

CODE OF
CONDUCT
for suppliers



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1. Preamble

DELO is committed to ecologically and socially responsible corporate governance. We therefore also expect our suppliers to comply with the principles of ecological, social, and ethical behavior and to integrate them into their corporate culture. We further strive to optimize our business activities and our products continuously with regard to sustainability and ask our suppliers to contribute to this in an integrated approach.

The Code of Conduct is based on national laws and regulations as well as international conventions such as the United Nations Universal Declaration of Human Rights, the Guidelines on Children's Rights and Business Principles, the United Nations Guiding Principles on Business and Human Rights, the international labor standards of the International Labor Organization (ILO), and the United Nations Global Compact.

For future cooperation, the contracting parties agree to apply the following provisions in the course of a joint Code of Conduct. This agreement forms the basis of the supply relationship between DELO and the supplier. The contractual partners agree to comply with the principles and requirements of the Code of Conduct and endeavor to require their subcontractors to comply with the standards and regulations set forth in this document through contracts. This agreement commences on the date of signature.



2. Requirements for suppliers

2.1 Social responsibility

Exclusion of forced labor

Suppliers shall not use any form of involuntary or forced labor. All work shall be voluntary, and employees shall be able to terminate work or employment at any time in accordance with the law. We do not tolerate any form of unacceptable treatment of workers.

Prohibition of child labor

The use of child labor is prohibited in all respects. Suppliers shall comply with the ILO Conventions and Recommendations on the minimum age for the employment of children. Accordingly, the age of employees shall not be less than the age at which compulsory education ends, but in any case not less than 15 years. Young employees shall be encouraged and protected. The special protection regulations must be observed.

Fair remuneration

Remuneration for normal working hours and overtime shall correspond to the national statutory minimum wage. Employees shall be provided with all benefits required by law. Employees must regularly be provided with detailed and understandable written information on the composition of their compensation.

Fair working hours

Our suppliers shall comply with the applicable labor regulations and laws, in particular with regard to working hours and minimum wages.

Freedom of association

Our suppliers' employees shall be free to form and join organizations of their choice and to bargain collectively, unless otherwise provided by law.

Prohibition of discrimination

Discrimination against employee representatives and employees in any form is prohibited. This applies, among other things, to discrimination based on gender, skin color, disability, political opinion, ethnic origin, religion, age, pregnancy, or sexual orientation. We want to respect together the personal rights, dignity, and privacy of each individual.

Occupational health protection and safety

The supplier shall provide a safe, clean, and healthy working environment with appropriate resources, also out of self-interest. The supplier shall take necessary precautionary measures to prevent accidents and damage to health that may arise in connection with work activity by establishing and applying appropriate occupational safety systems. In addition, the supplier shall regularly inform and train employees on applicable health and safety standards and measures.

Grievance mechanisms

The supplier shall be responsible at facility level for establishing an effective grievance mechanism for stakeholders, employees, and business partners who may be affected by negative impacts. This includes an appropriate and legally compliant whistleblowing system through which information on illegal business practices or potential human rights violations throughout the supply chain can be provided at any time. For reports concerning DELO, the DELO whistleblowing system can be used. (<https://delo.iwhistle.de/en>)

Dealing with conflict minerals and banned substances

In accordance with the Due Diligence Guidelines of the Organization for Economic Cooperation and Development (OECD) to promote responsible supply chains for minerals from conflict and high-risk areas, the supplier has established processes to manage conflict minerals as defined in the guidelines. The supplier undertakes to comply with the regulations on prohibited and declarable substances, including RoHS and REACH, and to provide evidence of this upon request.

2.2 Ecological responsibility

Handling of waste water and emissions

The sustainable handling of waste water and emissions is important to us. Waste water from operations, manufacturing processes, and sanitary facilities must be inspected and, if necessary, treated before discharge or disposal. DELO requires its suppliers to comply with the Minamata Convention on the restriction of emissions and releases of the heavy metal mercury.

We attach great importance to compliance with legal requirements regarding air and noise emissions from operational activities as well as greenhouse gas emissions. This includes the supplier monitoring exhaust gas cleaning systems and finding economical solutions to minimize any emissions. If necessary, we will ask our supplier to provide information on the carbon footprint for the products, processes, and services supplied to DELO. CO₂ data should ideally be collected, calculated, evaluated, and communicated in accordance with the applicable standards of the Greenhouse Gas Protocol.

Handling of waste and hazardous substances

A systematic approach to identifying, handling, and responsibly disposing of or recycling waste helps in the responsible use of our resources.

In addition, the general reduction of waste is desirable. Compliance with legal requirements is essential when handling, transporting, storing, using, recycling, or reusing and disposing of chemicals or other materials that pose a hazard if released into the environment.

Reducing consumption of raw materials and natural resources

The use and consumption of resources, including water and energy, during production are to be reduced as far as processes allow.

Dealing with energy consumption / efficiency

As part of sustainable corporate management, economic solutions must be found to improve energy efficiency and to record and minimize energy consumption.

2.3 Ethical business conduct

Fair competition

Fair competition and compliance with antitrust regulations improve the innovative strength of all economic players. Compliance with standards and laws regarding fair business, fair advertising, and fair competition is the basis of our cooperation.

Accordingly, collusion and other activities that influence prices or conditions are prohibited.

Data protection and confidentiality

The supplier undertakes to meet the reasonable expectations of its stakeholders with regard to the protection of personal data and to comply with legal requirements. Further, DELO requires its suppliers to protect company-relevant information from misuse, loss, destruction, and manipulation.

IT security

Data processed in IT systems must be protected in accordance with the current state of the art, or at least in accordance with the applicable laws. If the supplier falls victim to a cyberattack, we ask to be informed immediately if our data is affected or if the integrity of our IT infrastructure could be compromised.

Intellectual property

The protection of intellectual and real property is of great importance to DELO. If DELO provides the supplier with intellectual or real property (e.g. equipment, systems, parts, software), the supplier must handle it carefully and responsibly, and protect it from unauthorized access.

Technology and know-how transfers must be effected in such a way that intellectual property rights and customer information are protected.

Integrity, bribery, and benefits

DELO applies the highest standards of integrity in all its business activities. Therefore, the supplier is also expected to pursue a zero tolerance policy with regard to all forms of bribery, corruption, extortion, and embezzlement and to consistently comply with all relevant laws in this regard by maintaining a compliance system.

Benefits from suppliers (e.g. gifts, invitations, benefits) are only permissible if they are appropriate and comprehensible. In no way may the granting or acceptance of an advantage by the supplier lead to influence in any form.

Direct and indirect benefits to public servants, officials, or representatives of such persons are generally not permitted.

3. Implementation of the requirements

Compliance with the standards and regulations listed in this document is verified by DELO using a self-assessment questionnaire as well as mutually agreed audits at suppliers' production sites, whichever form DELO deems appropriate after assessment and consultation with the supplier. The supplier agrees that DELO may conduct such audits to verify compliance with the Code of Conduct at the supplier's premises during normal business hours after reasonable advance notice by persons appointed by DELO. On request, the supplier shall provide appropriate access to the documents required for this purpose and to the relevant facilities and systems at the time of the audit. It goes without saying that DELO will take the confidentiality of the supplier's trade secrets into account.

Should a breach of this Code of Conduct be identified, DELO shall notify the supplier in writing within one month and set a reasonable period for the supplier to bring its conduct into compliance with these regulations. If DELO's above-mentioned standards and their implementation are repeatedly not accepted as the basis for business following our request, we will be forced to consider the termination of the supply relationship as the ultima ratio.

4. Acknowledgement and consent by the supplier

By signing this document, the supplier undertakes to act responsibly and to comply with the principles and requirements listed. The supplier also undertakes to communicate the contents of this Code of Conduct to its employees, agents, and subcontractors in an understandable manner and to take all necessary precautions to implement the requirements.

.....
Place, date

.....
Company

p.p.

.....
Name

.....
Title

.....
Department

**Please confirm that you have read and accept this Code of Conduct.
It is sufficient to sign and return just this page within two weeks.**

DELO

DELO Industrial Adhesives

China | Germany (HQ) | France | Italy | Japan | Korea
Malaysia | Singapore | Thailand | Czechia | USA

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