

**DELO**

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**

Slave labor, forced labor, or labor comparable to such may not be used under any circumstances. All work must be voluntary and employees must be able to terminate work or employment at any time in accordance with the law. Further, no form of unacceptable treatment of workers is permitted. This includes, for example, the use of psychological pressure or sexual or personal harassment.

#### **Prohibition of child labor**

The use of child labor is prohibited in all respects. Suppliers of DELO must avoid any kind of child labor and comply with the recommendation from ILO conventions 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. If it is established that children are employed by suppliers, the supplier shall take and document corrective action and allow the children to attend school. Young employees must be protected and special protective regulations must be observed.

#### **Fair remuneration**

Compensation for normal working hours and overtime must be equal to the national statutory minimum wage or the industry minimum standard, whichever is higher. DELO expects its suppliers to ensure that the level of compensation paid to employees is sufficient to cover the costs of ordinary living and to build up a minimum level of reserves. Employees shall be provided with all benefits required by law. The supplier may not use wage deductions as a punitive measure. Employees must regularly be

provided with detailed and understandable written information on the composition of their compensation.

#### **Fair working hours**

Suppliers of DELO must comply with applicable labor regulations and laws, in particular with regard to working hours and minimum wage.

#### **Freedom of association**

The employees of our suppliers shall be free to form and join organizations of their choice and to bargain collectively. If freedom of association and the right to collective bargaining are restricted by law, other means shall be permitted to ensure free association of employees for the purpose of collective bargaining. Discrimination against employee representatives is not permitted. In order to be able to exercise their rights in accordance with the legal guidelines, they must be granted free access to the workplaces of their colleagues.

#### **Prohibition of discrimination**

Discrimination against employees in any form is prohibited. This applies, among other things, to discrimination based on gender, race, caste, skin color, disability, political opinion, origin, religion, age, pregnancy, or sexual orientation. The personal rights as well as the personal dignity and privacy of each individual are to be respected.

#### **Occupational health & safety**

The supplier shall provide a safe and healthy working environment. 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. Employees must be given access to clean sanitary facilities and sufficient drinking water.

#### **Grievance mechanisms**

The supplier is responsible at facility level for establishing an effective grievance mechanism for stakeholders, employees and business partners who may be affected by negative impacts. DELO expects that the supplier has set up an appropriate whistleblowing system through which information on illegal business practices or potential human rights violations throughout the supply chain can be provided at any time. If there are legal requirements for the handling of such a whistleblower system, the supplier shall comply with them, in particular with regard to anonymity, data protection and responsibility. DELO expects its suppliers and its employees to report criminal offenses, legal or ethical violations, and violations of this manual that may impact DELO. The whistleblower system of DELO may be used for such reports. (<https://delo.iwhistle.de/en>)

#### **Dealing with conflict minerals and banned substances**

A special focus of DELO is the area of conflict minerals. In accordance with the Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, the supplier has established processes for handling the conflict minerals tin, tungsten, tantalum, and gold, as well as for other raw materials such as cobalt. Smelters and refineries that do not apply adequate audited due diligence processes must be avoided. The supplier undertakes to comply with the regulations on prohibited and declarable substances, including RoHS and REACH, and to provide evidence of this.

## 2.2 Ecological responsibility

#### **Handling of waste water and emissions**

DELO expects its suppliers to act sustainably with regard to the handling of waste water and emissions. In principle, the generation of waste water should be reduced as much as possible. 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. Air and noise emissions from operations, as well as greenhouse gas emissions, must be classified, routinely monitored, examined, and, if necessary, treated prior to release. In addition, the supplier is required to monitor its emission control systems and find economical solutions to minimize any emissions. DELO reserves the right to ask its suppliers for the carbon footprint of the products, processes and services supplied to DELO. The CO<sub>2</sub> data should be collected, calculated, evaluated, and communicated in accordance with the applicable norms and standards of the Greenhouse Gas Protocol.

#### **Handling of waste and hazardous substances**

DELO requires its suppliers to take a systematic approach to identifying, handling, and responsibly disposing of or recycling waste. In addition, it aims for a fundamental reduction of waste. For handling and transporting, storing, using, recycling or reusing and disposing of chemicals or other materials that pose a hazard if released into the environment, the highest level of safety must be ensured and appropriate documentation must be available on the generation and handling of these materials. DELO also requires its suppliers to comply with the Stockholm Convention on Persistent Organic Pollutants (POPs) and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.

### **Reducing consumption of raw materials and natural resources**

The use and consumption of resources, including water and energy, during production are to be reduced. Savings occur either directly at the point of origin or through processes and measures, for example, by changing production and maintenance processes or procedures at the supplier, by using alternative materials, by recycling, or by means of the reuse of materials.

### **Dealing with energy consumption / efficiency**

Energy consumption shall be monitored and documented. As part of sustainable corporate management, economic solutions must be found to improve energy efficiency and minimize energy consumption. Corresponding evidence in the course of certifications at the supplier is expected.

## **2.3 Ethical business conduct**

### **Fair competition**

DELO stands for conduct that complies with competition and antitrust law. Therefore, suppliers are also required to comply with all standards relating to fair business, fair advertising and fair competition. Applicable antitrust laws must be complied with. Accordingly, collusion and other activities that influence prices or conditions are prohibited.

### **Confidentiality / data protection**

The supplier undertakes to meet the reasonable expectations of its stakeholders with regard to the protection of personal data. The supplier shall comply with the laws on data protection and information security and the official regulations when collecting, storing, processing, transmitting and forwarding personal data. 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 is the victim of a cyber attack, DELO expects to receive information about this, in particular if such an attack is expected to cause an interruption in the ordinary course of business or if information is affected that is related to the business relationship between the supplier and DELO.

### **Intellectual property**

The protection of intellectual and real property is of great importance to DELO. We expect our suppliers to respect intellectual property rights. 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 & 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. An appropriate compliance system for monitoring and enforcing standards is to be applied to ensure compliance with anti-corruption laws.

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 with the aim of unlawfully promoting the business are generally not permitted.



### 3. Implementation of the requirements

The supplier undertakes to comply consistently with the provisions of this code of conduct. Accordingly, DELO expects its suppliers to identify risks within their own company and in relation to the supply chain and, if necessary, to take appropriate measures. In the event of suspected violations and to safeguard supply chains with increased risks, the supplier shall inform DELO immediately and, if necessary, at regular intervals about the identified violations and risks as well as the measures taken. Compliance with the standards and regulations listed in this document is verified by DELO using a self-assessment questionnaire as well as audits at suppliers' production sites, whichever form DELO deems appropriate after assessment. 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. If there is evidence of a serious violation of the

provisions of the code of conduct by the supplier, an audit may be carried out without prior notice. On request, the supplier shall provide access to the documents required for this purpose and to the relevant facilities and systems at the time of the audit. The supplier may object to individual audit measures if these would violate mandatory data protection regulations.

Should a violation of the regulations 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 such breach is culpable and makes it unreasonable to expect DELO to continue the contract until its proper termination, DELO may terminate the contract after the set period has expired to no avail, provided that DELO has given notice of the intention to do so when setting the period. A statutory right to extraordinary termination without setting a deadline remains unaffected, as does the right to claim damages.

# 4. Acknowledgement, acceptance 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 this document and agree to it.  
It is sufficient if you sign and return only this page within two weeks.**



# DELO

## DELO Industrial Adhesives

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