

RESPONSIBLE PURCHASING

Code of Conduct
- Direct Suppliers of Leroy Merlin



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1. THE KEY ELEMENTS OF ADEO'S CULTURE

ADEO intends, through its 100,000 employees throughout the world, to "create, support and help all inhabitants fulfil their dreams of a better home, the world over".

It is crucial that this mission is performed in accordance with our **VALUES: TRUST, SHARING, RESPECT, PROXIMITY and the SPIRIT OF PERFORMANCE** which must accompany all behaviour and decisions.

We want the **HUMAN to be at the HEART** of our community of companies, which is expressed as "**usefulness to oneself, to others and to the world**". Everyone acts in our community, inter-dependently with others and the world, aware of and responsible for their impact:

- ▶ **useful to oneself** (oneself, one's teams, one's customers, one's company and one's results)
- ▶ **useful to others** (communities, partners, contributors and the other companies of Adeo)
- ▶ **useful to the world** (society and the environment)

The present Responsible Purchasing Code of Conduct demonstrates ADEO's intention to apply to all of its Suppliers (as defined below) the principles and values of the Group, bringing together these 3 levels of usefulness to develop a genuine **ETHICAL** behaviour (legal as well as moral) to ensure the health and **SAFETY** of persons in our environments.

2. TO WHOM DOES THE ADEO RESPONSIBLE PURCHASING CODE OF CONDUCT APPLY?



This ADEO Responsible Purchasing Code of Conduct applies to **all Suppliers**, as defined below, subject to any specific local legal conditions.

By "Supplier" or "Suppliers", we mean any natural person or legal entity directly supplying goods and/or commercial services to companies of the ADEO GROUP throughout the world, and any subcontractors and/or subsidiaries of rank 1 (hereafter "Supplier").

When the Responsible Purchasing Code of Conduct is more demanding than local laws or practices, I, the Supplier, undertake to comply with the present Code of Conduct, which must prevail.

Me, as the Supplier, I also undertake to sign the Responsible Purchasing Code of Conduct and to collaborate with the companies of ADEO to implement it and, if necessary, to take all appropriate corrective measures as part of a process of continuous improvement. Compliance with the principles of this Responsible Purchasing Code of Conduct is essential and decisive for the continuity of relationships between the companies of ADEO and its Suppliers and customers.

ADEO may modify the Responsible Purchasing Code of Conduct at any time, notably to respond appropriately to legislative developments or new situations.



3. THE COMMITMENTS OF ADEO

Our Suppliers play a key role in the growth and success of ADEO companies. It is also important to reiterate the commitments that we make to them.

3.1. Selection of Suppliers

Suppliers are selected according to an objective selection and purchasing process, which is equitable and based on defined criteria.

For calls for tenders which enable it, ADEO and its companies wish to promote social and environmental clauses which enhance actions in matters of corporate social responsibility by the Suppliers. Their non-selection is communicated to Suppliers which are not selected in a call for tenders.

3.2. Ethical behaviour of the ADEO community

ADEO has formalised the behaviour expected from its employees in the ADEO Responsible Ethical Code of Conduct. Composed of 7 commitments concerning gifts, invitations and travel; conflict of interest; non-discrimination and fighting against harassment; facilitation payments; relationships with suppliers and intermediaries; accounting control procedures and corporate patronage, sponsorship and lobbying, this code establishes the frame of reference for our employees, who must comply with it. This means that all decisions on the selection of our Suppliers are based on ethical principles and objective foundations such as qualifications, function, experience and performance.

3.3. Reduction in the risk of significant economic dependency

ADEO's purchasing teams and companies make sure that Suppliers are not in a state of significant economic dependency, which could endanger their activity, for example, by inviting them to constantly diversify their customers. Failing this, the Supplier takes action to exit from this situation, as soon as possible.

3.4. Confidentiality and intellectual property

ADEO and its companies undertake to keep confidential the technical, commercial and financial information that the Supplier wishes to protect and to respect the Supplier's intellectual property rights.

3.5. For better mutual efficiency

ADEO and its companies commit to better mutual efficiency with its Suppliers, in particular by taking care to improve coordination, to continuously improve its practices and to anticipate orders to Suppliers as early as possible in order to limit the risk of a sudden change in order volumes.



4. YOUR COMMITMENTS



4.1. SOCIAL PART

The approach of ADEO and its companies is based on compliance with and promotion of fundamental principles concerning human rights and working conditions, through the fight against child labour, forced labour and slavery, as well as by its commitment to numerous international directives on ethics, including those of the International Labour Organisation, the UN Universal Declaration of Human Rights and the European Convention on Human Rights.

Me, as the Supplier, I undertake to comply with, and have my subcontractors, suppliers and/or sister companies comply with, the fundamental principles relative to human rights and working conditions, and to be particularly vigilant concerning:

The prohibition on child labour

Consequently, me, as the Supplier, I must prohibit child labour according to the standard that is the most strict (applicable local legislation or convention 138 of the ILO).

Prohibition of all dangerous work

Consequently, me, as the Supplier, I must prohibit all dangerous work and all work at night for persons aged under 18.

Abolition of forced labour and human trafficking

Consequently, me, as the Supplier, I must:

- ▶ Refrain from any recourse to slavery, forced labour, servitude due to debt or unpaid prison labour, in all forms whatsoever, notably any work or service done involuntarily or provided by a person under threat of a penalty and/or without salary.
- ▶ Refrain from participating in human trafficking or hiring any victim of human trafficking and from refusing to return any original personal identification document of an employee the employee.
- ▶ Refrain from reducing freedom of movement (excluding local regulations) and from collecting deposits of money as prior conditions for hiring.

Trade union freedom and collective bargaining

Consequently, me, as the Supplier, I must respect the legal rights on association and collective bargaining without interference. If association and/or collective bargaining are limited by local legislation, alternative means of worker representation must be proposed, within the framework of what the law of the country authorizes.

Health and safety of workers

Consequently, me, as the Supplier, I must:

- ▶ Make sure of the health and safety of my employees,
- ▶ Respect their rights to health and safety at their place of work, as well as in any accommodation for workers that I finance.
- ▶ Respect minimum standards including access to potable water, the existence of sanitary equipment and appropriate individual protective equipment, prevention of accidents including fire, training on the health and safety of my employees and the designation of an appropriate person responsible for the management of health and safety.

Pay

Consequently, me, as the Supplier, I must mandatorily provide an information with calculated salary and employment contracts to my employees.

Working hours

Consequently, me, as the Supplier, I must mandatorily ensure that overtime is carried out voluntarily and I must provide one day of rest within each period of seven days of work.

4.2. BUSINESS ETHICS PART

Gifts, invitations and travel

Gifts, invitations and travel may influence independence of judgement in the context of business relationships, and independence in relation to our partners. The rule is not to offer anything to our employees in a personal capacity.

Consequently, me, as the Supplier, I must:

- ▶ Refrain from inviting an ADEO employee to a sporting or cultural event,
- ▶ Refrain from paying for an employee of ADEO to take travel that does not come within the context of his/her professional activity, unless ADEO pays these expenses, or that the collaborator has obtained an agreement from his manager according to the process ADEO,
- ▶ Not give any gift, whether this is money, material goods or services, with the exception of small promotional objects ("goodies"),
- ▶ Not accept any gifts from ADEO employees unless they clearly only have a symbolic value: advertising pens, USB drives, etc.
- ▶ For any meal, accept that everyone takes their share, or possibly, the collaborator of ADEO may (i) invite me by respecting his internal policies in the matter or (ii) I could invite him after prior approval of his manager.
- ▶ Refrain from soliciting, in exchange for goods, services or other, any advantage (commercial discount, equipment, etc.) which could influence my professional decision.

Conflict of interest

The supplier must be particularly vigilant to prevent or avoid any situation of conflict between his/her personal and professional interests. He/she must always act only in a professional interest in order not to harm the reputation of ADEO or that of its employees.

Consequently, me, as the Supplier, I must:

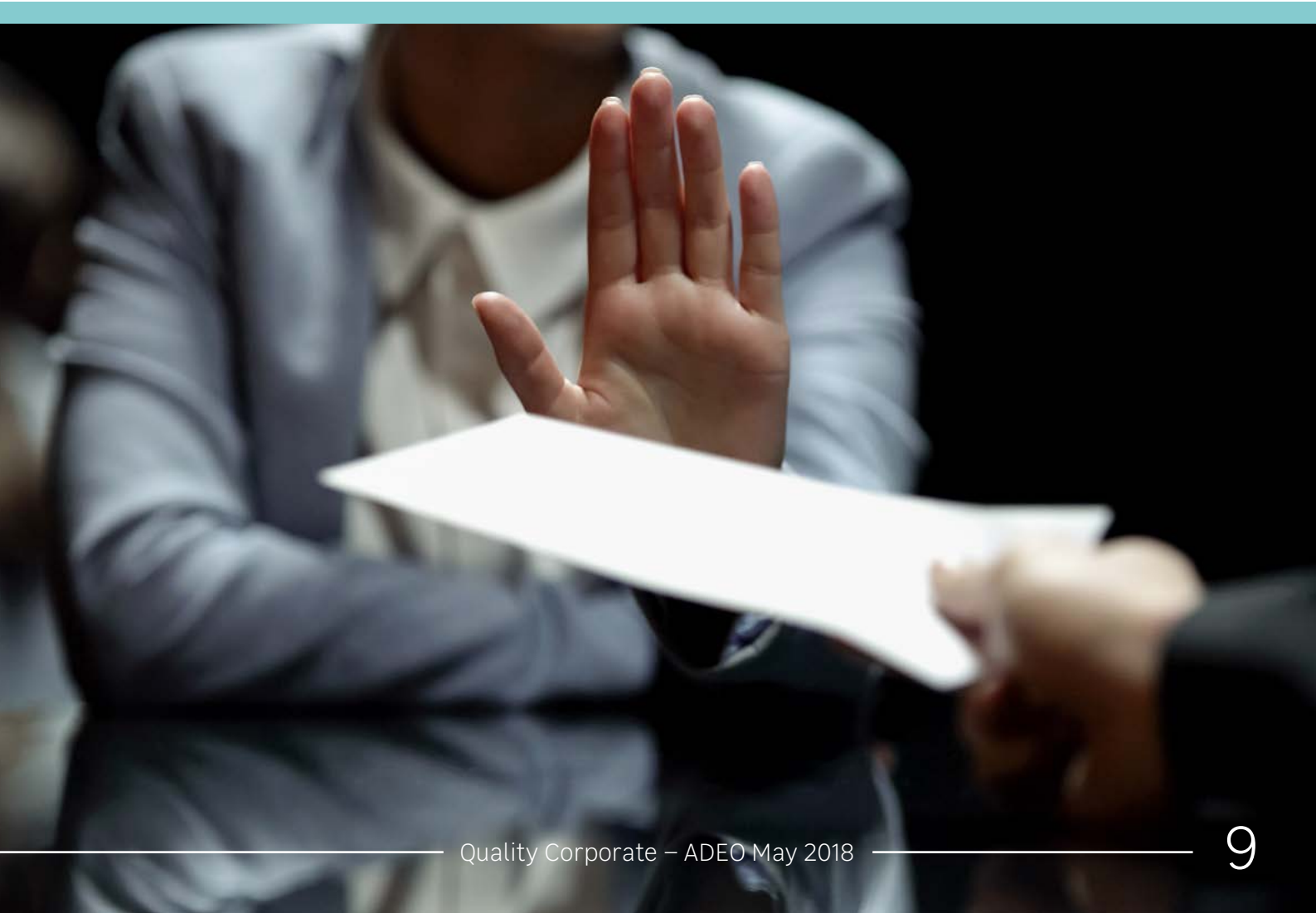
- ▶ Inform ADEO of any potential or confirmed situations of conflict of interest. ADEO will decide on any further action to take.
- ▶ Refrain from hiding from ADEO any situation of potential or confirmed conflict of interest.
- ▶ Refuse to participate in, supervise or influence any professional decision concerning a member of my family, a personal relationship or a person, employed by ADEO, with whom I may be financially committed.

Facilitation payments

Facilitation payments, meaning any sum of money or benefit in kind, such as a gift, even modest, paid as a personal benefit to civil servants or employees in the private or public sectors in order to ensure the implementation or acceleration of routine acts (transition through customs, buildings permits, etc.) are prohibited.

Consequently, me, as the Supplier, I must:

- ▶ Refuse any requests for facilitation payments,
- ▶ Refrain from offering, promising, granting or authorising, a facilitation payment to a private or public person, including to support a trade union or political organisation, at the local, regional or national levels.



Non-discrimination and the fight against harassment.

The respect due to each employee at his/her place of work is a key value of ADEO. Therefore, any form of harassment is strictly prohibited. Likewise, any discrimination, notably based on origin, sex, disablement, family situation, pregnancy, state of health, sexual orientation, age, political and philosophical opinions, trade-union activities, or the belonging or non-belonging, real or assumed, to an ethnic group, nation or religion, is prohibited.

ADEO fully adheres to international laws and agreements that combat these behaviours. Our collaborators come from all walks of life and ADEO considers diversity to be one of its greatest strengths.

Our decisions on recruitment, employment, training, remuneration, benefits and assignment of missions and promotions are based on objective foundations such as qualifications, function, experience and performance Collaborators.

Consequently, me, as the Supplier, I must:

- ▶ Fully comply with the laws and international agreements that fight this behaviour.
- ▶ Support and promote commitments in favour of a place of work that is free of any form of harassment or discrimination, both in my company and in my relationships with ADEO,
- ▶ Take care to maintain and promote a culture of mutual respect,
- ▶ Stop any behaviour if I am informed that it is undesirable.

Supplier relationships

All Suppliers of the first rank, and all intermediaries, must follow a process so that ADEO can be sure of their integrity.

Consequently, me, as the Supplier, I must:

- ▶ Respond to questionnaires sent and other requests for documents from ADEO,
- ▶ Respect contractual clauses applicable in the matter.

Accounting controls

All supplier shall ensure that procedures are in place to ensure that the accounting checks carried out are not used to mask facts of corruption or influence peddling.

Consequently, me, as the Supplier, I must:

- ▶ Make sure that all services and deliveries are defined with the greatest precision possible,
- ▶ Check that the financial counterpart is justified and proportionate to the nature and extent of the services and deliveries supplied,
- ▶ Comply with the applicable legal rules in traceability and keeping the accounts,
- ▶ Make sure that the contract chain is respected when making a payment. Thus, it is a single company that signs the contract with the company ADEO, issues the invoice, holds the bank account on which the transfer is made. All of these operations must take place in the same country.

Respect international sanctions

ADEO is subject to compliance with applicable laws and international regulations on the control of its imports and exports. ADEO oversees the legality of its commercial exchanges and must also make sure that its activities are carried out in full compliance with the economic and financial sanctions regimes imposed by the USA, the United Nations, the European Union and France.

Consequently, me, as the Supplier, I must comply with the laws and applicable regulations in matters of economic sanctions or embargoes, enacted, promulgated or imposed by the USA, the United Nations, the European Union and France.

4.3. ENVIRONMENTAL PART

By establishing the environmental constituent of the Responsible Purchasing Code of Conduct, ADEO and its companies undertake to act in a way that is more respectful of the environment, including all players concerned, from the initial design of products and packaging and during their entire life cycle, relating to several preservation issues: water, the air, climate change, soil, noise, biodiversity, raw materials and energy.

The objective is to develop a more positive impact of our activity, by:

- ▶ Limiting the consumption of natural non-renewable resources,
- ▶ Minimising environmental impacts and the risks for human health of ADEO products,
- ▶ Making a more sustainable environment, that uses less energy, available to the largest number of people.

By signing the environmental constituent of ADEO's Responsible Purchasing Code of Conduct, I, the supplier, **agree to identify and implement the measures necessary to reduce the potential impact of my activities on the environment and on human health.**

Raw materials, composition of products and energy

Consequently, me, as the Supplier, I must:

- ▶ Comply with ADEO's policy on wood (appendix 1), namely, supply to ADEO and its companies' trade products made of wood that are from responsible sources and, as a priority, certified as FSC or PEFC.
- ▶ Comply with ADEO's policy on dangerous substances, the aim of which is to restrict the exposure of our inhabitant customers to the most dangerous substances contained in products, and therefore improve the quality of air inside houses, by acting either on the composition of our products or the dissemination of information enabling these products to be used in a healthy manner.
- ▶ Take care to prefer raw materials: from renewable resources, not threatened with disappearance and/or certified (biological cotton, natural fibres,...); from recycled and/or recyclable sources if available, thus encouraging the circular economy; close to the places of manufacture, thus limiting the transport impact; for which the conditions of extraction respect the local populations and ecosystems.

Process of manufacturing, packaging and palletising

Take care to:

- ▶ Reduce the consumption of material to what is strictly necessary
- ▶ Optimise the use of water and energy consumed during the manufacturing process,
- ▶ Eliminate pollution caused by equipping sites with operational and efficient facilities for treating effluent,
- ▶ Reduce, reuse and recycle waste coming from the manufacturing process.
- ▶ Take care to follow the recommendations of ADEO's packaging policy (appendix 2).
- ▶ Take care to comply with basic requirements for palletising to ensure that all goods are palletised in such a way as to be loaded, unloaded, moved and stored in complete safety during all stages of transport and materials handling. These basics are repeated in the general and special conditions of sale governing the commercial relationship between the suppliers and the Business Units.

The use or purchase of renewable energy credits and the commitment of the factory to a process of ISO 14001 or EMAS certification will be differentiating elements taken into account in the assignment of contracts by ADEO.

Transporting products:

In order to reduce CO2 emissions related to transport me, as the Supplier, I can contribute to reducing the carbon footprint of ADEO's supply chain, by:

- ▶ Preferring multi-modal transport that least affects the climate: rail and river in priority to road. For the last kilometres, I prefer innovative modes of transport (electric, hybrid, Natural Gas for Vehicles,...)
- ▶ Optimising loading rates, while ensuring safe conditions of unloading.
- ▶ Preferring to assign freight carriage to carriers that have signed the Objective CO2 charter (reducing CO2 emissions by using a fleet of equipped vehicles and significantly reducing fuel consumption, training and responsibility of drivers,...), for french suppliers.

Use and ability to be repaired / after-sales service

The inappropriate use of certain products may cause danger for health and the environment, over-consumption of energy. The design, use and management of the service life of certain products has a significant impact on the environment.

Consequently, me, as the Supplier, I must:

- ▶ Explicitly, with the product, present usage and functioning conditions for optimal use and without risk for customers.
- ▶ Promote, as far as possible, the ability to be repaired, from the design of products, in order to extend their service life and fight programmed obsolescence.
- ▶ Communicate, to ADEO and its companies, the duration of availability of spare parts at the time of referencing, as well as all elements enabling our customers and employees to significantly increase the share of repaired products.

Detection and end of life:

Consequently, me, as the Supplier, I must:

- ▶ Provide the customer with explicit instructions for sorting and recycling the product at the end of life.
- ▶ Promote the reuse and recycling of products that have reached the end of their service lives to encourage the circular economy



4.4. QUALITY PART

Quality, which is the bedrock of trust, is naturally at the heart of ADEO's business project and of our constant concern for customer satisfaction. It is a powerful relay for our ambitions and an essential vector of our values and commitments.

By Quality, we mean a high level of safety and compliance of the product as well as a high level of satisfaction in usage, throughout the life-cycle of the product.

ADEO's Quality strategy is based on 8 pillars which form what we call "the ADEO Quality standard", which ensures alignment with the regulatory framework and our obligations.

To make our Quality strategy a success, we must share our Quality vision with the aim of convergence with our Suppliers, an inseparable and essential part of our ecosystem.

In this context, ADEO applies a quality assurance approach to:

- ▶ Implement, with the Supplier, the necessary conditions to ensure the total quality of products purchased, throughout their life-cycle,
- ▶ Challenge and empower the Supplier in controlling its quality process and its continuous-improvement approach,
- ▶ Structure and organise the management of Quality and its administration between ADEO and the Supplier,
- ▶ Develop convergence, proactive suggestions and innovation from the Supplier, particularly concerning the use of products.

Consequently, me, as the Supplier, I must follow and apply the "Supplier Quality Manual QUA_CORP_SOUR_S_3", the reference document which describes all of ADEO's Quality procedures and requirements. This manual lists the processes that will be implemented from the qualification of the factories in the sourcing phase up to the monitoring of production.

4.5. DATA COMPLIANCE PART

Beyond regulatory constraints and penalties, the protection of personal data must come under an ethical approach. ADEO wishes to strengthen its commitments in matters of processing, security and transfer of personal data because it is our ambition to build a long-term trusted relationship with our customer-inhabitants, partners and Suppliers.

Consequently, from the moment when I have to have access to the data of customer-inhabitants from ADEO and/or its employees, me, as the supplier, I must:

- ▶ Use the personal data of customer-inhabitants in accordance with the regulations in force, ethical principles and company values of ADEO and its subsidiaries.
- ▶ Communicate, clearly and beforehand, to customer-inhabitants, the practices related to the collection of personal data.
- ▶ Collect the clear and explicit consent of customer-inhabitants before any use of their personal data and be able to prove it, respecting the ADEO corporate data compliance rules.
- ▶ Guarantee the location of personal data in compliance with the laws and regulations applicable to me, and the ADEO corporate data compliance rules.
- ▶ Ensure optimal security of personal data.
- ▶ Set up periods for the retention of personal data that are appropriate to the uses that are defined and communicated.
- ▶ Comply with all of the rights attached to customer-inhabitants concerning the protection of personal data.
- ▶ Notify any loss or compromise of personal data within 24 hours.



5. MONITORING COMMITMENTS

5.1. Communication and information

I, the Supplier, undertake to communicate the present ADEO Responsible Purchasing Code of Conduct to all of my employees, my personnel and my subcontractors for immediate application.

Consequently, me, as the Supplier, I must provide information as soon as possible on the discovery of any breach to the rules of the Responsible Purchasing Code of Conduct that directly or indirectly concerns my relationship with ADEO and which could harm the reputation of ADEO.

5.2. Social and environmental audits

In order to ensure strict compliance, by its Suppliers, with the principles and criteria of the requirements of the present Responsible Purchasing Code of Conduct, ADEO and its companies may mandate its internal audit service or external and independent firms to conduct audits on the compliance of any site or facility of a Supplier, of any type whatsoever (production, administration, logistics, etc.), as well as any site or facility related to a Supplier (subcontractor, subsidiary, sub-supplier and/or sister company).

Consequently, me, as the Supplier, I must:


- ▶ Cooperate and facilitate the audit operations,
- ▶ Ensure access to production sites and all documents necessary to demonstrate the application and compliance of my actions with legal and regulatory requirements, as well as the provisions of the present Responsible Purchasing Code of Conduct.

Such an audit may lead to an audit report, which may be communicated to the Supplier at the sole discretion of ADEO and its companies.



6. PENALTIES AND CONSEQUENCES OF NON-COMPLIANCE WITH THE RESPONSIBLE PURCHASING CODE OF CONDUCT

The Supplier recognises that compliance with the principles stated in the present Responsible Purchasing Code of Conduct is an essential element of the commercial relationship with ADEO. Non-compliance with any provision of the present Charter may lead, in accordance with the provisions of the contract, to immediate corrective measures, or even, according to the gravity of the breaches and/or lack of corrective action plans, to the termination of the contract.



7. HOW TO REPORT CONDUCT OR A SITUATION CONTRARY TO THE RESPONSIBLE PURCHASING CODE OF CONDUCT?

In case of conduct or a situation that is contrary to the ADEO Responsible Purchasing Code of Conduct and in order to report this conduct or situation to ADEO, a secure alert channel is in place. This channel is a tool available to you, to help you to deal with situations that you would like to bring to our attention.

7.1. For whom?

The alert channel is for collecting reports of actions or behaviour that are contrary to the present ADEO Responsible Purchasing Code of Conduct reported by any Supplier. **The person originating the alert must act in good faith**, meaning without malice and without seeking any personal benefit. At the time of the alert, he/she must have elements that enable him/her to believe in the truth of what is reported.

In this regard, me, as the Supplier, I must inform my employees and any subcontractors of the existence of this alert channel.

7.2. How?

All alerts must be issued via the following channel:

- ▶ For Chinese suppliers:



- ▶ For Russian suppliers:



- ▶ For suppliers from other countries:



They will be dealt with, for all questions relative: to the business ethics issues, by the ADEO anti-corruption and/or HR coordinator; to the other issues by: the coordinator of Quality and CSR department.

7.3. Protection of the author of the alert

Confidentiality

The author of the alert will give his/her identity. In return, ADEO has taken all necessary measures to protect the identity of the author of an alert and the persons targeted by this alert. Investigations and reports arising from an alert will also be processed in complete confidentiality.

Protection of the author of the alert

The author of an alert made in good faith will be protected due to the facts denounced. Thus, he/she may not be sanctioned, dismissed or be the subject of any direct or indirect discriminatory measures even if the reported facts do not prove to be justified after investigation.



8. SIGNATURE



I, as the Supplier, hereby confirm:

- ▶ That I have received and fully read the present ADEO Responsible Purchasing Code of Conduct;
- ▶ That I support and undertake to comply with its principles and that not complying with them may be considered as a breach of my obligations likely to lead to the application of the penalties specified above;
- ▶ That I will inform my own suppliers and subcontractors of the present ADEO Responsible Purchasing Code of Conduct and that I will make sure that they comply with it.

Company Name:.....

Name and function of representative:

.....
.....

Signature

Signed at:.....

On:...../...../.....

Company stamp

9. APPENDIXES



Appendix 1. ADEO Wood Policy

ADEO * is committed to improve the habitat of the greatest number to facilitate the life of the Habitant, while respecting the environment. Aware of the environmental impact of its activities, ADEO has prioritized its issues and built a committed wood policy to best preserve natural resources, local communities and biodiversity.

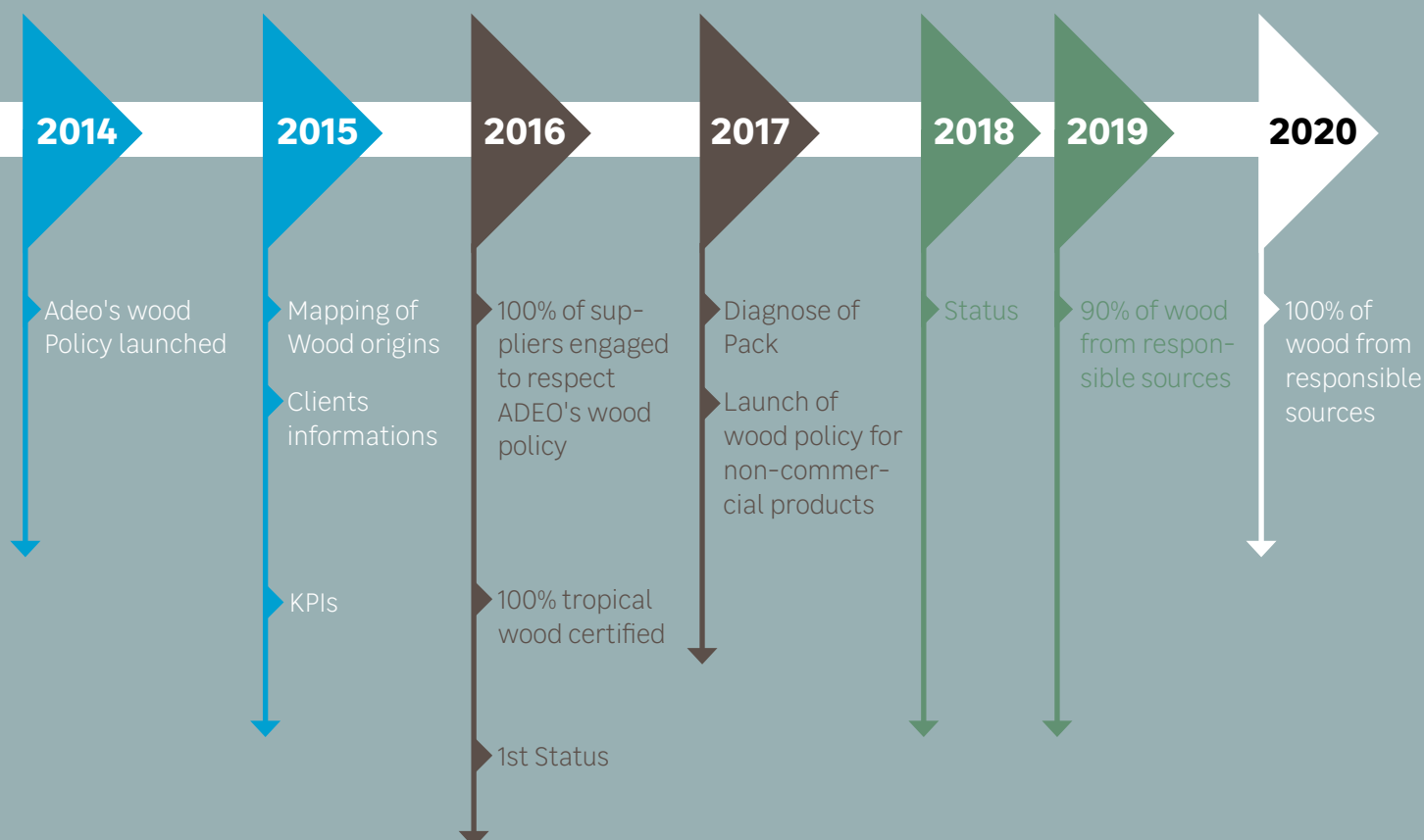
The ADEO wood policy is part of our responsible purchasing approach. ADEO companies and their suppliers (any entity directly supplying ADEO's goods and / or services to companies) agree to respect and enforce this wood policy throughout the supply chain. It covers all products containing wood fibers, purchased by ADEO companies (market and non-market products including packaging, paper, pallets, leaflets ...). This policy, which applies to all ADEO companies, concerns wood sourced from responsible sources, ie FSC or PEFC certified, or respecting the 6 criteria defined below.

I. ADEO Commitments

Each company, depending on its state of departure and its local context, defines its key stages and priorities with the following common and minimum objectives:

- ▶ In 2020, at ADEO, 100% of our products made of wood merchant products) will come from responsible sources, focusing on FSC or PEFC certified wood.
- ▶ On non-market products (pallets, packaging, paper, ...), ADEO is also committed to reduce its footprint on wood resources. By 2017, a diagnosis should have been made to define the priority actions to implement and objectives to achieve in the companies.
- ▶ From 2016, 100% of our suppliers are committed to respecting our wood policy.
- ▶ To encourage responsible consumption and facilitate customer choice, ADEO undertakes to provide the wood species used in the products, their precise origins and status (certifications, labels, etc.) upon request.
- ▶ ADEO works with expert organizations such as ..(TFT, FSC, PEFC, NEPCON, WWF ...).
- ▶ Local wood supply closer to the production site and consumption areas is favored in accordance with the wood policy, to encourage the local economy and reduce GHG emissions related to the transport of the product. This applies only if the wood policy principles are respected.

Our common steps



II. Supplier commitments

The supplier gets involved to respect ADEO wood policy and to provide products made of wood from responsible sources, that is to say: certified FSC or PEFC, if not, respecting 6 following criteria. These 6 principles apply **to the whole product life cycle**, from primary resources extractions to product's end of life:

LEGALITY OF THE WOOD

The supplier ensures compliance with applicable wood regulations, applicable in the country of sale and in the country of wood cutting. The placing on the market of illegally harvested timber or timber products derived from this timber is prohibited.

In addition, the supplier puts in place a management system to ensure the traceability of its wood supply and must be able to identify the traceability of the incoming and outgoing wood products, throughout the supply chain, notably by keeping purchase invoices and delivery notes.

RIGHT OF LOCAL POPULATIONS

Signatory to the Code of Conduct Responsible Purchases ADEO, the supplier undertakes to respect the social responsibility aspect and especially the rights and fundamental principles of human rights. The supplier undertakes that the exploitation of the wood resource is not carried out in violation of the rights of the local populations, closed to the forest.

PROTECTION OF THREATENED & PROTECTED SPECIES

The supplier agrees not to use any wood products listed in CITES Appendix 1 and to strictly adhere to the supply rules for products listed in Annexes 2 and 3 (more details: <https://www.cites.org/fra/app/index.php>).

Given the specific stakes on tropical timber, each referenced product containing tropical wood must be FSC or PEFC certified.

Know

Guarantee

Evaluate

Measure

PRESERVATION OF ECOSYSTEMS & BIODIVERSITY

In order to preserve biodiversity, the supplier undertakes that the wood cannot come from a remarkable or protected site: like a "high conservation value forest" or high conservation value (more details : <https://www.hcvnetwork.org/>)

PRESERVATION OF THE INTEGRITY OF SOIL & WATER

The supplier ensures that neither soils nor water are disturbed, in particular by prohibiting the use of GMOs.

LOW EMISSION OF GREENHOUSE GASES

The supplier undertakes to reduce its GHG emissions from its activities (improvement of energy efficiency, using less impacting or alternative energy sources, CO2 balance, etc.)

III. Follow up of policy

ADEO asks its suppliers for information to trace its wood products and in particular the species used, the wood material types, the origins as well as the evidence demonstrating the responsible and legal nature of the source. All the documents needed will be listed into the Wood SOP.

The supplier undertakes to trace and collect all the information and certification documents necessary to justify the origin of the sources used and to communicate them on request to ADEO or a service provider mandated by ADEO.

The supplier undertakes to set up a procedure for archiving transaction proof documents and to provide them upon request. These documents should be kept for 10 years. This point can be checked during qualification audits.

ADEO reserves the right to conduct field verification actions to ensure the supplier's commitments are met.

As part of the contractual relationship, ADEO will support its suppliers in a process of continuous improvement. However, in the event that the evidence of compliance with this wood policy is not sufficient for the conclusion of a negligible risk of responsible sourcing following a risk analysis, ADEO will ask the supplier to immediately implement corrective actions, in particular the possibility of carrying out an on-site audit, taking samples of product for testing (DNA for example). The cost of these corrective actions will be paid by the supplier.

Failing to comply with its request, ADEO will reconsider its commercial relationship with the supplier, and in case of serious breach may terminate the relationship.

Appendix 2. ADEO Packing & packaging policy- EN-V05

The ambition of ADEO group in terms of packing is to put on the market packing and packaging which guarantee an impact (on environment, safety, health) as low as possible by insuring the protection of the products and optimizing the packing cost on the whole supply chains.

1. CONFORMITY WITH LEGISLATION

The packing and packaging have to meet the legal requirements and standards in the countries in which the product is distributed (included European directive 94/62 EC, especially heavy metal test), and compliancy with requirements of REACH Regulation (n°1907/2006, in particular Article 33). The technical documents and proof of compliance must be provided for the products distributed by ADEO.

2. ENVIRONMENT, SAFETY, HEALTH

The following points have to be respected concerning the components, packing concept and suppliers.

2.1. Component/material

Packagings easy to recycle and with a low impact on safety/health

- ▶ To preferably use a material with a recycling process or at least a valorization process in the countries where products are sold
- ▶ To use more cardboard (renewable material, with large and well known recycling industry). Use recycled fiber cardboard, if really necessary to use virgin cardboard for resistant reason, the fibers must provide from certified forest.
- ▶ To limit the use of plastic material (from fossil energy : sorting and recycling industries are unevenly structured or inexistent for some plastic materials or in some countries)
- ▶ If you need to use plastic, limit at the maximum the use of PVC by using other material (as PET for blister, PE or PP for bags). Limit the use of plastic windows on cardboard boxes : preferably using pictures printed on packaging or windows without plastic sheet. If not, use PET and not PVC. Use recycled plastic material if possible.
- ▶ To not use biomaterial (PLA, starch, sugarcane) because at this time, there are end of life problems for this material and not enough industries to valorize it.
- ▶ To banish the use of metal staples (including for transport packing) and metal straps
- ▶ To use mono-component or material easy to separate (for customer, employee in store and warehouse) for the sorting and recycling
- ▶ To use as often as possible ink and varnish with the less harmful substances as possible.

Packaging weights reduced (sales unit + transport packing) without reducing the quality required:

- ▶ To adjust the size of the packaging to the size of the product
- ▶ To adjust the thickness of materials
- ▶ To adjust the weight of packing (optimization must be done for sales unit packing + transport packing.)
- ▶ To study the possibility to dismantle (partially or totally) the product (transport volume optimization). Do not forget to add assembly instructions for the customer.
- ▶ To study the possibility to reuse (really) the sales unit packaging

Markings to help our customer for sorting

- ▶ To add material packing signs/logos to facilitate the recognition of material (within limits : do not print or add a sticker on the packing only to add the sign/logo if the packing (cardboard or bag) have no other printing or marking.)
- ▶ To print on the artwork the ADEO multilingual sorting informations with « Triman logo » if there is enough space on the packaging.

Our target is no packing, packaging as often as possible. The less, the best.

2.2. suppliers:

To favour suppliers who manage the tracability of raw material, with certification which is not challenged by any reliable well-known organism

3. SOCIAL

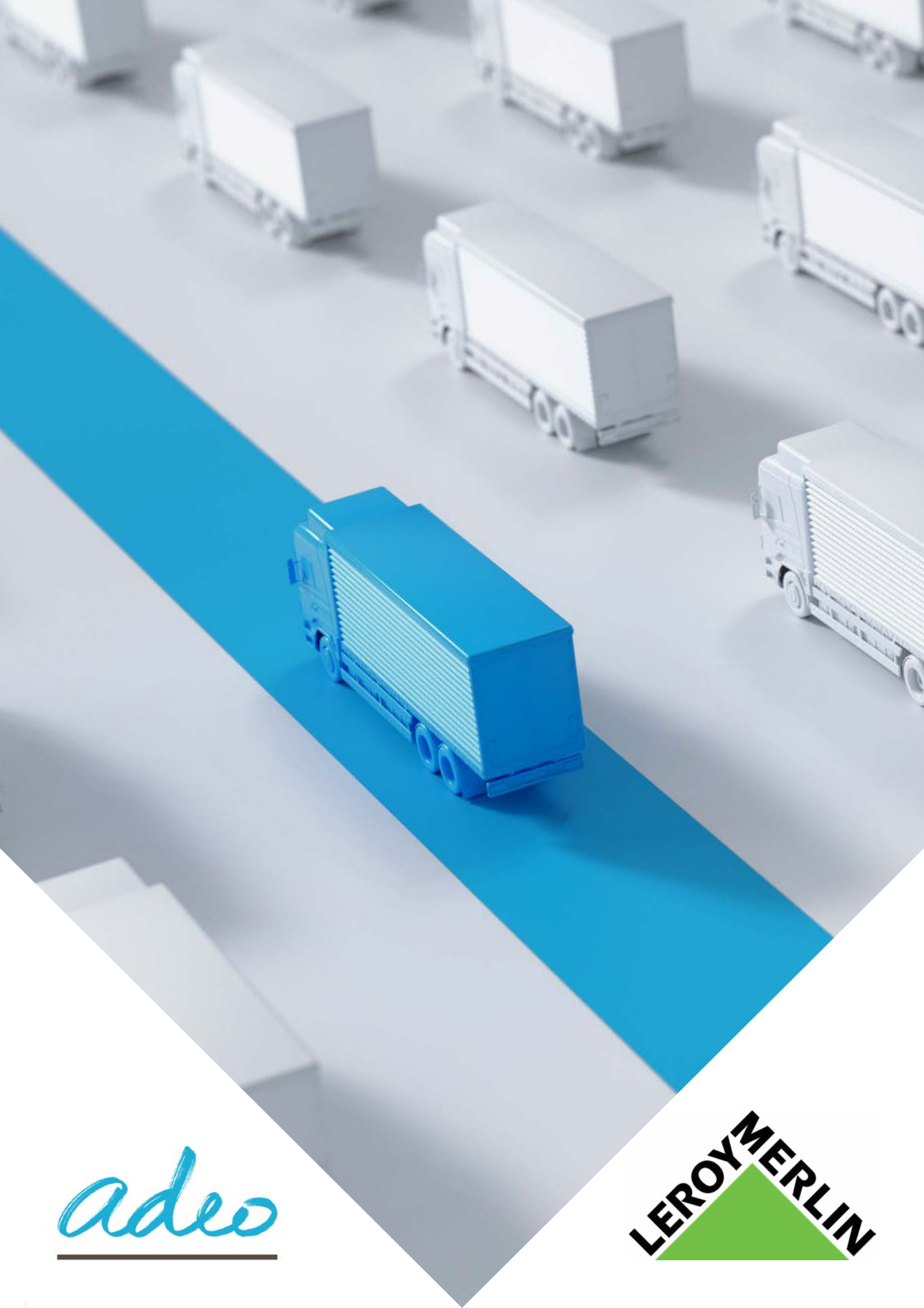
For working conditions (for raw material suppliers, transformers (printers, vaccum pack suppliers), packers...), please refer to ADEO social charter.

3.1. To respect the transport packing maximum weight (recommended by GS1 and ECR)

- ▶ for the transport packing which gather several products : 25 kg maximum
- ▶ for display or cutcase which gather several products, use a palett if weight > 18kg

3.2. To respect the markings on sales unit packaging and transport packing:

- ▶ to use the marking from norm ISO 780-2015, in particular for pallet stacking and fragile products. To apply transport marking linked to products and countries in which products are distributed.
- ▶ To use recommandations from GS1 for barcodes
- ▶ for products > to 8kg or voluminous : we recommand to put a barcode on several sides of sales unit packaging and use the magnification factor between 150 and 200% for barcode.
- ▶ for products > 25kg : we recommend to indicate the gross weight and logo which recommand to be carried by 2 people



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