonstrating the changes achieved, as requested in paragraphs 5 and 7 in the event of a multi-year contract.

Company name:

Representative name and position:

By signing this document, we strive to meet all the requirements and obligations laid down in this Declaration. Should we be unable to provide any of the supporting documents requested, we confirm our readiness to prepare and collect documentation demonstrating our commitment to these requirements.

The SOCOTEC Group reserves the right to request from its business partners any new statement or certification, or to take any other reasonable action as may be contractually agreed, in order to clarify any concerns that the business partner may have.

If there is any uncertainty or if the business partner is aware of any inappropriate action by an employee of the SOCOTEC Group, the partner is encouraged to report said action via the SOCOTEC Group's whistleblowing procedure (available at: <https://www.socotec.com/fr/le-groupe/ethique>) by clicking on Start a whistleblowing procedure).

Signed in: On: / /

Signature





**BUILDING TRUST FOR A SAFER
AND SUSTAINABLE WORLD**