SUSTAINABILT REPORT 2018

elete

CTF-690

DELETE BUSINESS OVERVIEW

Delete is one of the leading environmental full-service providers in the Nordic countries. The Group offers business-critical services that require specialist competences and specialised equipment through three business segments: Industrial Cleaning Services, Demolition Services, and Recycling Services.

Delete aspires to be the most trusted brand in environmental services. Delete's mission is to create a cleaner environment by helping our customers prevent and delete their problems in a sustainable way.

DELETE IN BRIEF

- Delete was formed in 2010 through the merger of Toivonen Yhtiöt and Tehoc and was acquired by the Nordic-based private equity investor Axcel in 2013.
- Since 2011, Delete has made 34 acquisitions within the industrial cleaning and demolition segments.
- The Company offers services in three business areas: Industrial Cleaning, Demolition Services, and Recycling Services.
- Delete's largest customers are industrial and construction companies, property developers and the public sector.
- The Company is headquartered in Helsinki and employs c. 1,000 professionals at over 30 locations in Finland and Sweden.



INDUSTRIAL CLEANING SERVICES

The Industrial Cleaning Services segment consists of a comprehensive industrial services offering as well as property services, such as high-power vacuuming and blowing services, industrial shutdown and maintenance, high pressure flushing for sewers and well emptying, industrial cleaning, sewer and process video inspections, blast cleaning services and washing and cleaning of facades.

Most of the revenue is related to ongoing plant cleaning, shutdown maintenance cleaning, as well as sewage services. The Group provides services of all sizes, from entire factories down to the smallest cleaning jobs on a production line. Delete has an extensive network of operative sites covering Finland and Sweden.

The key value proposition to customers in the Industrial Cleaning Services segment includes capabilities and scale to handle highly complex maintenance shutdowns on schedule, secure and fast response time to minimise costly process interruptions, and ability to offer precautionary services to minimise downtime and services that can be carried out even while the plant is in full operation.

DEMOLITION SERVICES

Demolition is one of the core competences of Delete. The Group has acquired knowledge and skills over several years to successfully complete very complex heavy demolition projects. The services offered in the segment also include renovation demolition inside buildings, removal of asbestos and other hazardous substances as well as hydro demolition and water jet cutting. Demolition targets include buildings of all kinds and even ships.

Delete can calculate the carbon footprint (emissions) of the demolition work for projects it executes. The produced report supports the customers' sustainability strategy and shows the value of different materials. With an effective reutilization process, it is possible to avoid the use of virgin materials.

The key value proposition to Demolition Services' customers includes, inter alia, one-stop shop solutions including excellent project management, ability to handle all kinds of projects from entire industrial plant demolition to small and agile demolitions, optimisation of environmental sustainability as well as health and safety issues, and the entire process of material handling either in Delete's recycling facilities or with a chain of qualified subcontractors.



EU WASTE HIERARCHY



RECYCLING SERVICES

Delete serves its customers at all stages of material processing: in reuse, recycling and reutilisation. The Group has six recycling stations in Helsinki, Tampere, Espoo and Pori, covering well-growing urban areas where a significant share of the Finnish population lives and produces waste. The Recycling Services plants receive, re-use, recycle and process all construction, demolition, industrial and mixed waste in an efficient, sustainable and environmentally friendly manner.

All of Delete's recycling facilities accept solid materials. Additionally, the facilities in Juvanmalmi (Espoo) and Rusko (Tampere) accept liquid waste, such as port and ship/vessel bilge water and liquids from construction sites.

In its Recycling Services, the Group strives to meet the highest level of the EU Waste Hierarchy. Waste management aims primarily to re-use, after that recycling and waste to energy use.

The Group manufactures a product called DeleKivi® from concrete and brick waste

obtained mainly from demolition. The end product is suitable for a variety of civil engineering and infrastructure projects.

The mixed construction materials such as metals and plastics are sorted and sold onwards to be re-used or recycled as materials for new products. This helps to avoid the use of virgin materials.

A part of the sorted and processed high quality mixed material is processed into recovered fuel (REF) and delivered onwards for waste-to-energy purposes. As a result, REF is used as a fuel for district heating and electricity production as well as to produce process steam for industrial use.

The circular economy has been identified as the future of material handling. Delete continuously investigates and develops its material handling and sorting processes to meet even higher re-use and recycling rates. The Group's reutilisation rate (re-use, recycling and waste to energy use) in 2018 was approximately 99.4%.

MANAGEMENT OF CORPORATE RESPONSIBILITY IN DELETE

The Delete way

We at Delete are not afraid of hard work or getting our hands dirty. We make clean out of dirty, safe out of dangerous and reusable resources out of waste. We demolish the old to make way for the new.

We understand our customers' needs. We keep our word, do what we promise and attend to our customers' concerns professionally and efficiently. We care about our shared environment as much as we care about each other, our customers and those close to us – we feel that everyone should be able to get home from work safe and sound.

We know our responsibilities and take them into consideration – we operate according to laws and requirements with hign quality expectations. We develop sustainably and continuously through good leadership.

Corporate Responsibility Program

To develop and manage its operations in a sustainable way, Delete has introduced a Corporate Responsibility Programme covering the four most important areas of sustainability: Responsible business, Responsibility for people, Responsibility for the environment, Sustainable supply chain. The programme is described on the next page. The Corporate Responsibility Programme sets the KPI's for all central areas of sustainability (Appendix 1). The Corporate Responsibility Programme is supported by the Code of Conduct.

Delete is also committed to the United Nations Global Compact (www.unglobalcompact.org) in the areas of human rights, labour rights, environment protection and anti-corruption. Our Corporate Responsibility Programme reflects the ten Principles of the UN Global Compact.

Delete's operations are guided by our strategy and values. Our management system has been designed and certified to meet the requirements of the ISO 9001 & 14001 (Quality and Environment) and OHSAS 18001 (Occupational Safety) standards.

Management of corporate social responsibility is part of daily operations. Also dedicated resources of the group level CSR steering team work to implement the Corporate Responsibility Programme and develop, manage and report the sustainability.

Code of Conduct

The Delete Code of Conduct sets out the Delete way of operating in a sustainable way. The Code of Conduct is followed by several detailed policies, principles and guidelines (Appendix 2).

The Code of Conduct is a clear set of standards for Delete's business conduct, including all Global Compact Principles. The Code provides the ethical and behavioural framework on which the Group bases its decisions every day, as well as the expectations on its suppliers. The Code of Conduct, amongst other things, regulates anticorruption, corporate ethics, hospitality, and environmental and occupational safety.

Delete's management team and line organisation managers oversee that the Code of Conduct and its

principles, policies and guidelines are implemented. The Code is continuously being communicated within the organisation and new employees receive training on the Code of Conduct.

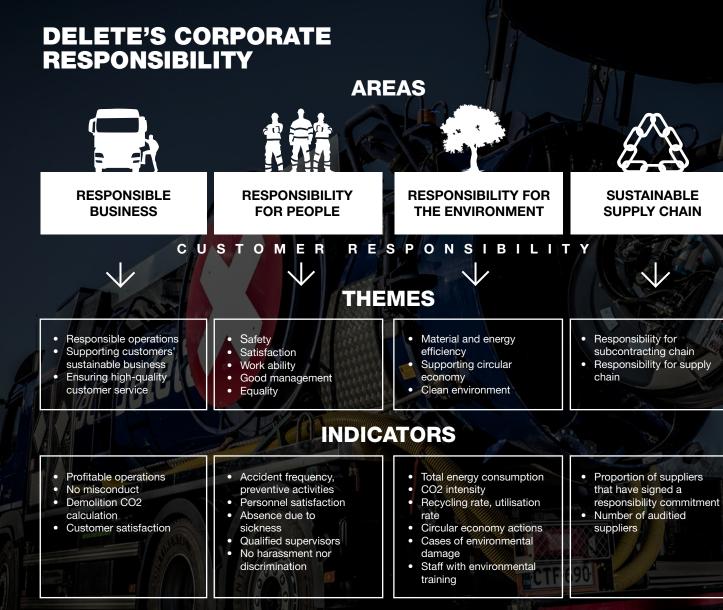
Compliance with the Code of Conduct is monitored through regular management reviews and through Delete's Whistle Blow reporting system. The system enables the development, sharing and implementation of preventive actions across all units.

No incidents of violations of the Code of Conduct have been reported to the Group Management during the year 2018.

Risk management

In the area of corporate responsibility, major risks relate to occupational and environmental accidents. The risks are managed through continuous evaluation, planning, governance and control process related to personnel, property and business including sustainability with the objective of preventing or minimising the impact of risks. Delete follows a yearly risk management evaluation run by the group management and reviewed by the Board. The evaluation includes, amongst others, risks related to corporate social responsibility.

The yearly evaluation sets the high level risks and mitigation plans for the business, which are implemented and followed up by the management teams. However, daily risk management evaluation and mitigation is done on the operating level supported by the management team guidance.



BENEFITS FOR OUR INVESTORS

Delete works continuously to improve the core areas of sustainable environment. The work supports Delete's strategy and profitability and helps Delete's investors and customers in their efforts for sustainability.



RESPONSIBLE BUSINESS

Responsibility is a vital part of all Delete operations. We utilise operating principles promoting responsible business methods and expect all those working for Delete to comply with them. We believe that the significance of responsibility will grow even further in all business. We are actively searching for opportunities to support our customers by creating services whose value is substantially based on responsibility and sustainable development. We are developing our own operations according to the principles of continuous improvement.

Our goal is to be the best provider of environmental services in the Nordics and the preferred partner and provider of environmental services of our customers. We offer our customers a comprehensive and reliable partnership. By taking care of our sustainability and profitability, we ensure the continuous development of our operations.

Operating principles

Our operating principles concern all the activities of all Delete companies. They include respect for the law, environment, ethics and fair competition. It is important for us to grow and develop the Group's business responsibly in the long term. Our Code of Conduct also guides our daily activities and covers compliance with generally approved ethical practices and legislation. It also creates trust among employees, customers, suppliers, subcontractors, investors, shareholders and other stakeholders.

Delete operations are certified in accordance with the ISO quality and environmental standards and OHSAS safety management system standards. Delete possesses RALA qualifications in Finland

> and is included in the Reliable Partner programme. These acknowledgements ensure that Delete is financially sound, tends to its social responsibilities and the information required by the Finnish Act on the Contractor's Obligations and Liability when Work is Contracted Out, and possesses the necessary technical skills and resources.

Our operating principles create the foundation for the responsible and sustainable development and management of our operations. The operating principles are derived from Delete's values and operational policy, but the foundation is created by valid legislation, decrees and regulations as well as customers' safety instructions and related rules. The guidelines related to our operating principles describe the functioning of the processes and specify the related responsibilities. The operating manual describes how we have arranged our quality, occupational health and safety and environmental matters. In addition, we use our operating principles to take a stand on anti-corruption actions and anti-trust legislation, questions of human rights, and behaviour culture at the workplace.

Anti-Corruption commitment, activities and performance

Delete's operating principles, manifest in everything we do, include respect for the legislation in force and the environment, ethics and fair competition.

Delete has implemented fair competition guidelines and does not participate in any corruption, bribery or extortion. Fair competition is one of Delete's key operating principles. This applies to all the Group's behaviour in respect of its competitors and customers as well as activities in industry associations. Delete actively follows and observes the changing laws and regulations in the field. To further enhance the awareness of anticorruption and fair competition, Delete has at the beginning of 2019 launched a training programme focused on these matters.

OUR GOAL IS TO BE THE BEST PROVIDER OF ENVIRONMENTAL SERVICES IN THE NORDICS

Delete complies with all legislation and regulations concerning its activities in all respects, such as competition legislation, regulations on corporate governance and employment, environmental and occupational health and safety legislation. Delete is committed to fighting against illegal activities.

Delete and its employees and others acting on behalf of the Group may not offer, give or accept bribes or other illegal payments. Business partners and representatives of the authorities may not be offered any inappropriate financial benefits to promote Delete's business activity or other Group interests.

Delete works systematically to strengthen business ethics, including the Global Compact's Principle 10. The Group's ethical guidelines and Whistle Blow system support correct behaviour if an employee should face an ethical dilemma.

No incidents of violations of the Anti-corruption principle have been reported to the Group Management during 2018.

Taxes/taxation

In 2018, the Group paid 3,376 million Euros of income taxes.

Employment effects

In 2018, Delete employed on average 757 persons in Finland, 227 in Sweden and several hundred seasonal workers. Our skilled personnel that wants to serve our customers in the best possible way is one of our strengths and the key to success.



Customer satisfaction and reputation

Our customer can rest assured that the risk and environmental impacts of our services have been minimised and are constantly monitored. The competence of our personnel plays a key role in developing responsible business and improving customer satisfaction. To the customers, Delete is a trusted and a proactive partner in environmental services. To ensure this, we have an on-going customer satisfactory evaluation and NPS measuring. They both are strong key performance indicators for Delete's success in taking good care of our customers. In 2018, the satisfactory evaluation score reached a high value of 4.23 (on a scale from 1 to 5), and NPS the level of 50 (on a scale from -100 to 100), both of which we can be proud of. The evaluation has been in progress since 2016.

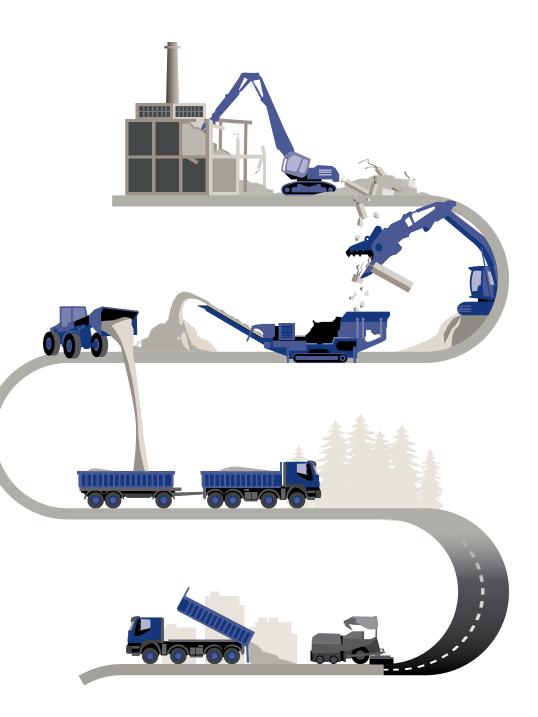
The carbon footprint calculator serves customer needs

To serve our customers' needs we can measure the climate impacts of reutilisation for each demolition site and the waste generated there, i.e. the carbon footprint of the demolition site. Carbon footprint calculation is carried out with a carbon footprint calculator that was developed by Delete for demolition work and that is based on the EN 15804:2012 Sustainability of construction works standard, which is part of the CEN/TC 350 family of standards.

The carbon footprint calculator was developed to meet the growing need of organisations to pay attention to responsibility and environmental aspects. The calculator not only reveals the most low-emission working methods but also encourages our employees to work in an environmentally friendly manner.

The carbon footprint calculator enables us to implement sustainable development and to provide explicit information to support our customers' sustainable development and environmental strategies.

The calculation includes emission and waste reports. The emission report includes the calculation of energy consumption, fuel, transport of equipment to the demolition site, emissions resulting from the transport and treatment of construction waste, along with emissions avoided through the recycling or energy use of materials. The waste report includes different classes of waste and their delivery locations.





RESPONSIBILITY FOR PEOPLE

Our goal is to have the best experts in the field working at Delete. We support the development of competence and encourage individual self-development.

Occupational health and safety commitment and standards

We have identified Delete personnel as the key asset in our business and in being successful. The work that we do in Delete is hard and also exposed to occupational accidents. To manage the risks related to personnel, we invest in a lot of working hours and resources to ensure the best possible working environment and safety for our personnel.

Occupational safety is an integral part of Delete's activities as a part of instructional leadership. We are committed to an objective of zero accidents and pay particular attention to safety management by our potential subcontractors. The focus of our occupational safety is on preventive actions, i.e. risks and hazards are to be eliminated in advance where possible. We require that all our employees pass the standardized safety training. Further the site specific safety trainings and qualifications set high standard for safe work.

Delete has HSEQ and HR organisations both in Finland and in Sweden. The HSEQ organisations are working to develop and support the processes for occupational health and safety. The HR organisations oversee the occupational health care system and the support for early intervention and well-being at work. These all aim to secure a good working environment or Delete's personnel.

The One Delete HSEQ system improves occupational health and safety and aims to identify risks and reduce the number of accidents and sickness.

Delete uses Sherpa, a tool for reporting, planning, monitoring and follow-up of corrective and preventive measures on occupational safety matters. The system also allows the monitoring of statistics and performance on all organisational levels.

Delete is well known for its work safety and is also recognised by its clients. Delete Finland Oy was awarded by Metsä Fibre as the safest service provider 2018.

Despite the strong efforts towards work safety at Delete, the group level LWIF was 16.1 for 2018 with the goal of 12. Even though missing the target, there was positive development in many areas. In 2019, we will focus on work safety even more than before. For example, the dedicated safety teams will put more effort into strengthening the safety culture. Also the safety reward program will be developed and renewed to better support the preventive safety work.

Management of People

People are the core of Delete. Without our high level experts Delete could not offer high quality services. We in Delete strive to manage and motivate our people in daily work to gain great enthusiasm and satisfaction.

The basis of the people management is stated in Delete's HR policy that refers to the operating principles. The principles comply with Delete's values: Entrepreneurialism, Efficiency, Know-how, Respect and Responsibility.

The HR policy, practical management and leadership must support each other and comply with the guidelines of the HR policy. Legislation, collective labour agreements, OHS regulations and other obligations are followed in all of Delete's activities without compromise.

Delete's management team and the HR Directors are responsible for the content and development of the HR policy. Supervisors are responsible for the practical implementation of the HR policy. All employees are responsible for acting in accordance with the HR policy.

Delete actively supports the Universal Declaration of Human Rights. Delete respects Human Rights within

12 its sphere of influence and operates all its businesses in a transparent and trustworthy way.

Delete works systematically to strengthen its business ethics, including Global Compact Principles 1–2, and anchors and follows up the Delete Code of Conduct. The Group follows an equality plan and works in a sustainable manner to ensure equal treatment and gender equality in the Group and in the areas of businesses within which the Group works. A revised version of Delete's Equality Plan was launched in January 2018 and implemented during the first half of the year.

Delete has not been subject to any investigations, legal proceedings or incidents involving Human Rights violations. No incidents of violations of the Human Rights principles have been reported to the Group Management.

Responsible employer and employment, labour standards: commitment, activities and performance

Delete respects the rights of its employees and operates its business with safe and attractive working conditions. The Group respects the freedom of association and collective bargaining and has zero tolerance for forced labour, child labour or discrimination.

Delete's operations are certified according to the ISO (Quality management systems) and to the OHSAS standards (Occupational health and safety management systems). The ISO and OHSAS are important tools in the Group's efforts to continuously enhance quality and working environment standards throughout the Group.

No incidents of violations of labour rights principles have been reported to the Group Management during 2018.



13 Delete Equality Plan: commitment, activities and performance

Delete considers equality as a basic right for each person. Each person is equal to another at work. We operate our business according to Delete Equality Plan. The plan contains actions to prevent discrimination of any kind and supports equality at work. The plan is updated every second year. The current version was launched in 2018. The plan is communicated and fully accessible to personnel on Delete's intranet pages. To enhance the implementation of the Equality plan, Delete has started equality workshop discussions with employees at the beginning of 2019 to increase the awareness of equality and respect.

The equality plan contains instructions on recruiting, hiring, leadership, education and personnel planning, which aim to support equality.

The equality plan between genders is made according to the equality law. The law aims to prevent discrimination between genders and advances equality in work. The equality plan is supported by a separate policy for the prevention of discrimination and harassment, which contains instructions and actions on discrimination and harassment cases.

Equality is evaluated in the company each year as part of the Delete Pulssi personnel satisfaction questionnaire and every second year as a separate questionnaire. The plan is updated according to the feedback received. No equality discrimination cases have been reported during 2018.

Personnel training, education and well-being

To enhance the well-being, Delete offers extended occupational health care to its personnel. The



5,7% ABSENCE DUE TO SICKNESS PERCENT % PREVIOUS YEAR 5,9



extended occupational health care supports personnel with possible occupational accidents and ensures the best possible care and support for returning to work. We have also invested in preventative work in occupational health care and support sports in many different ways to improve the well-being of our personnel and to prevent any work-related sicknesses in advance.

To support the development of competence and skills, Delete offers several trainings and educations to its personnel.

Comprehensive introduction training is the key training for new Delete employees. The training includes organisation introduction, work environment, tools and methods.

Other key trainings are: Work Safety, Environment Safety and Delete internal e-learning for safety, work methods and equipment training.

To support the high quality of supervision, Delete has offered annual supervisor training since 2014. A revised supervisor training in Finland was introduced in 2017 to support the education and training of the whole Delete personnel. The proportion of trained supervisors in 2018 is 43.2%. In 2019 the education will start in Sweden.

Delete Pulssi – measuring personnel well-being

Delete Pulssi is a yearly satisfaction questionnaire for Delete personnel. With Delete Pulssi we make sure our personnel are satisfied and feel the well-being at work is at the level they expect.

The questionnaire covers topics such as well-being, recommendations, work atmosphere, company development, work safety and overall score. The overall score for 2018 was high, being 5.4 on a scale of 1–7.

Data protection

To comply with the EU General Data Protection Regulation we defined our business processes and the handling of personal data in various stages of the processes.

We also defined our procedures concerning potential personal data breaches. Our data protection guidelines and privacy statements were updated to comply with the GDPR. Further we arranged GDPR training for our personnel. There were no reported breaches of privacy or losses of data at Delete in 2018.



RESPONSIBILITY FOR THE ENVIRONMENT

The protection of the environment is one of Delete's essential principles. Delete acts sustainably, using natural resources responsibly and continuously improving its standard of environmental protection. The focus on environmental work is on preventive actions, i.e. possible environmental risks and hazards are to be eliminated in advance where possible.

Policies regarding the environment are implemented through comprehensive environmental training and set of policies and instructions that guide our personnel's every-day work.

Delete works systematically to strengthen business ethics, including Global Compact's Principles 7–9. The Group has chosen environmental KPI's to follow in fuel and energy consumption and CO2 emissions. In accordance with the principles of continuous improvement, it is our goal to constantly develop the quality of our environmental protection.

Creating a safety-oriented and environmentally-friendly mindset and activating functions that aim to achieve a working environment that respects the environment and is safe and healthy is also our communicative objective. We work with an attitude where our aim is to create an atmosphere in which environmental matters and safety are always taken seriously.





Paying attention to the environment is an integral part of the activities of everyone working at Delete sites. In our operations, environmental responsibility means that environmental matters are always taken seriously. An operating method that respects the environment also provides significant added value for our customers. Knowing the environmental impact and legislation related to our work and adhering to the requirements are fundamental to environmental management. Delete uses an HSEQ system compliant with the ISO 14001 environmental management standard. System is an important tool to continuously enhance Delete's environmental performance.

357_{MWh/M€}

TOTAL ENERGY

CONSUMPTION

INTENSITY

In 2018, we launched the Environment Card Training to all Delete personnel and trained 276 employees during 2018.

No severe environmental accidents were reported in 2018. However, some odour reports were made related to the Rusko recycling site. Delete took immediate actions to correct the situation.

Environmental activities and performance

Delete recognises that its operations have a negative impact on the environment such as CO2 emissions, fuel and water consumption, noise, odour, and dust emission to the immediate surroundings. The Group constantly works to minimise these effects.

The One Delete HSEQ system (ISO 14001) ensures we meet our stakeholders' environmental expectations, and work to improve the energy efficiency of our own and the customer's processes.

As special actions taken in 2018 to minimise the impact, we have decided to start using only bio-based fuel in Sölvesborg and also other locations when possible. Sölvesborg is our biggest IC unit in Sweden and the biggest unit when it comes to fuel consumption. We also provide preventative driving education to our personnel to reduce fuel consumption and to promote safe driving methods.

As a part of Delete's environmental programme, the Group calculates selected heavy demolition sites' carbon footprint to see how much CO2 emissions can be avoided by the reutilisation of the dismantled materials instead of using raw materials.



DELETE SKIPUP - AN INNOVATION TO PROTECT THE ENVIRONMENT AND SAFETY



Delete has developed a new skip organiser that enables replacing a full skip with an empty skip while the full skip is being lifted on top of the lorry

for transport. This innovation makes on-site logistics up to 50 per cent more efficient, thereby enabling emissions to be cut by half. In addition, the need for space required for storing the skips is significantly reduced.

Increased occupational safety and optimised use of space

Demolition and construction sites struggle with a lack of space. Crowded areas are also an occupational safety matter. The skip transport system brings help to this situation. It is easier to change skips in a rapid cycle, the number of skips required at a site decreases when only one skip for each material is needed. Thanks to the skip organiser, sites have more room for other operations and uninterrupted sorting can be achieved. In addition, the number of vehicles visiting the sites is also cut in half, increasing safety at the site significantly.

On-site logistics' carbon footprint cut in half

The carbon footprint of the transportation vehicles can be cut in half by reduced transports. Changing the skip is effortless thanks to the skip organiser and, within the weight limits, up to two times of waste that takes up a lot of space can be carried in a single transport. This naturally influences the volume of used fuel as the number of kilometres travelled is decreased.

Minimising the environmental impact is the most important point of the skip organiser. The fact that lorries can carry an empty skip along with a full skip improves the on-site logistics and reduces emissions as the number of transports decreases. Sites do not have to be without an empty skip at any point, so to speak. The transportation volume is also increased, he adds.

The skip organiser is particularly suitable for the purposes of material recycling at construction sites. The skip organiser also makes it easier for logistics companies to use the space reserved for skips, thanks to the system, in which up to three skips can be stacked for the duration of storage. This increases the efficiency of the area reserved for skips and decreases the required area.

The innovation has been patented: FI20175337, WO2017182719, FIU20184036, FI20185453, FI20185456, FI20185455.

TRAILER

2nd PLACE CATEGORY BODY

NEW AND IMPROVED WASTE MANAGEMENT SYSTEM TO MINIMISE THE ENVIRONMENTAL IMPACT

The Rusko waste management facility in Tampere has gone through extensive improvements during 2018 and the work will continue in 2019. We have invested several million euros to enhance our waste processing with new facilities that are designed and made mostly in Finland.

The new and improved waste management meets the demands for more effective waste sorting for better reutilisation and recycling. This is a positive improvement on the EU waste hierarchy. The next phase of the improvements are one new large building and two expansions of existing buildings. The building process has started in late 2018 and all construction work will be ready by spring 2019. With the new indoor space, we can handle and store waste inside and further limit the environmental impacts.

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Delete Recycling services are a part of Delete's innovation work and cooperation is close. With this teamwork we expect to have great innovations in the future.

WATER PURIFICATION AT SÖLVESBORG SITE

Delete water purification is the solution to the problem of all the hazardous sludge that cannot be disposed of, but must be taken care of, after cleaning the boilers.

The method separates sand and combustion residues and purifies the water of heavy metals. Customers who can benefit from the method do not have to invest in long-term storage tanks or spend time, effort and money on getting rid of the contaminated water. In the purification process, we use both flocculation and precipitating agents. Prior to each effort, we check which contaminants are relevant to the season and the location. In this way we can optimise the cleaning technique against bonding of zinc, nickel, copper, cadmium or mercury.

The Delete method means that the dry landfill waste becomes considerably less and cheaper to handle, while the water can be so clean that it can go directly to the customers' own or municipal wastewater treatment plant. It is also possible to clean it further using our ultrafiltration machine.



SUSTAINABLE SUPPLY CHAIN

The Delete Supplier Code of Conduct is followed up through audits. Delete continuously reviews and audits its suppliers against the Supplier Code of Conduct. Delete requires that its suppliers comply with the Code. The Code covers the UN Global Compact principles of human rights, labour rights, environment protection and anti-corruption and Delete requirements for quality and safety. The supplier audits have been continued over the year to ensure compliance with the Code.

Delete has identified the typical risks within the branch concerning rented labour and subcontracting and monitors the issue on a regular basis. The risk management is based on on-going audits and evaluations of the subcontractors. Delete ensures that all rented labour employees are introduced to the work according to Delete's own method.

Delete has the same high demands for subcontracting companies at Delete work sites as we have for ourselves. We audit our main subcontractors yearly and organise subcontractor education that focuses on responsibility matters, especially environmental issues and working methods. The number of audited suppliers is 25.

The subcontractor audits are also a significant means to actively and critically observe the subcontractor chain companies' policies. During 2016 and 2017, Delete has renewed its subcontracting contracts and started the Delete yearly subcontractor training seminars. The trainings cover, amongst other things, themes on safety working methods, quality, fair competition and ethics.





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APPENDIX 2. POLICIES GUIDING DELETE'S CORPORATE SOCIAL RESPONSIBILITY WORK THEMES AND POLICIES

Delete's sustainability work is guided by Code of Conduct setting out the ethics of operations. Code of Conduct is supported by several policies and quidelines.

Responsibility for people

Policies

- Delete Group Code of Conduct
- HR policy
- Induction instructions
- Development discussions
- Personnel and training plan
- · Equality plan
- Harassment, bullying and emotional abuse
- One Delete -handbook
- GDPR guidelines

Responsibility for the Environment

Policies

- Delete Group Code of Conduct
- Environmental policy
- · Waste treatment instructions
- Waste movement documentation
- Environmental review
- One Delete -handbook

Responsible business and supply chain

Policies

- Delete Group Code of Conduct
- Supplier Code of Conduct
- Competition Law Instructions
- Delete Group Internal Audit Policy
- Delete Group Internal Control Policy
- Delete Group Disclosure Policy
- Delete Group Insider Guidelines
- Delete Group Remuneration policy

Responsibility KPI score card

Delete's responsibility work is closely monitored with the following meters set for each area. We have chosen these metrics carefully to meet the industry standards and our own strategy.

Responsible business and Sustainable supply chain

Compliance of Code of Conduct No reported cases of violations of Code of Conduct during 2018

Audited suppliers is the total number of audited suppliers.

Responsibility for people

Accident frequency LWI rolling 12 months is calculated with LWI accidents per million working hours that are reported with Sherpa.

Absence due to sickness is calculated from working days absent / number of staff x theoretical regular working time in days x 100.

Proportion of supervisors trained with Delete's own training is a percentage of trained supervisors versus all supervisors.

Personnel satisfaction is measured by a yearly satisfactory questionnaire Pulssi for all Delete personnel.

Responsibility for the environment

Total energy consumption is all used energy calculated together as MWh.

CO² intensity is carbon dioxide emissions in tons, calculated from energy consumption / turnover Meur.

Total energy consumption intensity is the total energy consumption/ turnover Meur.

Reutilization rate is the proportion of re-used and recycled waste calculated from out-going waste from Delete facilities.

Number of staff with environmental training is the proportion of personnel with environmental training (in Finland meaning Environmental Safety Card).

KPI	GROUP LEVEL SCORE 2018
Responsible Business	
Reported cases (violations of Code of Conduct)	0
Audited suppliers	25
Responsibility for People	
Accident frequency LWI rolling 12 months	16,1
Absence due to sickness	5,73
Proportion of supervisors trained (Delete's training)	32 %
Personnel satisfaction	5,4
Responsibility for the Environment	
Total energy consumption	73281 MWh
CO2 intensity	96 / Meur
Total energy consumption intensity	357 MWH
Reutilization rate	99,40%
Number of staff with environmental training	276 employees (28 %)