



# SUPPLIERS' CODE OF CONDUCT

Rev 4

# About

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DELES GROUP cultivates a corporate strategy that aims to protect the world of today and tomorrow, taking responsibility for the environment and the people around us.

We are committed to searching for new solutions, materials derived from sustainable sources and smart designs.

We work to reduce production waste and material waste, optimize transport and promote the awareness and involvement of our employees and suppliers, in favour of an ecological, responsible and virtuous system.

DELES GROUP's core values are fair treatment, honour and integrity, ethical behaviour, innovativeness, teamwork, a passion for top-notch quality, superior customer service, social responsibility, and community citizenship.

A well-written Suppliers' Code of conduct clarifies an organization's mission, values and principles firstly, linking them with standards of professional conduct.

Additionally, a code is a central guide and reference for employees and suppliers to support day-to-day decision-making. A code encourages discussions of ethics and compliance, empowering employees to handle ethical dilemmas they encounter in everyday work. It can also serve as a valuable reference, helping employees and suppliers locate relevant documents, services and other resources related to ethics within the organizations.

This code articulates the values the organization wishes to foster in leaders, employees, associates and suppliers and, in doing so, defines desired behaviour.

The standards set forth in this Supplier Code of Conduct are intended to guide DELES GROUP's suppliers as they fulfil their role as DELES GROUP suppliers (NB: They are not intended to change or replace any specific contractual requirements).

Rather, this Supplier Code of Conduct establishes the basic principles for business conduct which DELES GROUP expects from its suppliers. (NB: If Suppliers have agreed to stricter or more detailed requirements than this Supplier Code of Conduct, then DELES GROUP expect them to meet those contractual requirements)

This Supplier Code of Conduct has been created based on the principles set forth in internationally recognized standards such as the "United Nations Declaration of Human Rights and the 'International Labor Organization (ILO) Conventions".

# Requirements

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This Supplier Code of Conduct includes requirements in the following areas:

- Human Rights
- Labor Standards
- Environment
- Anti Corruption
- Compliance
- Obligation to Inform

In particular, DELES GROUP and its suppliers all around the world are committed to follow the standards set up by:

## ISO 14000

ISO 14000 is a family of standards related to environmental management that exists to help organizations



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### Operations

Minimize how their operations (processes, etc.) negatively affect the environment (i.e. cause adverse changes to air, water, or land)

.b

### Laws

Comply with applicable laws, regulations, and other environmentally oriented requirements

.c

### Commitment

Continually improve in the above

# Requirements

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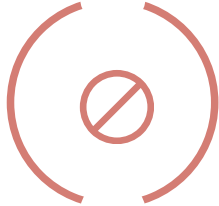
HUMAN RIGHTS



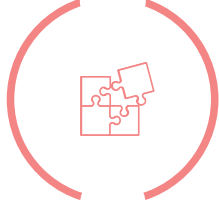
LABOR STANDARDS



ENVIRONMENT



ANTI CORRUPTION



COMPLIANCE



OBLIGATION TO INFORM

# Introduction

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DELES GROUP manages and develops its activities respecting local rights and obligations in countries where it operates and applies high ethical standards in order to make its activities sustainable.

DELES GROUP is aware of its responsibility as a global manufacturer and supplier of packaging materials and services and is committed to maintaining an attitude of civic responsibility. In accordance with accepted international practices and procedures, we are obliged to comply with the laws in force in each country, in which we operate. Based on the applicable rules, a code of conduct was created along with a code of ethics to be observed, to which the highest is committed to the management of the company together with employees involved in the production and delivery of products and services for the Company.

DELES GROUP expects compliance with these standards also from its contractors, external subcontractors, major suppliers and licensees in the production and distribution of products. The code of conduct is based on respect for different local laws, it provides tips on the appropriate behaviour of employees and associates in critical situations.

The code of conduct encourages employees and associates to draw on internationally recognized standards to increase accountability social and environmental, and business ethics. In line with UN and other guidelines key international human rights standards for business.

DELES GROUP, including its subsidiaries and affiliates, is committed to doing business in a legal, ethical and socially responsible manner. Reflecting this commitment, all directors, officers, and employees are expected to comply with the DELES GROUP Code of Business Ethics and Code of Conduct (DELES GROUP Code of Conduct) in conducting their business relationships. To maintain these standards, DELES GROUP desires to do business with those Suppliers whose practices are consistent with DELES GROUP's ethics and principles of business conduct. This Supplier Code of Conduct, as amended or modified from time to time (the Code) sets forth the types of standards and practices that DELES GROUP expects of its Suppliers.

# Ethical standards

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To fulfil social obligations and achieve success in the market, the participants and their representatives must adhere to the highest ethical standards, including:

## 01 Business Honesty

DELES GROUP adheres to the highest in all business interactions honesty, integrity and fairness standards.

DELES Group believes that all business transactions should be carried out transparently and accurately reflected in the business documentation. Information on participants' work, health and safety, environmental practices, business activities, structure, financial position and performance should be disclosed in accordance with applicable regulations and applicable industry practices. Falsification of records or misrepresenting of conditions or practices in the supply chain is unacceptable.

DELES GROUP expects from its own in choosing its business partners vendors, subcontractors, consultants or agents running their own operations in compliance with applicable legal and regulatory principles, and high standards of integrity. The company will take appropriate action in the event of any doubts arising as to the integrity of the business partner.

DELES GROUP is committed to providing its customers with high-quality standards by implementing solutions to ensure corresponding product quality and customer expectations.

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## 02 Corruption

DELES GROUP has a “zero tolerance policy” in order to prohibit all forms of bribery, corruption, extortion and embezzlement.

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# Ethical standards

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Promising, offering, authorizing, giving or receiving is not tolerated anything of value, directly or indirectly through a third party, for the purpose of obtaining or maintaining a business or otherwise obtaining an improper advantage.

No payments accelerating the procedure may be made, regardless of their amount, inconsistent with the procedures set out in the Deles Policy in the field of counteracting bribery and corruption.

Employees and suppliers are prohibited from offering or accepting any form of bribe or an incentive that could improperly influence their actions or the actions of others.

DELES GROUP forbids accepting money, gifts or discounts on products or services not available to other employees or other gratuities for personal. DELES GROUP's employees, representatives and suppliers cannot offer, give, demand or accept gifts in circumstances in which it could be considered improperly influencing or superimposing an involved entity a business obligation or to cause improper performance-specific activity. In addition, employees, representatives and suppliers of DELES GROUP should not demand gifts or gratuities from suppliers, customers or other entities with whom it cooperates DELES GROUP, nor should they exchange gifts with competitors, as such activities may create a conflict of interest.

Bribery and corruption can put DELES GROUP and its associates at risk and partners for criminal liability and resulting penalties with applicable regulations in the country and abroad. This prohibition also applies to representatives, third parties and others representing the interests of the company.

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## 03

### Company property and data protection

Intellectual property (secrets trade, confidential information, copyrights and trademarks) is very valuable and should be protected from unauthorized use or disclosure.

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# Ethical standards

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DELES GROUP and its associates are committed to protecting legitimate expectations regarding the privacy of personal data of everyone with whom they conduct interests, including suppliers, customers, consumers and employees. Participants must comply with the laws on privacy and information security; and regulatory requirements when personal data is collected, stored, processed, transferred and shared. At any time for employees, business partners: suppliers, customers and external service providers have the right to object - for reasons related to his particular situation - in relation to data processing.

DELES GROUP Suppliers have adequate management systems in place, which are designed to ensure compliance with this Code of Conduct.

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## 04 Recognize and Protect DELES' Confidential Information

From time to time DELES GROUP' Suppliers may have access to DELES GROUP's Confidential Information and/or personal data that belongs to DELES GROUP's employees, customers, consumers, developers, and others. DELES GROUP' Suppliers shall recognize that information and take appropriate actions to protect it from misuse and unauthorized disclosure.

DELES GROUP' Suppliers should report any event of potential unauthorized disclosure promptly to DELES GROUP'. If you have questions, contact your DELES GROUP representative for help.

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# Ethical standards

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## 05 Commit to corporate, social and environmental responsibility

We encourage DELES GROUP' Suppliers to make corporate, social, and environmental responsibility statements, endorsed by executive management. These shall affirm your commitment to the values and topics addressed in this Code of Conduct and to their continuous improvement.

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## 06 Know who is responsible

DELES GROUP' Suppliers shall identify who is responsible for ensuring the implementation of their management systems and associated programs in their company.

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## 07 Understand your obligations

DELES GROUP' Suppliers shall ensure that they have an adequate process in place for identifying, monitoring, and understanding applicable laws, regulations, and DELES GROUP's requirements, including the requirements of this Code of Conduct.

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# 08

# Ethical standards

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## 08 Assess and manage your risks

DELES GROUP' Suppliers shall have adequate processes in place for identifying risks (such as the environmental, health and safety, labour and human rights, ethics and legal compliance) associated with their operations and have appropriate procedural controls to manage such risks and ensure regulatory compliance.

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## 09 Communicate expectations clearly and provide adequate training

DELES GROUP' Suppliers shall have sufficient processes in place to ensure that clear and accurate information about their policies, expectations, and performance, including the requirements in this Code of Conduct, is communicated to their employees, suppliers, and customers. In addition, DELES GROUP' Suppliers shall have sufficient training programs in place to ensure proper implementation.

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# Ethical standards

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## 10 Always strive for improvement

DELES GROUP' Suppliers shall periodically evaluate their conformity to the standards set forth in this Code of Conduct and maintain open discussions with DELES GROUP in order to maintain continuous improvement and correct any deficiencies in a timely fashion.

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## 11 Maintain proper documentation and records

DELES GROUP' Suppliers shall ensure that they and their suppliers have an adequate process for the creation and maintenance of documents and records designed to ensure regulatory compliance and conformity to documents along with appropriate confidentiality to protect privacy.

DELES GROUP will cease to process the data of employees, business partners, suppliers, customers and external service providers after receiving this information unless they will be able to demonstrate that there are valid, legitimate grounds that are overriding the interests, rights and freedoms of employees, business partners, suppliers, customers and third-party service providers or that the data will be necessary for a possible determination, investigation or defence of claims.

Data storage period: DELES will store the data of employees, business partners, suppliers, customers and external service providers for a period of 10 years from the date of termination of the relationship.

# Ethical standards

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## 12 Sourcing materials responsibly

If DELES GROUP' Suppliers manufacture components, parts, or products the Suppliers must source those materials from environmentally and socially responsible sources only. Materials, which either directly or indirectly contribute to a conflict, are unacceptable. Suppliers in this category must exercise due diligence regarding the source and chain of custody of these minerals and make any due diligence measures available to DELES GROUP upon request.

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## Organization of Work

## 13 Mutual Respect

DELES GROUP is committed to respecting the human rights of its employees and its supplier's employees and treating them with dignity and respect as understood by the international community.

This applies to all workers of its suppliers, including temporary, students, contracted staff, direct workers and any other type of worker.

DELES GROUP is committed to maintaining a working environment in which there is mutual trust and respect, and in which everyone feels responsible for the Group's performance and reputation.

DELES GROUP also provides all its employees and its suppliers' employees with the opportunity to develop their potential, regardless of race, gender, marital status, sexual orientation, disability, age, political opinion, religion, belief, ethnic or also national origin etc. Skills, achievements, commitment and ethical behaviour will be the only indicators of employee qualification and the same approach is going to apply to all the suppliers of DELES GROUP.

# Ethical standards

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Respect, honesty, solidarity and tolerance are the highest values recognized in the company, therefore, all commit to conscientious and careful implementation duties, care for the company's image and its good name, loyalty to the company and its employees, compliance with generally accepted standards of behaviour and building effective communication in the company.

DELES GROUP respects the dignity of every employee and their right to work in the workplace free from harassment, violence, corporal punishment and mobbing. Decisions on employment, remuneration, granting employee benefits, promotion, dismissal and retirement are taken solely based on the capacity of the employee to perform the job.

DELES GROUP does not support or refer to forced, slave or labour not voluntary. Employees may resign from work or at any time end work. Employers and Employment Agencies may not possess or destroy, hide, confiscate or deny employees access to their identity documents or immigration documents, such as government-issued identity cards, passports or work permits unless required by law.

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## 14 Compliance with Laws

Suppliers are expected to abide by all applicable laws and regulations (including, but not limited to, the Foreign Corrupt Practices Act) applicable to it and the Supplier's relationship with DELES GROUP. These include laws regarding anti-corruption, anti-bribery, environmental matters, occupational health and safety, labour and employment practices, human rights, immigration, product safety, shipping and product labelling. DELES GROUP also expects that its Suppliers will comply with applicable guidelines and best practices for their industry. In the event there is any conflict with industry practice and applicable law, the higher standard will take precedence.

# Ethical standards

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## Child Labor

No use or support of child labour; policies and written procedures for remediation of children found to be working in a situation; provide adequate financial and other support to enable such children to attend school; and employment of young workers conditional.

Suppliers shall not use workers under the applicable legal age of employment or forced involuntary labour or engage any supplier, vendor, contractor or partner that uses such workers. Suppliers should only use workers who are not less than sixteen (16) years of age. Where local standards are higher, no person under the legal minimum working age will be employed by the Supplier. Suppliers shall ensure that none of its operations engages in human trafficking, does not hold passports of its employees, does not detain or prevent employees from leaving employment or the workplace or use force, fraud or coercion in maintaining their workforce.

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## Forced and Compulsory Labor

No use or support for forced or compulsory labour; no required 'deposits' - financial or otherwise; no withholding salary, benefits, property or documents to force personnel to continue work; personnel right to leave premises after workday; personnel free to terminate their employment; and no use nor support for human trafficking.

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# Ethical standards

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## 17 Freedom of Association and Right to Collective Bargaining

Respect the right to form and join trade unions and bargain collectively. All personnel are free to: organize trade unions of their choice; and bargain collectively with their employer. A company shall: respect the right to organize unions & bargain collectively; not interfere in workers' organizations or collective bargaining; inform personnel of these rights & freedom from retaliation; where the law restricts rights, allow workers freely elect representatives; ensure no discrimination against personnel engaged in worker organizations, and ensure representatives access to workers at the workplace.

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## 18 Discrimination

No discrimination based on race, national or social origin, caste, birth, religion, disability, gender, sexual orientation, union membership, political opinions and age. No discrimination in hiring, remuneration, access to training, promotion, termination, and retirement. No interference with the exercise of personnel tenets or practices; prohibition of threatening, abusive, exploitative, coercive behaviour at workplace or company facilities; no pregnancy or virginity tests under any circumstances.

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# Ethical standards

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## 19 Disciplinary Practice

Treat all personnel with dignity and respect; zero tolerance of corporal punishment, mental or physical abuse of personnel; no harsh or inhumane treatment.

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## 20 Working Hours

Compliance with laws & industry standards; normal work week, not including overtime, shall not exceed 48 hours; 1 day off following every 6 consecutive work days, with some exceptions; overtime is voluntary, not regular, not more than 12 hours per week; required overtime only if negotiated in CBA.

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## 21 Remuneration

Respect right of personnel to a living wage; all workers paid at least legal minimum wage; wages sufficient to meet basic needs & provide discretionary income; deductions not for disciplinary purposes, with some exceptions; wages and benefits clearly communicated to workers; paid in a convenient manner – cash or check form; overtime paid at premium rate; prohibited use of labour-only contracting, short-term contracts, false apprenticeship schemes to avoid legal obligations to personnel.

# Ethical standards

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## 22 Gift

DELES GROUP Code of Business Conduct restricts DELES GROUP employees from accepting gifts or favours from suppliers or prospective suppliers, and from using their status with DELES GROUP in order to obtain personal gain from those wishing to do business with DELES GROUP. There are limited exceptions to these restrictions for gifts of nominal value and customary hospitality or entertainment.

We ask that our Suppliers do not place our employees in the difficult position of having to refuse gifts or favours that would conflict with the DELES GROUP's Code of Conduct. Suppliers must not offer or provide gifts, entertainment, hospitality or favours to DELES GROUP employees to obtain favourable treatment from such DELES GROUP employees. However, gifts of nominal value, entertainment or hospitality may be offered or provided which are customary and proper in the circumstances, provided that no obligation could be, or be perceived to be, expected in connection with the gift, entertainment or hospitality.

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## 23 Environmental Commitment

DELES GROUP expects its Suppliers to conduct their businesses in a manner that preserves and protects the environment. To minimize or eliminate the negative impacts of their operations on the environment, Suppliers should endeavour to minimize waste, avoid excess packaging, use sustainable, non-toxic, recycled and recyclable materials where possible and promote energy efficiency. Suppliers that provide animal products should ensure that animals are treated following government and industry-accepted guidelines for humane treatment.

# Ethical standards

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## 24 Immigration / Legally Qualified to work

Suppliers shall ensure that all of their workers, whether employees or contractors are properly documented and legally qualified to work in the jurisdiction where such workers are providing services as required under local immigration, tax, and other related laws.

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## 25 Employment Practises of Suppliers

The procedures and policies of Suppliers should reflect the commitment of DELES GROUP to fair and reasonable labour and employment practices as well as diversity in the workplace. Suppliers are expected to comply with all local and applicable labour laws and employment standards, such as compensating workers in compliance with all applicable wage, benefit and employment standards laws and maintaining reasonable employee work hours and a safe and healthy workplace. Suppliers are also expected to make reasonable efforts to promote and achieve diversity in the workplace. DELES GROUP expects that Suppliers shall not inflict, threaten to inflict or permit corporal punishment or any other forms of physical, sexual, psychological or verbal abuse or harassment on any employees.

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# Ethical standards

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## 26 OHS (Occupational Health & Safety) & Hazard Prevention

Supplier shall identify, evaluate and manage occupational health and safety hazards through a prioritized process of hazard elimination, engineering and administrative controls. Supplier shall provide workers with appropriately maintained job-related protective equipment, and provide instructions and training on its proper use.

Provide a safe and healthy workplace; prevent potential occupational accidents; appoint a senior manager to ensure OSH (Occupational Safety & Health); instruction on OSH for all personnel; system to detect, avoid, and respond to risks; record all accidents; provide personal protection equipment and medical attention in event of work-related injury; remove, reduce risks to new and expectant mothers; hygiene- toilet, potable water, sanitary food storage; decent dormitories- clean, safe, meet basic needs; and worker right to remove from imminent danger.

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## 27 Emergency Preparedness

Supplier shall identify and assess potential emergency situations and develop and implement emergency plans and response procedures that minimize harm to life, environment and property.

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# Ethical standards

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## 28 Food & Product Safety

DELES GROUP employs best practices for the storage and distribution of food packaging products. The procedures of DELES GROUP' Suppliers for materials used in food contact packaging in regard to food safety, packaging and distribution should meet or exceed industry standards. All Suppliers, for both food and general merchandise products, should also meet or exceed standards for product safety applicable in their industry, including those established by applicable regulators and consumer standards associations. The safety of products provided by Suppliers should also be protected by adequate security measures at all stages of production, packaging, storage and distribution in order to prevent tampering or contamination.

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## 29 Product Recall Process

All products provided by Suppliers must be safe for their intended purpose, as applicable, by DELES GROUP's customers. Each Supplier is expected to have in place proper procedures to identify potentially harmful products and complete an appropriate product recall, whether voluntary or mandated, in accordance with applicable laws and industry practices. Such procedures should ensure clear and prompt communication regarding such products to consumers and DELES GROUP and the immediate removal of potentially harmful products from DELES GROUP's inventory.

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# Ethical standards

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## 30 Confidentiality

Suppliers may from time to time be provided with or have access to confidential business information, trade secrets, formulations, recipes, specifications or other sensitive information which belongs to DELES GROUP. Suppliers must keep all such information strictly confidential and shall only disclose it to those individuals within their own organizations with a need to have the information. Suppliers shall not disclose such information to any other party without the written permission of DELES GROUP.

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## 31 Application of Supplier Code of Conduct

This Code applies to all DELES GROUP Suppliers and should not be read in lieu of but in addition to the Supplier's obligations as set out in any agreements between DELES GROUP and/or its affiliates and the Supplier. In the event of a conflict between this Code of Conduct and an applicable agreement, the agreement shall govern. In addition, Suppliers shall ensure that all suppliers and subcontractors used by a Supplier to provide goods or services directly or indirectly to DELES GROUP also respect this Code. DELES GROUP reserves the right to take appropriate remedial action in the event a Supplier violates the Code.

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# Ethical standards

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## 32 Violations of this Code of Conduct

Any violation of this Code of Conduct may result in corrective action. The appropriate action in a particular case depends on the nature and severity of the Code violation and the circumstances surrounding the situation.

Failure to comply with this Code and/or any additional requirements set forth by DELES GROUP, or any applicable laws and regulations may result in the termination of any agreement as a DELES GROUP supplier and referral of the matter to local authorities.

If any Supplier becomes aware of any violation or potential violation of this policy, the Supplier should notify the DELES GROUP account representative or DELES GROUP Law Department.

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## Contacts

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