

Introduction

PGS Group is committed to responsible business practices and operations. We act in full compliance with applicable laws and strive to act ethically at all times. We expect similar conduct from all our partners, especially our suppliers (hereinafter also referred to as 'they'). The Supplier Code of Conduct outlines the ethical guidelines for all PGS Group suppliers in the following areas:

1. Business Integrity
2. Supply Chain
3. Environment
4. Labor standards
5. Fundamental Human Rights
6. Health, Safety and Quality

The Supplier Code of Conduct is based on PGS Group's Code of Conduct and international conventions and standards such as the UN Guiding Principles on Business and Human Rights (UNGPs), the United Nations Global Compact (UNGC), the Universal Declaration of Human Rights as well as the two binding UN Conventions (International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights), the OECD Guidelines for Multinational Enterprises, the International Labor Organization (ILO) Conventions and the ILO Declaration on Fundamental Principles and Rights at Work.

Please refer to the Code of Conduct for PGS Group's own workforce below:

- [PGS Group Code of Conduct](#)

In addition to aligning with international conventions, this Supplier Code of Conduct is also based on insights from our 2024 double materiality analysis. This analysis has provided us with an in-depth understanding of our value chain, enabling us to better identify and assess risks and opportunities within our own operations and supply chain.

Signing this Supplier Code of Conduct is mandatory (see section 7. Compliance and Scope).

Policy management

PGS Group and all its entities (hereinafter also referred to as 'we') reserve the right to amend this policy document. The most recent version can be requested from our Procurement department and is always available on the corporate website (www.pgsgroup.com).

1. Business Integrity

PGS Group adheres to strict ethical and legal standards and expects the same from its suppliers. They must comply with the applicable laws and regulations in the countries where they operate.

1.1 Bribery and corruption (UNGC*-principle 10)

Suppliers strictly adhere to anti-corruption laws and do not engage in corrupt practices, such as money laundering, offering or accepting bribes, excessive gifts, hospitality, or facilitation payments. PGS employees do not accept personal or inappropriate benefits that could influence their decisions and must not offer such benefits in exchange for preferential treatment. Modest business gifts and entertainment are sometimes allowed but, depending on their scope, frequency, and context, may be considered bribery or undue influence.

*United Nations Global Compact Principles (UNGC)

1.2 Conflict of interest

Conflicts of interest arise when personal benefits are accepted from individuals or organizations that do business or seek to do business with PGS Group. Decisions made by our suppliers must not be influenced, or appear to be influenced, by personal relationships, financial gain, or other benefits.

1.3 Anti-competitive practices

Suppliers operate in compliance with competition law and engage in fair competition. They do not participate in practices that restrict competition, such as price-fixing, market allocation, or abuse of power, and do not offer misleading products or services. Customers and suppliers are always treated fairly.

1.4 Intellectual property and confidential information

We expect our suppliers to respect intellectual property rights and take measures to prevent unauthorized disclosure or use of confidential business information provided by PGS Group or our business partners. Confidential information includes all non-public data.

1.5 Protection of personal data

Suppliers respect the privacy rights of employees, customers, suppliers, and other business partners. They handle personal data of PGS employees in accordance with the General Data Protection Regulation (GDPR) and other applicable laws. Personal data is only collected, processed, shared, and used when necessary for business operations. Suppliers take sufficient precautions to prevent accidental disclosure.

1.6 Fraud, protection of company assets, accounting

Suppliers maintain their financial reporting in accordance with generally accepted accounting principles and accurately record all business activities and transactions.

2. Supply Chain

PGS Group places great importance on sustainable procurement. We strive to source our products and services legally and responsibly and expect the same from our suppliers.

Suppliers are required to implement due diligence processes to ensure oversight and traceability in their supply chain and to monitor compliance.

At PGS Group, wood is at the core of our products. To ensure responsible wood procurement, we apply strict due diligence requirements for our suppliers and preferably source wood with certification claims, but at a minimum, from controlled sources provided by PEFC- or FSC-certified suppliers. Additionally, we expect them to provide the required product data to ensure our compliance with the EU Deforestation Regulation (EUDR) and other applicable regulations.

3. Environment (UNGC-principles 7, 8, 9)

PGS Group strives to minimize environmental impact by integrating sustainability into its value chain and operations, sourcing responsibly, and mitigating climate risks. We expect the same commitment from our suppliers.

Suppliers must comply with all applicable environmental laws and regulations, including those related to deforestation and environmental pollution. Non-compliance must be addressed as a priority to minimize harm to the environment.

3.1 Carbon neutral supply chain

Since a significant portion of our CO₂ emissions originates from our supply chain, we see suppliers as essential partners in achieving climate goals. We expect them to implement an emissions management and monitoring system, set targets aligned with the Paris Agreement, and actively work towards achieving these targets.

3.2 Biodiversity

Suppliers with a high impact on biodiversity must take measures to protect ecosystems within their operations and supply chains. This includes minimizing negative effects on local ecosystems, preserving natural habitats, and preventing ecosystem degradation.

3.3 Circular economy & waste management

PGS Group strives for a circular business model within its own operations and the industry. Suppliers play a crucial role in this and must implement a waste management system that minimizes waste and follows circular principles, such as reducing, reusing, and recycling. Incineration with energy recovery should only be used as a last resort. Suppliers must avoid landfill use and take measures to protect terrestrial and aquatic ecosystems. They must apply waste management practices that preserve the natural environment and prevent harmful impacts on soil, water, and air quality. Wood and wood by-products should be incorporated into circular applications as much as possible, with reuse and recycling prioritized to maximize CO₂ storage and minimize the use of primary resources.

4. Labor Standards (UNGC-principles 3, 6)

PGS Group is committed to fostering a fair and socially responsible work environment and expects its suppliers to uphold the same standards. They must comply with all applicable local labor and employment laws and regulations.

The maximum number of working hours is determined by the ILO conventions or local legislation, depending on which provides the highest standard. Suppliers must ensure that the total number of working hours, including overtime, is not exceeded.

4.1 Adequate wage and collective bargaining

Suppliers provide fair remuneration and comply with local wage regulations and/or collective labor agreements. All employees have the right to unionize and engage in collective bargaining. PGS Group does not accept disciplinary or discriminatory actions against its employees or those of suppliers who peacefully unionize.

4.2 Respect at the workplace

Suppliers ensure a work environment free from discrimination, harassment, or violence. The dignity, privacy, and rights of every employee are respected. Discrimination or harassment, whether physical or verbal, based on ethnicity, nationality, religion, gender, age, sexual orientation or other factors, will not be tolerated.

5. Fundamental Human Rights (UNGC-principles 1, 2, 4, 5)

PGS Group respects and supports the internationally recognized human rights of workers, as outlined in the fundamental conventions of the ILO. We require the same commitment from our suppliers.

No form of forced labor, slavery, or illegal employment is tolerated in our operations or supply chain.

Suppliers prohibit child labor in their activities. In all locations worldwide, they strictly comply with local legislation regarding minimum age and working conditions. The minimum age is defined by local laws or the ILO conventions (Convention 138), whichever imposes the higher standard.

Should a human rights violation occur, suppliers must take immediate action to end the victims' employment, provide support, and prevent future breaches (ILO Convention 182). If necessary, we will terminate the collaboration and report the incident to the authorities.

6. Health, Safety and Quality

PGS Group aims for "zero" accidents and injuries and promotes overall well-being both within and beyond the workplace. This commitment is outlined in our 'Charter for Occupational Health and Safety' and our 'Policy on Quality, Safety and Environment.' We expect the same commitment from our suppliers, who must at a minimum comply with all relevant laws and regulations regarding health, safety, and quality.

We ask suppliers to commit to the shared goal of 'zero accidents' and actively strive for this at their own sites, during transport, and on PGS premises. They are expected to implement specific preventive measures to manage the safety risks arising from their activities.

For more information, please refer to the following documents:

- [Policy on Quality, Safety and Environment](#)
- [Charter for Occupational Health and Safety](#)

7. Compliance and Scope

By accepting this Code, suppliers commit to respecting the ethical guidelines outlined in this document in all current and future agreements and business relationships with the PGS Group. Failure to comply with these guidelines may harm the business relationship.

In this Code, 'suppliers' refers to our manufacturers, distributors, logistics partners, and service providers. We expect suppliers to share this Code of Conduct with their employees, representatives, and subcontractors, and to encourage compliance among their own suppliers.

Suppliers must report any breach in their activities or supply chain as soon as possible to their designated contact person at PGS or via our whistleblowing procedure (see Section 8: 'Whistleblowing Procedure'). They must also appoint a contact person to address employees' questions regarding compliance with any of the topics in this Code.

PGS Group reserves the right to verify compliance with the Supplier Code of Conduct through on-site audits or other appropriate measures. If we identify actions or circumstances that violate this Code, we reserve the right to demand corrective measures and/or terminate the collaboration with the supplier.

The undersigned company (the supplier) hereby confirms that it has read, understood, and agrees to the Supplier Code of Conduct.

Supplier company name:

Location: Date: ... / ... /

Name representative:

Signature representative:

8. Whistleblower Procedure

PGS Group offers a whistleblowing procedure that allows employees and appointees to (anonymously) report concerns or complaints about our business operations or those of suppliers. This system is also available to anyone working under the supervision of suppliers, co-contractors, or subcontractors. Reports can include violations of the law, policy breaches, and unethical behavior. We guarantee that reports made in good faith will not result in retaliation, discrimination, or disciplinary actions.

For more information, please refer to the procedure below:

- [Whistleblower Procedure](#)

9. Contact Information

For questions regarding the application or interpretation of this Supplier Code of Conduct, please contact your designated contact person at PGS or directly reach out to the Corporate Social Responsibility department (CSR@pgsgroup.com).

Version history

Version	Modification	Description
15/09/2021	First version	The first version of the Supplier Code approved by Management level and Employee Representatives.
06/01/2025	Total review of the Supplier Code of Conduct	<ul style="list-style-type: none"> - Elaboration on all ethical, environmental, and social themes based on risk management in our activities and value chain, and in line with international standards. - Alignment with updated Code of Conduct. - Alignment with the IROs identified in our double materiality analysis of Q1 and Q2 2024 - Broadened scope for compliance, from suppliers to the suppliers' supply chain. - Link to additional international standards, including the UN Guiding Principles on Business and Human Rights, Universal Declaration of Human Rights and UN Global Compact Principles. - Addition of links to related policies and documents. - Addition of Whistleblower policy.