



DELTEX

Supplier Code of Conduct

October 2023

The DELTEX Supplier Code of Conduct is an obligatory component of all purchasing agreements. It is based on United Nations International Labour Organization's (ILO) principles*, the United Nations Guiding Principles on Business and Human Rights**, the OECD Guidelines for Multinational Enterprises*** as well as the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector****.

As a basic requirement for a business relationship with DELTEX, we expect from our business partners to observe these fundamental Principles for their direct and indirect partners, and to monitor and improve their social and environmental performance.

The following 11 principles must be implemented by our business partners within their supply chain:

1. Fair Management Practice

Fair management practices to employees affirms compliance and communication of ethical principles. It is necessary that all workers have written and binding employment contracts (written in the workers' languages) and no employment fees are claimed at any time.

Fair management practices must also be observed towards DELTEX. Transparency plays a significant role in this regard. Furthermore, bribery and corruption are not acceptable. Business partners and production sites must comply with the ILO's 'General Principles and Operational Guidelines for Fair Recruitment and Definition of Recruitment Fees and Related Costs'****.

2. Child Labour and Young Workers

Child labour is not permissible and is prohibited under the age of 15 (or 14 where this is permitted under national law in accordance with ILO Convention 138); national regulations for the protection of young workers (aged between 14-18) must be complied with. We expect that if any production site recruits probationary or apprentice workers at the workplace, that they are not engaged in unsupervised skilled work, and that they are given required technical and skills training to transform them to a skilled worker.

* <https://www.ilo.org/declaration/lang--en/index.htm>

** https://www.ohchr.org/documents/publications/guidingprinciplesbusinesshr_en.pdf

*** <https://www.oecd.org/corporate/mne/>

**** https://www.oecd-ilibrary.org/governance/oecd-due-diligence-guidance-for-responsible-supply-chains-in-the-garment-and-footwear-sector_9789264290587-en

***** https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---migrant/documents/publication/wcms_536755.pdf

3. Forced Labour

Labour carried out unwillingly under threat of punishment or without pay, or with the labourer's freedom of movement being restricted (e.g. prison labour) or documents withheld, is prohibited. Any forms of bonded, forced, slave or otherwise involuntary labour are forbidden.

4. Disciplinary Action

All employees must be treated with dignity and respect. No form of physical, psychological, sexual, or verbal abuse, or intimidation of any other kind, is permissible. If an employee raises a complaint based on the CoC and/or national law, this must not lead to any wage deduction or to any other disciplinary measures.

5. Discrimination, Sexual Harassment, and Gender-Based Violence

It must be ensured that all employees are treated in the same way and have the same opportunities. Infringements against this requirement for equal treatment due to origin, religion, gender, membership of labour organisations (including trade unions), political beliefs or sexual orientation, or based on other personal characteristics, are not permitted. Business partners are under an obligation to create an environment free from distress, or from such obstructions as threats or discrimination.

6. Working Hours

Working hours must comply with the national law or with industrial standards. On no account must the employee regularly be required to work more than 48 hours per week. Employees must work no more than 12 hours of overtime per week and there must be 1 day off. Overtime hours must be worked voluntarily and must not be demanded regularly. If the respected national law goes beyond these regulations, the stricter regulations must be applied. As denied by the ILO, the above mentioned maximum working hours per week may be exceeded in appropriate exceptional cases.

7. Wages and Compensation

The employer must pay the employee at least the legal or industrial minimum wage which is reached after the regular working hours (as agreed in the national or regional law). Employers must take care to ensure that the wages paid cover the employee's living expenses, while leaving the employee with some money at his or her disposal, if the legal wage is not sufficing for this. Employees must be provided with all services required by the local law. Recompense must be in accordance with the legal standard for all employees and must cover all overtime, including benefits. Employees must be made aware, in a readily comprehensible form, of how their pay is calculated (perks/deductions).

8. Occupational Health and Safety

The health and safety of the employee must not be endangered at work. The employer is under an obligation to provide a hygienic work environment and to implement processes for the avoidance of accidents and injuries at work. Work safety exercises must be carried out with the employees within the legal required period.

9. Freedom of Association and Collective Bargaining

Employees are entitled to join or start employee associations, including trade unions. The right of employees to collective bargaining must be recognised. Where national laws restrict workers' rights to freedom of association and collective bargaining, alternative opportunities for freedom of association and collective bargaining must be created.

10. Grievance Mechanism

All employees are entitled to notify any independent third party of any infringement against the CoC or applicable national law. Employees and stakeholders may address a complaint to DELTEX at any time by contacting info@deltex.de, +49 40 5353310 or using the DELTEX Grievance Form*. In addition, our business partners must provide grievance mechanisms that are confidential and available for investigation of complaints submitted. Staff must be regularly informed about the grievance mechanism. In the event of complaints that are proven to violate our principles, access to remedy and effective remediation must be ensured. In addition, our business partners must support our country-specific backup-mechanisms and promote them in the production facilities.

11. Environmental Protection

Business partners must ensure ongoing improvement in terms of environmental pollution. Environmental requirements must be observed in accordance with the law and with the requirements of the ZDHC (Zero Discharge of Hazardous Chemicals) Wastewater Guidelines. This especially relates to the use of hazardous chemicals, use of water and disposal of wastewater as well as greenhouse gas emissions.

* https://www.deltex.de/fileadmin/deltex/Dokumente/Grievance_Form_June_2020.pdf



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