



PTS-MED

SUPPLIERS CODE OF CONDUCT

Your questions are worth asking
Find the answers in the PTS-MED
suppliers Code of Conduct



Intro to the Suppliers' Code of Conduct

Message from the CEO

PTS-MED is a responsible multinational company. Our purpose is to create and protect welfare and to advance the energy transition. We aim to play a pivotal role in the well construction and flow management business. The areas where we can make the largest contribution, both to the world economy and sustainable development, are tied to our business, our people and our activities. The company is committed to sustainable profitability and value creation for its shareholders. PTS-MED wants to be an attractive employer and the client's first choice of contractor.

The Supplier Code of Conduct describes for you as supplier to PTS-MED the guiding principles for the business conduct we expect from you. PTS-MED sets the same principles for our suppliers of goods and services as we do for ourselves. PTS-MED wishes to do business with suppliers that act with responsibility and integrity.

PTS-MED' guiding principles are based on our core values, our commitment to our people, our clients, our investors, the environment and communities where we work. It describes our way of working and behaviour and has been designed to help you as our supplier to make the right decisions in your daily work to improve your performance towards PTS-MED, build up trust with our stakeholders and safeguard our solid reputation.

As Board of Management we advocate the business principles embodied in our Supplier Code of Conduct and will apply them in all our business activities with suppliers. We expect all of our suppliers to embrace them and to comply with the Supplier Code of Conduct in letter and spirit.

PTS-MED operates in a demanding and competitive climate which may lead to dilemmas or questions related to our business principles. If you face such dilemmas or questions or if you doubt your understanding of the Supplier Code of Conduct, please discuss them with your contact person within PTS-MED or contact our Compliance Officer (csr@pts-med.com).

Thank you for your commitment,
Giorgio Lacagnina
CEO PTS-MED

Our **Mission** is to offers technical expertise and outstanding services for well construction, well completion and well performance evaluation services with continuous technology development.

Our Values

- **Integrity:** We do not compromising the truth, we honour our commitment, we challenge things we believe to be wrong and be open to challenge from others, we are accountable for failure as well as success, and we do not allocate blame. We conduct our business in accordance with the highest standards of professional behaviour and ethics.
- **People:** We consider People as our Most Important Business Resources. We do understand the “Human Element” which is built into our company’s core values. We are inspiring each other to be the best place to work and to be the best people to work with.
- **Safety:** We are committed to an incident-free workplace and have environmental awareness. All of our people are fully qualified with the appropriate certification.
- **Collaboration:** We collaborate inside and outside the organization to maximize our shared knowledge and bring greater value to one another and most importantly, to our customers. The solutions we deliver are the sum of our collective talents and geniality.
- **Innovation:** We believe that novel ideas create new value! We believe that the application of brainpower, purpose and science can improve business, society and the human condition. We believe that employees are fountains of new ideas, fuelling better products, services, and processes.
- **Efficiency:** We collaborate inside and outside the organization to maximize our shared knowledge and bring greater value to one another and most importantly, to our customers. The solutions we deliver are the sum of our collective talents and geniality.
- **Performance:** We are predictable and reliable in our performance. We always strive for excellence in everything we do in order to achieve superior business results.

Mission and Values

In accordance with our PTS-MED General Business Principles and Group Code of Conduct, we seek to work with contractors and suppliers who contribute to sustainable development and are economically, environmentally and socially responsible. We will develop and strengthen relationships with contractors and suppliers who are committed to the principles set out below or to similar standards through their own activities and the management of their own suppliers and sub-contractors.

Contractors and suppliers should provide workers with a dedicated whistle-blowing mechanism where grievances related to below topics can be logged confidentially



Our commitment

“Contractors and suppliers should provide workers with a dedicated whistle-blowing mechanism where grievances related to below topics can be logged confidentially”

Our purpose is to build a better working world. To stay true to that purpose, we will continue to enhance the way we engage with our suppliers to encourage the continual improvement of the way we, and our supplier base, address and manage important issues. Our revised expectations and minimum standards within the enclosed document are the product of not only the increasing regulatory environment globally with respect to particular issues, but also the increasing expectations of our clients and the wider community.

PTS-MED Organizations (PTS-MED) values our supplier relationships and is committed to working with, and supporting, our suppliers to achieve mutual objectives. A supplier's performance and adherence to high business standards is an important and integral part of the value chain for PTS-MED. PTS-MED promotes and expects the application of high legal, ethical, environmental and employee-related standards within our own business and among our suppliers.

Our commitment to integrity and professionalism is set forth in our Global Code of Conduct, which provides a clear set of standards for all of our business conduct. Our Global Code of Conduct can be found on PTS-MED.com. We believe that deviations from, or violations of, the Global Code of Conduct are unacceptable, and that our clients or suppliers should feel able to raise issues without any fear of retaliation or discrimination.

This Supplier Code of Conduct sets forth the minimum standards of business conduct that we expect from all of our suppliers:

Compliance with laws

Suppliers shall comply fully with all laws and regulations applicable to them! **No Compromises**

Background and compliance with laws

“This Supplier Code of Conduct sets forth the minimum standards of business conduct that we expect from all of our suppliers”

PTS-MED expects its suppliers to demonstrate a clear understanding of the environmental risks, impacts and responsibilities associated with the products and services they provide:

Suppliers should have in place an effective environmental policy, statement or program to mitigate environmental risks, the implementation of which should be evident throughout all levels of the company.

Suppliers should have processes in place to ensure that their operations conform to all applicable environmental legislation. All required environmental permits, approvals and registrations are to be obtained, maintained and complied with in accordance with the conditions and requirements defined therein.

Environmental performance should be measured, monitored and reviewed regularly. The supplier should endeavour to make continuous improvements in environmental performance through practicable measures and employ leading practices where possible.

Suppliers should make practical efforts to minimize the use of energy, water and raw materials. Where possible, these should be renewable or sustainably sourced.

Emissions to air that are likely to cause pollution or contribute to climate change should be monitored, controlled and minimized where possible.

Suppliers shall make practical efforts to eliminate or reduce levels of generated waste and should reuse and recycle waste materials wherever possible. The handling, storage, movement, treatment and disposal of all waste must be carried out in accordance with applicable regulations and in an environmentally responsible manner.

Suppliers should consider the environmental credentials and performance of vendors within their own supply chain and require them to operate to a minimum set of standards.

Products and services provided to PTS-MED should include options that offer reduced environmental impact by utilizing environmentally sound technologies, processes and sustainable materials, etc.

Environmental sustainability

“Products and services provided to PTS-MED should include options that offer reduced environmental impact by utilizing environmentally sound technologies, processes and sustainable materials.....”

Policies should be in place to confirm the supplier's commitment, and improvement programs should be in place where relevant:

Freedom from forced labour, bonded labour and human trafficking:

- All employment shall be freely chosen by the worker. Workers shall be free to leave their employment at any time (subject to reasonable and paid notice periods) and shall not be subject to any coercion or restriction through, for example, the holding of original copies of employee passports, identity documents or monetary deposits.
- There shall not be any use of bonded labour. Work must be undertaken for fair compensation and must not be undertaken to repay a debt incurred (i.e., as a result of deceptive recruiting practices).

Recruitment agencies: Where recruitment agencies/brokers are used by the supplier, appropriate due diligence and ongoing management must be undertaken to ensure that risks of worker exploitation, such as debt bondage, are effectively mitigated. Reasonable evidence of these activities is to be available to PTS-MED upon request, within a reasonable notice period.

Child labour: Suppliers should adhere to local laws relating to the minimum working age and not engage in the employment of child labour, directly or indirectly. According to the International Labour Organization (ILO) minimum age convention (C138) of 1973, child labour refers to any work performed by children under the age of 12, non-light work done by children aged 12—14 and hazardous work done by children aged 15—17. Suppliers should also ensure that working hours for those of school age are not exceeding the maximum hours on a school day. In cases where child labour is found, programs should be in place to support the child into education.

Wages and benefits: At a minimum, the legal minimum wage standard must be adhered to across the entire workforce, employees should receive clear information on their wages, and unfair deductions from wages as a disciplinary measure are not permitted.

Working hours: Working hours must be limited according to national or local law, including breaks. Overtime should be voluntary, should not replace regular employment and must be fairly compensated.

Human rights and social sustainability

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“Suppliers should adhere to local laws relating to the minimum working age and not engage in the employment of child labour, directly or indirectly”

Freedom of association, collective bargaining or parallel means: Employees have the right to join or form a trade union without facing discrimination or intimidation. Where freedom of association and collective bargaining is restricted under law, employees should have the right to develop parallel means.

Health and safety and working conditions: A safe and hygienic working environment should be provided with an awareness of any industry-specific hazards. Relevant training should be provided to employees.

Regular employment: All employees should be provided with a written employment contract setting out their terms and conditions in accordance with the local relevant legal jurisdiction. We expect all employment and the termination of employment to be carried out in a fair manner.

No harsh or inhumane treatment: Abuse, threat of abuse, and sexual or other harassment or intimidation should be prohibited by suppliers. Suppliers shall make available to all workers within their operations and supply chain a mechanism for which grievances relating to labor practices can be anonymously raised, without fear of retribution. Suppliers shall investigate and take appropriate action to remedy all grievances raised.

Subcontracting: Where authorized subcontracting is used to support the execution of services for PTS-MED, the supplier shall confirm that the subcontractor meets the minimum expectations set out in Section 3 of this document through the following controls:

- Supplier shall take necessary steps to obtain and maintain visibility over labor rights risks within the operations and supply chains of subcontractors.
- Supplier shall attain the right to audit over subcontractor operations.
- Records of audits undertaken of subcontractors shall be available on request.
- Supplier shall have written agreements in place with subcontractors to ensure that any further subcontracting by the subcontractor company (a) is authorized and (b) meets the standards set out in this document.

Human rights and social sustainability 2

“A safe and hygienic working environment should be provided with an awareness of any industry-specific hazards. Relevant training should be provided to employees.”

Right to audit: Suppliers shall attain the right to audit over their suppliers to assess the working conditions and extent to which workers' labour rights are being upheld. Records of audits undertaken of the suppliers' supply chain shall be available on request.

Incident response: Suppliers shall take the following actions, at a minimum, when an incident of forced labour, bonded labour, human trafficking or child labour is identified:

- Disclosing the incident/high risk to relevant authorities
- Disclosing the incident/high risk to PTS-MED
- Taking appropriate actions to remedy the incident

Demonstration of reasonable modern slavery due diligence: PTS-MED expects that our suppliers will maintain an active view on the inherent risk of modern slavery in their supply chain (this includes third-party certifications in relation to human rights and social compliance standards). Among other modes of inquiry, we would expect this to include engaging human rights specialists to perform validation audits of high-risk suppliers on an intermittent, but no less than annual, basis.

In addition to the above minimum requirements, the supplier shall define a minimum standard of human rights that applies across all jurisdictions and demonstrate how compliance to this is encouraged and observed. Such standards should refer to, at a minimum, the UN Guiding Principles on Business and Human Rights.

Human rights and social sustainability

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“Right to audit: Suppliers shall attain the right to audit over their suppliers.....”

Our sourcing decisions, contracts and management of supplier relationships will reflect and promote the principles of the PTS-MED Diversity and Inclusiveness policy (incorporating equal opportunities) in that they will seek to ensure that suppliers do not victimize, harass or discriminate against any employee or party to the contract due to their sex, gender identity/expression, marital or civil partnership status, race, ethnicity or national origin, disability, religion, sexual orientation, age or part-time status. Suppliers will be required to meet the requirements of any applicable discrimination legislation. Our suppliers will be treated fairly and equally during the tendering and purchasing process, with decisions made on the basis of clear selection criteria:

PTS-MED expects suppliers to have a policy in place to consider usability by, and inclusion of, individuals with disabilities when designing products and/or delivering services to PTS-MED. As part of the policy, there are accessibility standards and/or processes in place that conform to disability guidelines when suppliers are designing products and/or delivering services.

PTS-MED expects suppliers to have a policy that explicitly bans discrimination/bullying and harassment based on sexual orientation, race, gender or gender identity/expression. In addition, suppliers are also encouraged to have evidence of diversity and inclusiveness training that is inclusive of sexual orientation and gender identity/expression.

Our Inclusive Procurement strategy's key objective is to identify, develop and utilize certified diverse businesses (defined below) that can enhance our competitive advantage and provide innovative and cost-effective products and services for us and our clients. It is our expectation that all suppliers use their best efforts themselves to procure diverse businesses to compete for goods and services to become preferred suppliers to the supplier and/or as its subcontractor(s). In accordance with the terms of its agreement with an PTS-MED entity, suppliers commit to comply with all relevant regulatory agency requirements, as well as with any local diversity regulations and programs.

Diversity and inclusiveness 1

“PTS-MED expects suppliers to have a policy that explicitly bans discrimination/bullying and harassment based on sexual orientation, race, gender or gender identity/expression”

For the purposes of this Supplier Code of Conduct, a “diverse business” is a company that is certified to be at least 51%-owned, -operated and -controlled by one or more minority, woman, LGBT+ person, person with a disability, veteran, service-disabled veteran, or aboriginal or indigenous person. In addition, historically underutilized business and social enterprises as defined by the local country will be included in the diverse- business classification.

It is our commitment that diverse business enterprises shall have equal opportunity to compete for all goods and services to become preferred suppliers and/or subcontractor(s) for the organization. PTS-MED is committed to the development and growth of diverse business enterprises to build a better working world and to expand networks to build trusted and enriched relationships.

PTS-MED expects suppliers to have equivalent policies to promote diversity in their supply chains and purchase from diverse businesses. Suppliers agree to make a reasonable effort to utilize diverse suppliers and provide evidence to PTS-MED upon request.



Diversity and inclusiveness 2

“PTS-MED expects suppliers to have equivalent policies to promote diversity in their supply chains and purchase from diverse businesses”

The highest standard of integrity is expected in all of our business dealings. Any and all forms of corruption, extortion, bribery (including facilitation payments), and embezzlement are strictly prohibited and may result in immediate termination and legal action:

Suppliers will not offer or provide money or anything of value to any person if the circumstances indicate that it is probable that all or part of the money or other thing of value is being given to another individual or entity to influence official action or to obtain a business advantage.

Suppliers are expected to understand relevant PTS-MED gift and hospitality policies before offering or providing PTS-MED personnel with any gift and/or business entertainment. Gifts or entertainment should never be offered to PTS-MED personnel or representatives under circumstances that create the appearance of impropriety.

Suppliers must comply with all applicable trade control laws and regulations in the import, export, re-export or transfer of goods and services (including software and technology). All invoices and any customs or similar documentation submitted to PTS-MED or governmental authorities in connection with transactions involving PTS-MED must accurately describe the goods and services provided and the price thereof.

Suppliers shall not share or exchange any prices, costs or other competitive information, or undertaking of any collusive conduct with any other third party to PTS-MED with respect to any proposed, pending or current PTS-MED procurement.

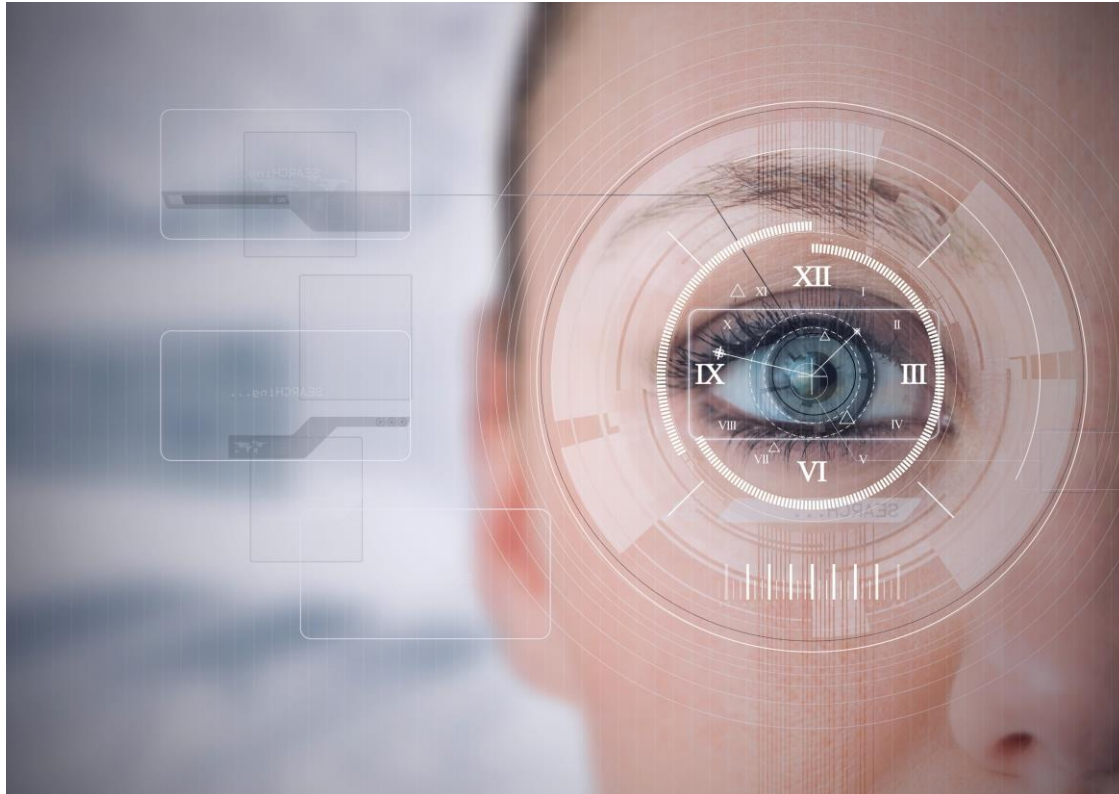
Suppliers will use only subcontractors or other third parties who comply with all applicable laws and regulations, and who adhere to the same (minimum) standards set forth in this guide.

Ethics

“Suppliers will not offer or provide money or anything of value to any person if the circumstances indicate that it is probable that all or part of the money or other thing of value is being given to another individual or entity to influence official action or to obtain a business advantage”

PTS-MED may conduct annual compliance surveys to confirm compliance with this Supplier Code of Conduct. However, PTS-MED expects that suppliers will actively audit and monitor their day-to-day management processes with respect to the PTS-MED Code of Conduct and provide evidence to PTS-MED upon request.

Monitoring



Get in touch

We'd love to hear from you

 Viale Teracati 51/L, 96100 Siracusa, Italy

 +39 0931 442956

 corporate@pts-med.com

 www.pts-med.com