



DUE DILIGENCE ASSESSMENT

According to Norwegian Transparency Act

DELTA ELECTRONICS (NORWAY) AS

2024

Background

The Norwegian Transparency Act mandates that organizations conduct and disclose due diligence to ensure responsible business practices and transparency within their operations, suppliers and supply chain. This requirement is designed to promote accountability, particularly concerning human rights and decent working conditions, and ethical standards throughout the supply chain. By publishing the due diligence report, the Company demonstrate its commitment to these principles, providing stakeholders with clear insights into the efforts to uphold integrity and sustainability in the Company's business activities.

About the Company

Delta Electronics (Norway) AS (*hereby referred to as **Delta Norway** or **the Company***) is a power electronics specialist with 50 years of experience located in Terminalen 12, 3414 Lierstranda in Norway. The Company is a medium sized with 151 employees in the Delta Group with appr. 81 500 employees. It is 100 percent owned by Delta International Holding Limited B.V. and the ultimate parent company is Delta Electronics Inc. (*hereby referred to as **Delta Group***), a listed company in Taiwan.

Delta Group, as a parent of Delta Norway, shall comply with international labour practices and standards of human rights including the United Nations (UN) Global Compact, the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the Organization for Economic Co-operation and Development Guidelines for Multinational Enterprises, the SA8000 Standard of Social Accountability International (SAI), the Code of Conduct of Responsible Business Alliance (RBA), Declaration of Human Rights, International Labour Organization Tripartite Declaration of Principles (ILO MNE Declaration) and any other applicable labour or employment laws and international standards. Delta Group is a frequent recipient of international awards and related recognition for innovation, design, and continuous dedication to ESG (environmental, social, governance).



Delta Group and Delta Norway develop and market power systems and solutions for mission critical applications for telecommunications and datacentres, and for the power utilities, railway & metro, and marine & offshore industries.

Delta Norway is a company that takes sustainable business practices seriously. The goal is to positively influence the respect for human rights, ethical trade, and sustainable production processes, both within the Company and through its business partners. The Company strive for maintaining sustainable business practices through due diligence assessments.

Anchoring accountability

To anchor accountability, responsibility, and establish internal competence, the requirements in the Transparency Act have been presented to the Board of Directors. Further, Delta Norway's management team is involved in the risk assessments with corresponding action plans connected to the Transparency Act.

In the event of a human rights violation, this will be reported directly to Delta Norway Management Team and Delta Group Management Team, in accordance with the company's reporting lines.

Due Diligence Assessments in the supply chain

As preparation for the EU directive Corporate Sustainability Due Diligence Directive (CSDDD), the environmental aspects have been included in the assessments done for the supply chain (direct and indirect influence). Delta Norway's ESG team has involved purchasing staff across the organization and together colleagues have carried out the due diligence assessments of Delta Norway's suppliers. The OECD Due Diligence Guidance framework has been applied in this analysis.

Local purchases in Delta Norway are made through the sales organization in Norway (products from own manufacturers and deliveries from sub-contractors), as well as through the region-wide purchasing department (Delta production globally, components, office supplies and furniture), and the IT department (software and hardware for office personnel).

Results of assessments

Delta Norway currently engages with 473 suppliers. Following the evaluation, 131 of these have been identified as either major suppliers, operating within or sourcing from regions classified as



high-risk, or presenting elevated risk due to the nature of the materials or services provided. Despite the application of the evaluation criteria, the volume of suppliers remains substantial. Consequently, Delta Norway have determined that prioritizing engagement with Delta's internal sister companies offers a more strategic approach, enabling Delta Norway to leverage these relationships to extend the Company's influence further along the supply chain.

The "High Risk List" published on www.anskaffelser.no has been utilized as a reference point in assessing supplier risk levels. It is commonly observed that the intersection of specific products or materials and the geographic regions from which they are sourced can pose risks related to human rights violations. Such risks may include forced labour and excessive overtime, inadequate wages, occupational health and safety concerns, and the infringement of trade union rights. Of particular concern are risk areas involving child labour, exploitation in conflict-affected regions, and adverse impacts on the environment and local communities.

As outlined in the Delta ESG-report, Delta Group, as a manufacturer of electronic products, is linked to several areas of concern. These include:

- Conflict minerals
- Chemicals
- Technology components
- Metals such as steel, copper, and aluminum
- Batteries

These product categories are known to be associated with complex and often opaque supply chains, where risks to human rights, environmental sustainability, and ethical sourcing are particularly pronounced.

Geographical risk assessments have been conducted using a range of reputable sources. To evaluate the various dimensions of Delta Norway's risk analysis, the following references have been utilized:

- **Human Rights:** *Countries and Territories – Freedom House* ([Countries and Territories | Freedom House](https://freedomhouse.org/countries))
- **Decent Working Conditions:** *ITUC Global Rights Index* (<https://www.ituc-csi.org/global-rights-index>)
- **Environmental Performance:** *Environmental Performance Index* (<https://epi.yale.edu/measure/2024/EPI>)
- **Anti-Corruption:** *Transparency International – Corruption Perceptions Index* (<https://www.transparency.org/en/cpi/2024>)



These sources provide a comprehensive foundation for assessing country-level risks related to human rights, labor conditions, environmental sustainability, and governance integrity.

In addition, Delta Norway's risk assessment—encompassing its global supply chain—has identified several key areas of concern. A primary issue is the working and employment conditions at the level of subcontractors, suppliers, and manufacturers. These conditions are critical indicators of potential human rights violations and social sustainability risks within the supply chain, and therefore remain a central focus of the Company's due diligence efforts.

Status

In the past year, Delta Norway initiated several activities aimed at strengthening awareness and understanding of human rights within the company's supply chain.

- Training sessions and awareness initiatives related to human rights and the Norwegian Transparency Act were conducted for buyers and purchasers, who have also been actively involved in the supplier evaluation process.
- Delta Norway have consistently advocated for further emphasis on human rights at the corporate level, particularly in the context of Delta Supplier Code of Conduct.
- The supplier audit framework has been updated to incorporate key human rights considerations. Delta Group has a company-wide digital platform for supplier evaluation, which presents further opportunities for enhancing due diligence.
- An annual supplier survey is conducted by Delta Group to review several aspects of ESG, and among these, the human rights in the supply chain.
- The ESG and Quality department has been responsible for monitoring key suppliers to Delta Norway. The standard audit questionnaire for key suppliers has been updated and adjusted according to the requirements of the Transparency Act.

To date, no human rights breaches have been identified through Delta Norway's current due diligence processes.

Like many multinational corporations, Delta Group operates through multiple organizational levels and regions, each overseeing the supply chain from distinct perspectives such as culture, national legislation, and demographics. This complexity reduces the visibility available to individual legal entities and limits their level of control—especially as the distance between purchaser and supplier increases. The more tiers there are in the supply chain and the greater the separation between the



material supplier and the end user, the harder it becomes to monitor and influence human rights conditions effectively.

Measures

Based on the findings outlined above, as well as the status of actions planned in the previous year, Delta Norway will prioritize the following initiatives next year:

- Propose the integration of human rights considerations into supplier ESG training programs at the corporate level.
- Incorporate targeted questions related to human rights within the Delta Supplier Portal to enhance due diligence.
- Train purchasers and buyers in Norway in using the Delta Supplier Portal.
- Update Delta Corporate for upcoming obligations under the Corporate Sustainability Due Diligence Directive (CSDDD) and the Norwegian Transparency Act.
- Consult with Delta Corporate to clarify standard procedures for addressing deviations or non-compliance identified within the supply chain.
- Strengthen Delta's Supplier Code of Conduct to further align with human rights requirements as defined by the CSDDD and the Transparency Act.

Implementation of the above-mentioned measures involves contribution from different resources. Despite the importance, some of the measures will take longer than desired. To ensure continuous focus on this significant subject, a project with key personnel will be established to ensure progress on this topic for Delta Norway.

Period

1st of January to 31st of December 2024.

Reference to other Due Diligence

Delta Due Diligence Report on Human Rights and Modern Slavery 2023 was published in august 2024 and can be found here:

[https://filecenter.deltaww.com/about/download/esg/2023 Human Rights Due Diligence Report and Modern Slavery Statement.pdf](https://filecenter.deltaww.com/about/download/esg/2023%20Human%20Rights%20Due%20Diligence%20Report%20and%20Modern%20Slavery%20Statement.pdf)

The updated version for 2024 will be available in August 2025.



Reporting and publication of information

The financial report is handled by Delta Norway, whereas the ESG-report is published by Delta Corporate; https://filecenter.deltaww.com/about/download/2023_Delta_ESG_Report_EN.pdf

As a result of the EU Omnibus Package, Delta EMEA will begin reporting in accordance with the EU's Corporate Sustainability Reporting Directive (CSRD) starting in the fiscal year 2027. This reporting will include Delta Norway within its scope.

Delta Norway is working to establish an anonymous whistleblower channel for EMEA region, which can be used by its employees or any other contractors/companies acting on behalf of Delta Norway. As per now, an e-mail can be sent to HR.GRIEVANCE.EMEA@deltaww.com.

For questions about the Company's commitment to human rights, fair labour conditions, and related impacts on its operations and partnerships, the link below can be used.

<https://forms.office.com/r/1VXfRjsAsG>

Delta Electronics (Norway) AS

Drammen, 30th of June 2025

Peter Herbert Hofstetter
Managing Director

Kelvin Yen-Wen Huang
Chairman of the Board

Dalip Kumar Sharma
Board Member

Chiu-Hua Hao
Board Member

Hilde Steira
Board Member

Aina Therese Erstad
Board Member



APPENDIX

Relevant policies and documents

Delta Supplier Code of Conduct

Delta Corporate Social Responsibility Best Practice Principles

Delta Group Human Rights and Employment Policy

Delta Conflict Minerals Policy

Delta Group Non-Discrimination and Anti-Harassment Policy

Delta Group Environmental Safety and Health Policies

Delta Group Product Carbon Footprint Strategies

Water Resources Policy

Delta Electronics Norway AS risk assessment related to Transparency Act

Delta ESG report 2023