

Sustainable action in the supply chain

Establishing sustainable, transparent supply chains is one of the biggest challenges of our generation. As an international distribution company, we link together global supply chains and see it as our responsibility to impart knowledge and create transparency. This is especially true now because of the German Supply Chain Sourcing Obligations Act (*Lieferkettensorgfaltspflichtengesetz*, or LkSG), which came into effect in Germany on July 16 of last year (2021).

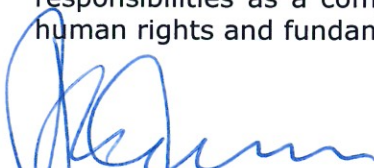
The Supply Chain Due Diligence Act obliges companies to identify, prevent, reduce and/or end any negative consequences of their business activities. This applies to violations of human rights – such as child labor or the exploitation of workers – as well as ecological considerations. As of January 1, 2023, companies that staff more than 3,000 employees will need to provide evidence of their compliance with the Supply Chain Act to the German government (or BAFA, the German Federal Office for Economic Affairs and Export Control). As of January 1, 2024, this obligation will also apply to companies with 1,000 or more employees.

Because of Nordmann's current staffing levels, the LkSG regulations do not apply at this time. As the situation is now, they will also not apply 2024. Nonetheless, as a distribution company we have a sense of responsibility toward our customers, suppliers and society that we take very seriously – and we view the collective responsibility for due diligence as a great opportunity. The Nordmann team takes a proactive role in creating sustainable supply chains to safeguard not only our own competitiveness but also that of our suppliers and customers. At Nordmann, we operate according to the principle of the German Honorable Merchant and to Hanseatic values, only working with reliable suppliers and business partners.

We strive continually to maintain reliable records of the suppliers and service providers we work with so that we can assess the risks associated with each individual supply chain and then define targets and/or any necessary measures of change. Initiating our own audits on manufacturers of sensitive products or in high-risk regions has been a Nordmann standard for years and we have already implemented a large number of improvement measures as a result.

Our company is also involved in sustainability programs such as EcoVadis's "Together for Sustainability" and Responsible Care, and we carry ISCC Plus and ISO 50001 certification – in addition to others.

As a family-owned company with a long tradition, Nordmann has always been aware of its social, environmental and economic responsibilities. Our principles of conduct are outlined in the Nordmann Code of Conduct and describe how we perceive our ethical and legal responsibilities as a company. They include, among other things, respect for international human rights and fundamental employee rights.



Dr. Gerd Bergmann

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