



OUR  
RESPONSIBILITY

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2015 CR REPORT



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## NORMA GROUP

NORMA Group is a global market and technology leader in the area of engineered joining technology. The company manufactures and sells a wide range of innovative joining solutions in three product categories – Clamp, Connect and Fluid – and serves more than 10,000 customers in 100 countries by offering over 35,000 high-quality products and solutions. Joining products from NORMA Group are used in many different industries and end products, including vehicles, ships, trains, aircraft, household appliances, engines and water lines, but also in the pharmaceutical and biotechnology industries. From its headquarters in Maintal, near Frankfurt, NORMA Group manages a global network consisting of 22 manufacturing facilities and numerous sales offices in Europe, North, Central and South America and the Asia-Pacific region.

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Corporate responsibility must be lived by every employee of NORMA Group. Our management has therefore implemented a long-term Corporate Responsibility Strategy for all of our sites and employees.

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# NORMA Group at a Glance

Reconciling the impact of our business activities with the expectations of society is a key element of our Corporate Responsibility.

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## Group and Business Activities

NORMA Group is a global market and technology leader for engineered joining technology. With its 22 production sites and numerous sales offices, the Group has a global network through which it supplies more than 10,000 customers in more than 100 countries. NORMA Group's product portfolio includes around 35,000 high-quality joining products and technologies for use in water management. The products and solutions that NORMA Group offers are used in a wide variety of industries, whereby the product specifications differ depending on the application and the customer's requirements. These joining products are used in vehicles, ships and aircraft, water management as well as in the production facilities of the pharmaceutical and biotechnology industries. NORMA Group helps its customers and business partners to respond to global challenges such as climate change and the increasing scarcity of resources.

More than  
**10,000**  
customers in 100  
countries of the world

## Two Complementary Distribution Channels

NORMA Group supplies its customers via two distribution channels:

- Engineered Joining Technology – EJT and
- Distribution Services – DS

The two distribution channels differ in terms of the degree of specification of the products, but overlap when it comes to production and development. This allows for cost savings to be generated and for quality to be guaranteed.

The area of EJT includes sophisticated joining technology tailored to the individual needs of customers and is particularly characterised by close development partnerships with OEMs (Original Equipment Manufacturers). Here, the central development departments and local developers (resident engineers) at NORMA Group work together with the customer during several years of project phases in order to develop solutions to specific industrial challenges. Due to the constant customer proximity in the area of EJT, the engineers at NORMA Group gain comprehensive knowledge and an understanding of the various challenges of their end markets and customers. These development collaborations result in high-tech products, which are designed in such a way that they not only meet the demands of customers in terms of efficiency and performance, but also take aspects such as weight reduction and short installation times into account. They thus generate clear added value for our customers and contribute to their economic success. EJT contributed 61 percent to Group sales in the reporting year 2015.

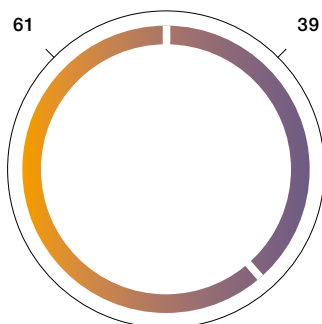
In the area of Distribution Services (DS), NORMA Group markets a broad portfolio of high-quality, standardised brand products. Here, the company uses not only its own global network of distributors, but also multipliers such as sales representatives, distributors and importers. Its customers include distributors, wholesalers, OEM customers in the aftermarket segment, DIY stores and small application industries. The brands ABA®, Clamp-All®, FISH®, Five Star®, Gemi®, NDS®, NORMA®, R.G.RAY®, Serflex®, TERRY® and TORCA® stand for technical expertise, high quality and reliability of supply and meet the technical standards of the countries they are sold in. DS accounted for 39 percent of Group sales in 2015. GRI [G4-4]

SHARE OF GROUP SALES

in %

**Engineered Joining Technology**

Individually developed, tailor-made, high-tech products for OEM customers



**Distribution Services**

High-quality, standardised brand products for various application areas

**Organisational Structure and Legal Form**

6,306 employees (2014: 5,975) worked for NORMA Group in 2015. NORMA Group SE is the parent company of NORMA Group. The company with its headquarters located at Edison Straße 4 in 63477 Maintal, Germany, near Frankfurt, is registered in the Commercial Register of Hanau under number HRB Hanau 94473. NORMA Group SE acts as a holding company for the Group under company law. As of 31 December 2015, it held shares in 44 companies that belong to NORMA Group either directly or indirectly and are fully consolidated. GRI [G4-3, G4-5, G4-7, G4-17]

**6,306**  
employees

**Operational Segmentation by Region**

NORMA Group's strategy is also geared towards regional growth targets. To achieve these, operations are managed in the three regional segments EMEA (Europe, Middle East, Africa), the Americas (North, Central and South America) and Asia-Pacific (APAC). All three regions have linked regional intercompany organisations that manage the activities in the region in terms of the various functions. GRI [G4-6] A list of the Group companies of NORMA Group can be found in the Annual Report. (→ 2015 Annual Report, p. 131)

**Group Management**

NORMA Group SE has a dual system consisting of a Management and a Supervisory Board. The Management Board is comprised of four members and is responsible for managing the company. It is advised and monitored by the Supervisory Board. The Supervisory Board consists of six members who are elected by the shareholders at the Annual General Meeting. (→ Corporate Governance Report in the 2015 Annual Report, p. 34) GRI [G4-34, G4-39]

Other financial figures are illustrated and explained in the 2015 Annual Report. GRI [G4-9, G4-EC1]

**Economies of Scale and Synergies**

By combining expertise in the development of tailor-made solutions for industrial customers (EJT) and the provision of high-quality standard brand products through global distribution (DS), NORMA Group is able to achieve not only cross-selling effects, but also numerous synergies in production, logistics and sales. Furthermore, the company also benefits from significant economies of scale and scope due to the diversity of its product range and its high volumes and thus clearly stands out from its smaller, usually more specialised competitors.

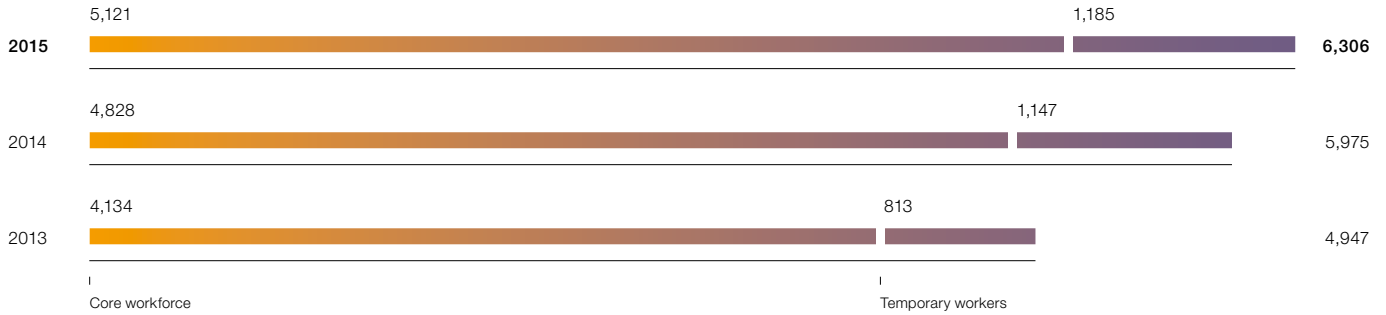
**Broad Diversification with Respect to Products**

With its products, NORMA Group offers solutions for many different industrial applications. Its expertise covers both metal-based joining solutions and products (CLAMP and CONNECT) as well as thermo-plastic materials (FLUID). Thanks to its unique combination of expertise in both metal and plastic processing and the broad diversification of its product portfolio, NORMA Group can offer its customers a wide range of solutions to different problems from a single source.

**Competitive Environment**

NORMA Group is active in the area of Engineered Joining Technology, a highly fragmented market, which is characterised by a very diverse customer base due to the abundance of specialised industrial companies. With its diversified product portfolio and international business focus, NORMA Group definitely stands out from its usually only regionally active competitors.

## PERSONNEL DEVELOPMENT AT NORMA GROUP



Moreover, NORMA Group sees itself as a provider of solutions that are based on the specific needs of customers and generate significant added value for them. By taking this approach, our company differs from its many smaller competitors that focus solely on marketing individual groups of products, particularly in the area CLAMP and CONNECT.

In the area of FLUID, NORMA Group finds itself facing mostly globally active companies that offer solutions primarily made of rubber and elastomer products. NORMA Group, on the other hand, focuses on innovative plastic-based solutions that generate much higher value for customers due to their lighter weight and prices, as well as the environmental impact of the materials used.

With the considerably more standardised sales channel Distribution Services, NORMA Group is active in mass markets and competes primarily with providers of similar standardised products. The company differentiates itself from them through its strong brands, in particular, which are the result of a targeted brand policy that focuses on the regional needs of customers. Furthermore, customers appreciate the high quality of service that NORMA Group offers. NORMA Group provides a complete range of products that meet the needs of end-customers and are permanently available on short notice for its commercial customers. Even with fluctuating demand and unusual applications, the dealer is thus always able to deliver. GRI [G4-8]

### Significant Changes

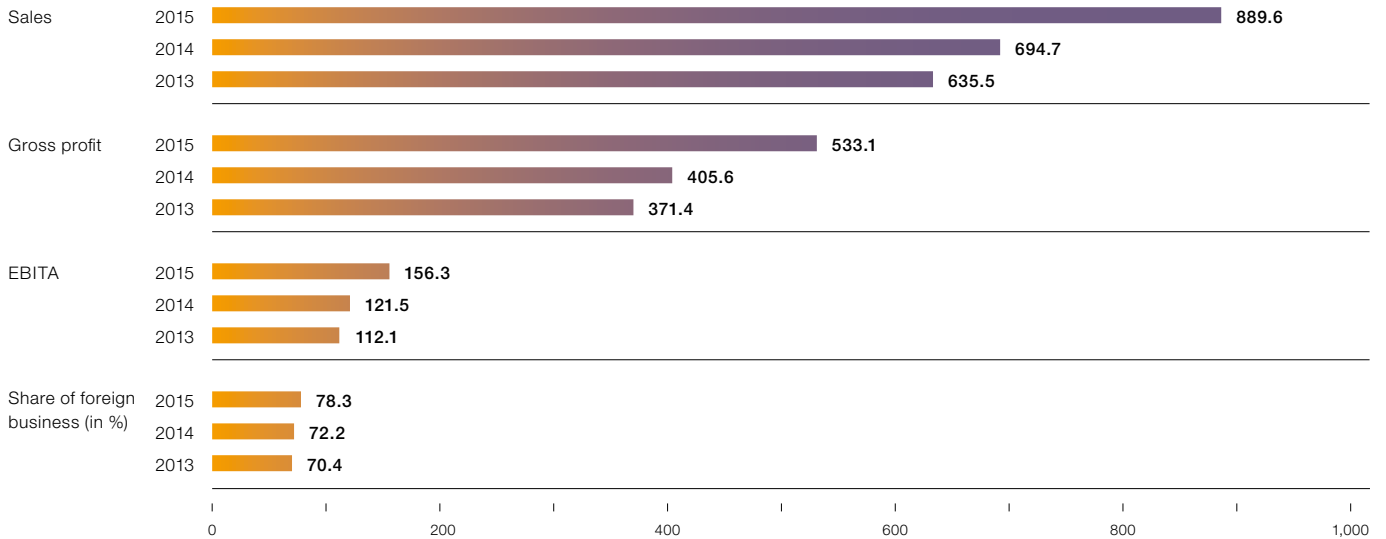
No significant changes in terms of its size, structure and ownership have taken place – besides the acquisition of National Diversified Sales (NDS) in the United States in 2014 – in the reporting period. (→ Water, p. 47) The Americas contributed 44 percent to Group sales in financial year 2015. The newly acquired water business as a result of the acquisition of NDS accounted for a significant share of the sales growth that NORMA Group experienced. Our company's long-term goal is to continue to grow profitably – both organically and through acquisitions. GRI [G4-13, G4-23]

### Strategic Direction

The strategic objective of NORMA Group is to achieve a sustained increase in the company's value. Continuing to expand the business and gaining market share in all business segments is the main goal in both distribution channels and all regions. NORMA Group also relies on targeted acquisitions that will contribute to the diversification of the business and strengthen its growth. Expanding the high profitability it has achieved and stable cash flows are also key objectives. By focusing on innovation and the high quality of its service to the trade, the value of NORMA Group is to be sustainably increased and the highest level of customer satisfaction achieved. Measures aimed at achieving these objectives are always selected in consideration of sustainable business processes and relationships.

## KEY FINANCIAL FIGURES

in million EUR

**Government Grants**

In the reporting year, NORMA Group made no significant payments for infrastructure or public services at the respective sites. Our company did receive government grants amounting to EUR 1.32 million and grants for staff costs of EUR 0.18 million during the reporting year, however. These are mainly due to the granting of early retirement agreements. GRI [G4-EC4]

**Economic Impact, Salaries and Local Hiring**

The economic impact of NORMA Group's sites on the respective local communities differs greatly. Our company has the greatest effect as an employer. With our production facilities in locations that have only a few thousand inhabitants, a greater economic impact can be observed. NORMA Group does not take advantage of these situations, however, but rather pays fair wages commensurate with performance. The company complies with all national regulations and always pay the statutory minimum wage. In fact, the pay is usually even higher. We place special emphasis on filling job vacancies – including management positions – with local personnel at foreign sites and thereby benefit from the respective employees' specific knowledge of the country. GRI [G4-EC5, G4-EC6, G4-EC8]

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## EXPLANATION OF THE SYMBOLS

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@ Internet reference → Cross reference → Reference to the 2015 Annual Report





## Dear Readers,

Global megatrends like climate change and resource scarcity are already having a significant impact on all our lives. NORMA Group is taking responsibility in precisely this context. After all, finding solutions that can respond to the negative consequences of these megatrends is at the heart of what we do.

Our business is built on the principles of responsible corporate management. NORMA Group works continuously to reconcile its responsibility to society, the environment, our employees, and our shareholders. We don't think of Corporate Responsibility (CR) as an obligation, but rather as an integral part of our business operations. By increasing efficiency and avoiding leakage, our innovative products contribute to sustainable development. That's how we offer our customers qualitatively high-value solutions that reduce emissions and promote careful handling of raw materials. In particular, drinking water conservation is increasingly important to our company – due in no small part to our acquisition of the water management specialist National Diversified Sales (NDS).

NORMA Group's well-established practice of continuous development also applies to our Corporate Responsibility. Our first CR Report in 2013 explained our Corporate Responsibility model and areas of activity, which also constitute the starting point for this year's CR Report. Moreover, in the summer of 2015, we invited leading experts to a roundtable discussion for the first time, where business representatives and outside stakeholders discussed steps and goals in the areas of CR activity that we had defined. We then integrated the insights we gained there into our CR Roadmap 2018. In doing so, we not only worked out an action framework for the coming years – one that we want to be measured against – but also took the next logical step toward a holistic and operationalised CR strategy. In addition, we extended our social engagement across our worldwide sites. For example, we introduced NORMA Help Day internationally and backed daylong charitable projects at NORMA sites around the globe. We also made good progress on our lighthouse project NORMA Clean Water in India. By the end of 2015, we made it possible for more than 5,000 schoolchildren and teachers to have access to clean drinking water and functional sanitary facilities. By signing the Charta der Vielfalt (Diversity Charter) in 2013, NORMA Group sent out a clear signal for appreciative and respectful cooperation.

Dear readers, I am pleased to present NORMA Group's second CR Report to you. It will give you a more detailed impression of our engagement as well as our progress and our objectives. Please take the opportunity to engage with us! GRI [G4-1]

A handwritten signature in blue ink, appearing to read 'W. Deggim'.

**Werner Deggim**

Chairman of the Management Board of NORMA Group SE

## **CR STRATEGY**

Corporate Responsibility must be lived by every employee of NORMA Group. Our management has therefore implemented a long-term Corporate Responsibility Strategy for all of our sites and employees.

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# CR Strategy

With the help of our Corporate Responsibility Strategy, we are responsibly adjusting our actions while ensuring our position as a global market and technology leader in engineered joining technology.

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## Business Activities Based on Corporate Responsibility

Because our business activities directly contribute to a more sustainable society, we regard Corporate Responsibility as part of our core business. There is a direct connection between the products that NORMA Group manufactures and the fight against the negative consequences of global megatrends like resource scarcity and climate change.

NORMA Group sees reconciling the impact of its business activities with society's needs as an element of Corporate Responsibility. Our CR strategy is the basis for a holistic approach to responsibility and transparency. At the same time, it ensures our position as a global market and technology leader in advanced joining technology over the long term.

## CR Policy Sets the Strategic Orientation

We have developed a CR Policy for the entire NORMA Group. It specifies five central fields of action and defines our basic conception of responsibility. This policy is the product of a strategic approach for the purpose of establishing a structure for coordinating and purposefully promoting Corporate Responsibility within NORMA Group.

GRI [G4-56]

## Roadmap and Management Systems Support CR Strategy Implementation

In order to strategically orient and refine our CR measures, we drafted a CR Roadmap in 2013 that defines concrete goals for every field of activity. Each department is responsible for finding steps toward these CR goals and implementing them in the entire Group.

During that implementation, we use the management systems that are available and expand them as necessary (→ Environment, p. 42;

Occupational Health and Safety, p. 40) or build them from scratch. (→ Employee Outlook, p. 40) These are supplemented with nationally adapted, decentralised measures. (→ Diversity and Equal Opportunity, p. 39) Whether CR issues are controlled and implemented on a decentralised basis or at the level of the entire Group depends on how the respective CR goals can be most effectively reached. Guidelines and management approaches are developed for the relevant CR issues so that they can be implemented in a way that is reliable and internationally standardised. One example of this is the Corporate Citizenship Guideline (CCG). (→ Activities at the Sites, p. 55)

## MANAGEMENT OF CR

### Corporate Responsibility Directly Rooted in the Management Board

We see Corporate Responsibility as an issue that concerns the entire NORMA Group. That is why it is important and necessary to manage it across departments and sites. In order to institutionalise CR in our company, NORMA Group established a CR Steering Committee in 2012 under the leadership of its Chairman Werner Deggim.

The Management Board directly supervises CR at NORMA Group – a fact that confirms how important Corporate Responsibility is to the company. Every relevant company-level department is represented in the Steering Committee – including the managers of the Purchasing, Production, Human Resources, Investor Relations, Legal, Compliance, and Corporate Communications departments. The CR Steering Committee meets two to three times each year, mainly to develop NORMA Group's general CR positioning and strategic CR orientation. It also votes on measures across departments and assesses our status with respect to achieving our core CR objectives.

## THE FIVE AREAS OF ACTIVITY ON CR AT NORMA GROUP



We have also named two CR Coordinators who are responsible for operational CR management and for coordinating selected measures internationally within NORMA Group. Moreover, there are specialised contact people for individual measures and issues who coordinate and take responsibility for on-site implementation at all NORMA Group sites. GRI [G4-34, G4-35, G4-36]

### Central Management of CR Measures and Goals

Consistent transparency in our CR measures and goals is a key issue for our company. Depending on the field of activity, specialised departments are responsible for putting those measures into practice and monitoring them. By setting operational parameters in our management systems, we can continuously monitor and guide the achievement of these goals.

Our goal-oriented key CR indicators are compiled in internationally established data entry systems. This allows for regular reporting on the progress we are making with our CR measures. They can also be tracked and evaluated at any time. If a particular goal cannot be achieved in whole or in part, the activities associated with it are developed further or defined more precisely as needed.

## STAKEHOLDERS AND MATERIALITY

### Active Integration of Stakeholders into the CR Roadmap 2018

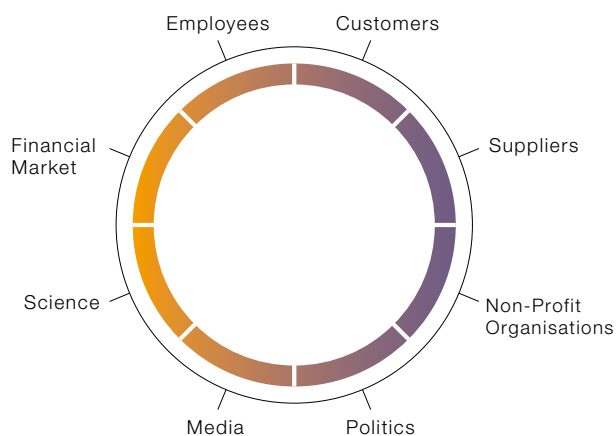
NORMA Group considers itself a transparent and open company that purposefully seeks to engage in exchanges with its stakeholders. For us, allowing stakeholders' interests and the impact of our own business activities on stakeholders to influence our essential decision-making is simply part of responsible corporate management. We consider it particularly important to openly and appreciatively engage with our stakeholders' positions, particularly with respect to our strategic orientation.

### Exchanges via Target Audience-Oriented Formats

We are continually in dialog with our most important stakeholder groups. This calls for us to use our departments' and national subsidiaries' contacts as well as comprehensive dialog forms. In the past we have initiated various formats for that communication. They have allowed us to directly comprehend and assess what our shareholders expect of our company. This ranges from regional formats (such as discussions with local mayors) to international communication about human rights issues and working conditions, an area in which we have taken a particularly strong leadership role along with the International Labour Organization (ILO). GRI [G4-26]

Moreover, NORMA Group is a member of various initiatives and associations for the purpose of actively working on social and political issues. Our homepage includes an overview of selected memberships. (@ <http://normagroup.com/cr/stakeholders>) GRI [G4-16]

## STAKEHOLDERS OF NORMA GROUP GRI [G4-24]

**Roundtable Unites a Variety of Perspectives**

In the summer of 2015, we invited stakeholders to an inaugural roundtable with the aim of further developing our CR Roadmap. Approximately 20 representatives from civil society, politics, science, and business joined 15 of our own experts and senior executives to engage in active discussions on the direction that our company's CR measures should take. The roundtable resulted in recommendations from the participants for a new CR Roadmap. (→ CR Roadmap 2018, p. 13) Additional information and insights were provided by a quantitative survey on the relevance of certain CR issues for actions undertaken by NORMA Group.

The roundtable format is a good example of how NORMA Group actively seeks dialog with its stakeholders and systematically integrates the insights gained through this exchange in its strategic decisions. In the process, we are faced again and again with conflicting interests. For us, however, respecting our stakeholders means that we listen to their suggestions and assess the feasibility and possible consequences of alternatives from the company's perspective. By making this process more transparent, we are demonstrating that there are opportunities for influence available to stakeholders outside the company, and we are also being open about the limits of those possibilities.

**Results Incorporated into Materiality Matrix**

Last summer's roundtable provided NORMA Group with an efficient process for evaluating the materiality of CR issues. Quantitative results concerning the relevance of CR issues were compared with internal assessments performed by the company's own experts and senior management and then summarised in a materiality matrix.

This approach is in line with our general strategy of assessing the materiality of CR issues by synthesising the business potential of those issues with any outside expectations placed on the company.

The Management Board and the CR Steering Committee found the materiality assessment and the qualitative results of the roundtable to be both helpful and effective for shaping Corporate Responsibility at NORMA Group. We have integrated these new insights into our CR Roadmap for the period through 2018, which has improved the Roadmap substantially. (→ CR Roadmap 2018, p. 13) GRI [G4-18, G4-19, G4-20, G4-21, G4-25, G4-27]

**CR ROADMAP 2018**

At NORMA Group, we are committed to regularly reassessing and adapting our CR Strategy, in part because it enables us to respond to internal and external developments. In the year under review, we achieved the objectives of the first CR Roadmap developed in 2012. In 2015, we therefore established a process for laying down a new CR Roadmap for the period through 2018. The first step in that process was taken when members of the CR Steering Group drafted a list of possible new CR objectives with interdepartmental significance. This draft then formed the basis for discussions at the stakeholder roundtable that we convened in 2015 to examine new CR objectives and measures in three key action areas – Business Solutions, Environment, and Employees.

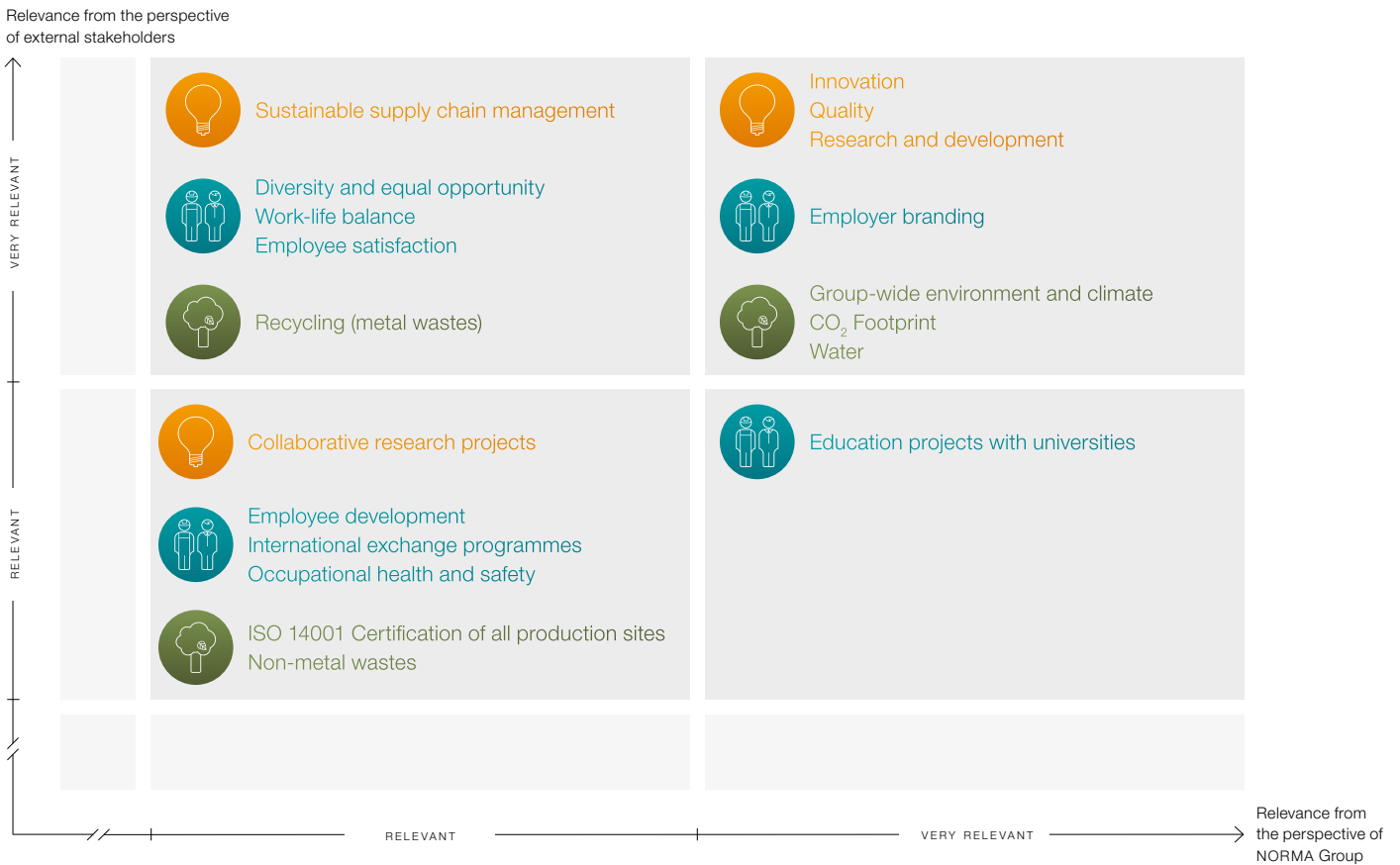
We then subjected the new suggestions produced through the roundtable to an internal assessment and, based on the results, finalised our CR Roadmap 2018. By integrating stakeholder perspectives, we were able to realign, focus, and substantially advance our CR objectives. Our CR Roadmap 2018 will serve as a guideline for the actions and activities of the entire NORMA Group over the next several years. The systematic identification of key objectives and milestones provides NORMA employees and other interested parties with a simple, clear overview of the CR issues and measures being tackled by NORMA Group. GRI [G4-27]

The key objectives of our CR Roadmap 2018 are presented at the beginning of each chapter in this report. The objectives for each action area through 2018 can be found in the "Outlook" section of the respective chapters.

**TRANSPARENCY AND COMMUNICATION****Transparency in Internal and External Communications**

For NORMA Group, openness and transparency in our dealings with various stakeholder groups is a given. Continual dialog with these groups is crucial to our ability to improve the strategic alignment of our actions and activities. We use a variety of formats in our regular communications with our stakeholders. To be transparent with the financial and CR community, for example, we publish our Annual Report, the CR Report, and press releases. We also regularly update our website with information on the activities of NORMA Group. The site is also easy to navigate in with separate sections for Investor Relations, Press and CR.

MATERIALITY MATRIX



(@ <http://investoren.normagroup.com/en>, <http://normagroup.com/Press>, <http://normagroup.com/cr/>)

In-depth discussions and the 2015 stakeholder roundtable, as well as participation in conferences, workshops, and industry conventions encourage our stakeholders to engage in a dialog with NORMA Group. By ensuring a high degree of transparency in our activities concerning corporate management, the environment, and social issues, we aim to improve understanding of our actions, increase trust and confidence in NORMA Group, and enhance our reputation. GRI [G4-18]

In our internal communications, as well, we are transparent about our corporate goals and diverse activities (concerning CR, among other topics). The employee newsletter, "Let's Connect", is the primary channel for these communications, together with the intranet. Here, we report regularly on CR topics. We also use flyers to provide additional information, especially for our employees in production.

**CR Report a Key Communication Tool**

Reporting on CR is particularly relevant, as its significance for business is made clear here and facts on the direction and current state

of CR measures are made public. This gives internal and external shareholders the opportunity to follow and challenge specific measures as well as the general development of Corporate Responsibility at NORMA Group.

We published our first CR report in 2013. In the future, we will create a CR report every two years. The associated key performance indicators (KPIs) will also be assessed every other year. In addition, the latest information is always available on our CR website. (@ <http://normagroup.com/cr/>) The 2015 CR report is structured to reflect our five CR action areas. We have integrated excerpts from the materiality assessment and from our CR Roadmap 2018 into these main chapters in order to present a clear picture of the strategic approach we are taking in all action areas.

Because of increased reporting requirements, we have included three additional, extra-financial indicators in the business reports of the past several years. These indicators include the number of new patent registrations, the number of defective parts (warranty claims in ppm/parts per million), and the number of quality-related complaints per month.

OUR CR ROADMAP 2018 AT A GLANCE

	OUR CORE OBJECTIVES FOR 2018	OUR TARGET VALUES FOR 2018
	NORMA Group is to be perceived as a responsible company in terms of all of its operations.	Consistently good to excellent reviews on our activities and measures in surveys and ratings.
	NORMA Group will improve and strengthen its market position, taking sustainable business practices and relationships into account.	To be the market leader in all business fields of relevance to NORMA Group by 2018.
	NORMA Group will continuously and systematically reduce the environmental impact of its production processes.	100 percent of NORMA Group's global production sites are to be certified according to ISO 14001 by no later than 2018 and then continuously.
	NORMA Group will be viewed as an employer of choice for its employees and will continue to attract, retain and inspire the most talented people to live and to share the company's values and visions.	The employee turnover rate in the first 9 months is to reach 0 percent by 2018.
	NORMA Group will position itself as a responsible partner in the community.	Consistently good to excellent reviews on the community involvement in stakeholder surveys.



# 365.4

MILLION EUROS

were spent on materials by NORMA Group in 2015.

# 2018

IS THE TARGET YEAR

that NORMA Group's new  
CR Roadmap and its respective  
measures are aimed at.

# 100%

OF OUR MOST IMPORTANT  
STRATEGIC SUPPLIERS

have signed the Supplier Code of Conduct  
in which we have expressed our expectations  
of doing business sustainably.

NORMA Group is to be  
perceived as a responsible company  
in terms of all of its operations.

OUR CORE OBJECTIVE  
FOR 2018





## **RESPONSIBLE MANAGEMENT**

As an international manufacturer and distributor of engineered joining technology for customers from various industries, we consider it our duty to bring our actions and the impact of our business in line with the expectations of society.




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# Responsible Management

We will use our Supplier Code of Conduct to extend our promotion of responsible and sustainable behaviour to our value chain.

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## STRATEGIC APPROACH

### Acting Responsibly as a Fundamental Principle of NORMA Group

Compliance with the law and legal provisions is regarded as a matter of course for NORMA Group and is not negotiable.

The principles of Corporate Responsibility must be upheld by every employee of NORMA Group. To that end, management has formulated and set in motion a long-term Corporate Responsibility Strategy for all sites and all employees. Compliance and risk management systems are in our view part of this responsibility, as is the formation of trusting relationships with workers' representatives, suppliers, and customers.

As a company that does business internationally, it is important for us to have a systematic and comprehensive compliance strategy and to implement it consistently in order to ensure that the laws and diverse regulatory systems are adhered to at the international sites.

### Organisational Placement of Compliance

With a view toward effective management of the compliance activities of NORMA Group, the Management Board of NORMA Group SE has set up a global compliance organisation that is overseen by the Chief Compliance Officer. The Chief Compliance Officer manages Group-wide compliance activities and reports directly to the Chairman of the Management Board. To professionalise the compliance organisation further, more staff was added in 2015. In addition to the corporate Compliance Department at the Group level, compliance officers have been appointed at the level of the regions EMEA, Americas, and Asia-Pacific, as well as in all the individual

companies that carry out business operations. The compliance officers of the individual Group companies report to the respective Regional Compliance Officer, who in turn reports to the Chief Compliance Officer.

### Compliance and Risk Management

The existing compliance and risk management systems are used to monitor compliance with relevant laws and regulations and to ensure that contractual obligations are adhered to (→ Compliance and Risk Management, p. 19). The Management Board of NORMA Group is responsible for ensuring that the Group has an effective system of risk management in place. The Supervisory Board is responsible for monitoring the effectiveness of this system. The normal examinations carried out during the internal audit ensure adherence to internal Group rules on risk management. Risk management represents a Group-wide task within NORMA Group, one that begins with the individual local business units. Risks that affect the whole Group are registered and evaluated separately. GRI [G4-14]

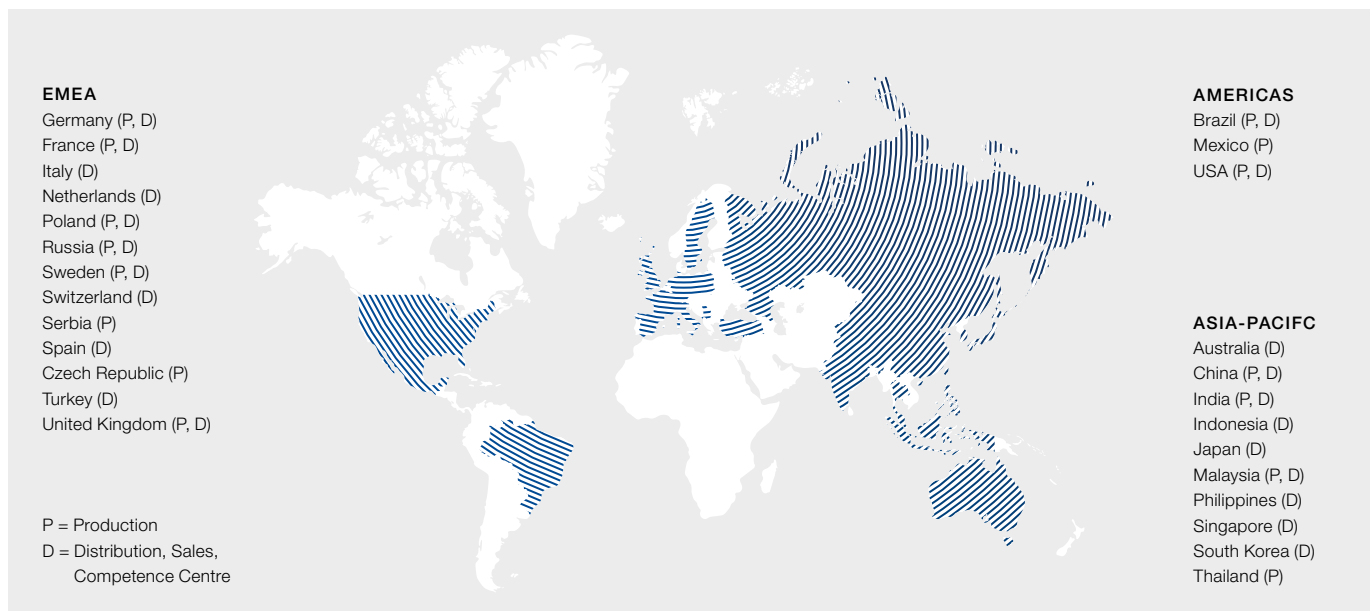
### Human Rights and Prevention of Discrimination

NORMA Group categorically rejects any form of discrimination or violation of human rights and undertakes everything in its power to conduct itself accordingly. (→ Human Rights and Prevention of Discrimination, p. 20)

### Sustainable Supply Chain Management

Respecting human rights and social standards and ensuring appropriate working conditions are of central importance not just with respect to our employees but also within our whole value chain. We are therefore continually expanding the efforts of NORMA Group in this regard, as demonstrated by our Supplier Code of Conduct. (→ Sustainable Supply Chain Management, p. 21)

## NORMA GROUP PRODUCTION AND DISTRIBUTION SITES

**COMPLIANCE AND RISK MANAGEMENT****Global Guidelines Provide Framework**

Compliance, Risk Management and Internal Audit are grouped under NORMA Group's Risk, Compliance & Internal Audit department.

NORMA Group ensures that effective compliance management systems are in place and communicates this to its employees in a transparent manner. (→ CR Roadmap 2018, p. 13)

Our corporate culture is characterised by responsibility, integrity and mutual respect – by our managers and employees as well as between NORMA Group and its business partners. NORMA Group expects that its employees do not just comply with the existing laws and regulations, but also respect important ethical standards. NORMA Group's compliance policies serve as a model for other companies.

The implementation of compliance-specific frameworks ensures that rules are set out clearly and transparently. NORMA Group's core compliance policies are the Code of Conduct, the Conflicts of Interest Policy, the Anti-Corruption Policy and the Supplier Code of Conduct. We reviewed and refined our key compliance documents in 2015 together with an external law firm. The final documents were submitted to the Management Board and the Supervisory Board for approval in 2016 and then distributed internally. Almost all of NORMA Group's employees have already received training on the Code of Conduct.

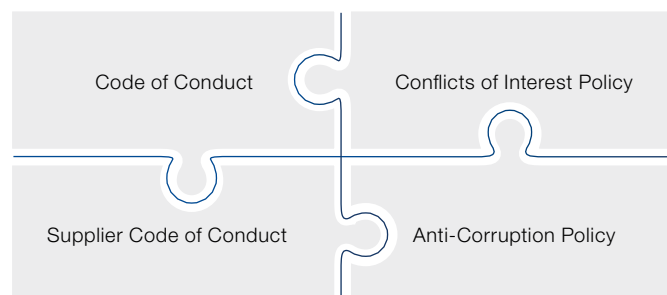
We also aim to repeat the recently introduced refresher training module (with varying content) on a regular basis going forward. These documents can be viewed online at the following address: (@ [http://normagroup.com/compliance-policies\\_EN](http://normagroup.com/compliance-policies_EN)). GRI [G4-56]

NORMA Group's compliance officers take appropriate measures to support and review compliance with these policies in their respective areas of responsibility. They are the point of contact for questions and for reporting potential illegal, unethical or improper conduct. Compliance officers can be approached by anyone, including customers, contractual partners, suppliers or anyone else in a business relationship with NORMA Group. All information is treated with the necessary discretion.

**Comprehensive Training Ensures that Compliance Standards Are Observed**

NORMA Group offers compliance training in the form of face-to-face and online courses. Employees are assigned training to be completed based on their needs and in line with their tasks and responsibilities. Every NORMA Group employee is required to complete the basic training modules – "Code of Conduct & Compliance Basics" and "Information Security". In addition, a refresher course was created in 2015 that recaps the main points of the two mandatory courses to keep employees' knowledge up to date at all times.

## OVERVIEW OF COMPLIANCE POLICIES



Depending on their individual tasks and responsibilities, employees are assigned further training from the available catalog of courses. This training is compulsory. These include courses on anti-corruption, competition law or product liability, for example. All compliance training is mandatory for NORMA Group's compliance officers.

Once a year, a group of employees defined by the Compliance department (such as senior executives in relevant functions) across the Group are required to submit a Declaration of Compliance. This confirms that the content and requirements of the Code of Conduct and the other compliance policies are known and observed, were observed in the previous year, that all violations have been reported to NORMA Compliance and that no violations by other persons are known that have not already been reported. The rate of submission in 2015 was 100 percent. GRI [G4-SO4]

### Compliance Risk Scoping

NORMA Group Compliance implemented a systematic, Group-wide compliance risk scoping process in 2015. This enables Compliance to evaluate the risk exposure of every single NORMA Group company, taking into account standards such as the Corruption Perception Index published by Transparency International.

NORMA Group Compliance then conducts detailed compliance risk assessments in selected companies based on the results of the risk scoping process, depending on the risk exposure identified. As part of the compliance risk assessment itself, potential risks, their consequences and risk management measures are discussed with the relevant functions and departments, and additional risk management measures are agreed as required. GRI [G4-SO3]

### Online Whistle-Blower System Introduced

NORMA Group encourages its employees to report non-compliance with regulations and internal policies, even across hierarchical levels. In 2015, the existing reporting channels were further professionalised and an online whistle-blower system was introduced. This enables

internal and external whistle-blowers to report issues on an anonymous basis. Employees from the compliance organisation always follow up on potential compliance violations.

We announced the introduction of the whistle-blower system across the Group on the intranet, with a poster campaign and in an article in the employee newsletter.

We prevent violations of the compliance policies through in-depth training and comprehensive compliance and risk management.

## HUMAN RIGHTS AND PREVENTION OF DISCRIMINATION

### Human Rights Respected in Full and at All Times

Universal human rights are always fully respected in all areas of our business activities. There is no information or evidence of cases indicating that NORMA Group has been involved in human rights abuses. NORMA Group is opposed to any kind of forced, compulsory or child labour. ILO convention numbers 138 and 182 are explicitly recognised as minimum standards. NORMA Group is not aware of any cases of child labour in Group companies or at suppliers, nor has it received any information suggesting this. NORMA Group does not offer training on human rights since this has not been an issue to date and does not represent an identifiable problem. In the same way, we are not aware of any internal or external complaints or grievances against employees due to human rights abuses. The same applies with respect to the rights of the indigenous population. GRI [G4-HR2, G4-HR5, G4-HR6, G4-HR8, G4-HR9, G4-HR12]

### Freedom of Association Respected

NORMA Group respects its employees' rights to join labour unions and to be represented by these unions both internally and externally in accordance with the applicable national and local law in each case in line with their right of association. We are not aware of any cases in which the freedom of association or the right of collective bargaining has been at risk or violated. GRI [G4-HR4]

### Promotion of Diversity

NORMA Group's commitment includes wide-ranging measures to promote diversity and combat discrimination.

The cultural diversity of our employees is key to the success of our company. NORMA Group therefore seeks the best candidates for vacancies and offers a range of continuing professional development opportunities for talented employees. NORMA Group hires, employs and promotes employees based on their qualifications and job-relevant skills alone. Our company has also signed the Diversity Charter and organises a Diversity Day every year. (→ Diversity and Equal Opportunities, p. 39)

SUSTAINABLE SUPPLY CHAIN MANAGEMENT



**Opportunities for Disabled People**

At NORMA Group, we also give people with disabilities the opportunity to participate in the mainstream of professional life. In the 2015 financial year, our company employed fifty-two disabled men and women in Germany alone. Moreover, we also support the integration of disabled people into the workplace by awarding contracts to social service providers. NORMA Group has been collaborating with Eichsfelder Werkstätten since August 2000. Founded in 1993, they are a company that handles our packaging and sorting work in addition to taking care of the green space at the NORMA Group plant located in Gerbershausen, Germany. Every day, approximately twenty Eichsfelder Werkstätten employees in Heilbad Heiligenstadt package over 50,000 clamps for our customers. In 2015, those workers processed over twelve million fastening elements.

**12 Mill.**  
fastening elements  
packaged

**SUSTAINABLE SUPPLY CHAIN MANAGEMENT**

**Ethical Principles Apply to the Entire Supply Chain**

NORMA Group’s Corporate Responsibility includes the entire supply chain, particularly its direct suppliers. Labour and social standards as well as environmental standards are particularly important for that. NORMA Group has asserted its influence on its suppliers’ work performance and social contributions based on this conception of

responsibility while also ensuring that suppliers respect human rights. These are core elements of the Supplier Code of Conduct that we introduced in 2015.

We have also set strict ethical standards for sales: NORMA Group absolutely does not sell products or services that are socially unacceptable or taboo in a country. GRI [G4-PR6]

**Binding Supplier Code of Conduct Established**

NORMA Group acquires raw materials, products, and services with due consideration for sustainability. Our Supplier Code of Conduct, which applies around the globe, articulates the sustainable activity that NORMA Group expects from its suppliers. Among other things, the Code of Conduct requires suppliers to adhere to the following principles:

- Observance of and respect for human rights
- Exclusion of forced or compulsory labour
- Prohibition of child labour
- Workplace security
- Business integrity (anti-corruption)

With respect to human rights, the Supplier Code of Conduct is oriented toward the guidelines set forth by the ILO, UDHR, UN Global Compact and SA8000. NORMA Group was not linked to any human rights violations in the 2014 and 2015 reporting years. GRI [G4-HR10]

But NORMA Group's activities are not exclusively limited to the Supplier Code of Conduct. We apply sustainability criteria to the selection of our suppliers. Our goal is to integrate them more intensively into our strategic procurement processes. These comprehensive measures are intended to lead to responsible action throughout the entire value-added chain.

To date, 100 percent of our most strategically important suppliers have signed our Supplier Code of Conduct. These are the suppliers NORMA Group has been working closely with for a long time and will continue to work with in the future. The thirty-five most strategically important suppliers account for roughly 41 percent of our entire purchasing volume. GRI [G4-EN32, G4-EN33, G4-LA14, G4-LA15, G4-HR10, G4-SO9, G4-SO10]

### Avoiding Conflict Minerals

NORMA Group also purchases small amounts of raw materials that are suspected of having been acquired or distributed in certain parts of the world that suffer from active conflicts.

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#### Conflict Minerals

Conflict minerals are raw materials that are mined or traded in conflict regions in the Democratic Republic of Congo and adjacent countries, sometimes under conditions that constitute serious human rights violations. These include tin, tantalum, tungsten, and gold (known as 3TGs) or the corresponding ores like cassiterite, coltan, and wolframite.

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NORMA Group uses small amounts of 3TG resources in its manufacturing process, such as coatings for screws or manufacturing of fastening elements. NORMA Group's goal is to eliminate conflict minerals from its supply chain to the greatest possible extent.

To achieve that goal, NORMA Group has created the Conflict Mineral Roadmap. It follows the OECD recommendations for "responsible supply chains" (OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas). The objective of the Roadmap is to ensure supply chain transparency in close dialog with the suppliers and to fight against human rights violations along the value-added chains. Additionally, the respective suppliers are asked to use the CMRT (Conflict Minerals Reporting Template) and then to make it available to NORMA Group. We use our eSourcing platform for this.

NORMA Group will expand its engagement in this area in the future. In the process, it will exchange information with the relevant partners (including suppliers, distributors, clients, and trade organisations) and make improvements.

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#### EcoVadis

In February 2016, we were awarded Gold Status in the EcoVadis Rating for our sustainability achievements. That means that NORMA Group is one of the top five percent of all assessed companies. EcoVadis Gold Status proves that our business is exercising responsible business practices to the fullest possible extent and constantly developing them further.

EcoVadis is a leading, independent sustainability rating service provider. Assessment is intended to make the sustainability practices of companies with international supply chains measurable and comparable. EcoVadis assesses four categories: environment, working conditions and human rights, responsible management, and sustainable procurement.

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## OUTLOOK

### Constantly Continuing and Expanding CR Activities

Acting responsibly has long been an essential basic principle of NORMA Group. That principle must be re-examined, refined, and adjusted to social and economic conditions again and again for concrete implementation. EcoVadis Gold Status also confirms the holistic nature of our CR Strategy and its successful implementation.

In the future, we will be integrating sustainability criteria even more deeply into our supply chain purchasing decisions and procurement processes. We are engaged in a variety of efforts to make this a reality, such as creating merchandise group fact sheets on the basis of which we will be able to recognise sustainability risks early and take appropriate countermeasures. With respect to the use of conflict minerals, we will consistently follow the Conflict Mineral Roadmap and engage with it more intensively in order to fight against human rights violations along the entire supply chain.



## OUR CR ROADMAP 2018 AT A GLANCE

## OUR CORE OBJECTIVE FOR 2018

NORMA Group is to be perceived as a responsible company in terms of all of its operations.

## OUR TARGET VALUE FOR 2018

Consistently good to excellent reviews on our activities and measures in surveys and ratings.

OUR GOAL	MILESTONE	DATE	STATUS
All employees will know the CR Policy and its overarching objectives.	100 percent awareness of the CR Policy in the Employee Satisfaction Survey (ESS).	By 2018	First survey in 2016
We will receive advice on the orientation of our CR strategy and on the main focuses in the individual fields of action from representatives of external stakeholder groups.	Once a year a dialog format with various stakeholder representatives on a CR topic.	Ongoing	First dialog in 2015
NORMA Group will position itself as a company that acts in a responsible and sustainable manner.	Two articles in specialised CR media and four press releases that pertain to CR per year.	Ongoing	Is performed
We will report on our performance at the non-financial level in a transparent manner and in accordance with recognised standards.	Sustainability Report every two years with the data updated year-on-year.	Ongoing	Next report 2016
We will ensure effective compliance management systems that meet the ethical and legal requirements of business practices and continuously communicate these to our employees.	Employees are to be fully aware of the compliance policies, contact persons on compliance and the whistleblower system.	By 2018	First survey in 2016

NORMA Group will improve and strengthen its market position, taking sustainable business practices and relationships into account.

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OUR CORE OBJECTIVE  
FOR 2018



271

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EMPLOYEES

worked in Research and Development at NORMA Group in 2015.

2,394

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IDEAS AND  
RECOMMENDATIONS FOR  
IMPROVEMENTS

were submitted by NORMA Group's employees in 2015.

>30%

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WEIGHT REDUCTION

can be achieved with the new PS3 Quick Connectors.



## **BUSINESS SOLUTIONS**

We maintain social and environmental standards in our business relationships. Our high-quality products and services are helping to reduce emissions and energy consumption. NORMA Group encourages its business partners to use management systems in the areas of environment, health and safety.




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## Business Solutions

We are committed to positioning ourselves as a market leader in all relevant business segments based on the high-quality products of NORMA Group.

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### STRATEGIC APPROACH

#### Our Product Solutions Address Global Megatrends

Our contribution to sustainable development is firmly grounded in the core business of NORMA Group. Our products make a valuable contribution toward tackling the growing challenges that arise for present and future generations as a result of global megatrends such as resource scarcity or climate change. (→ Infobox: Globale Megatrends)

Our products allow customers to conserve resources and minimise environmental impacts. Together with them, NORMA Group does its part for a more environmentally-friendly, efficient, and sustainable use of natural resources.

#### Innovation: A Core Value

As a consequence of climate change, our customers are increasingly encountering greater environmental awareness on the part of their business partners and end users. They are also faced with stricter emissions regulations and higher energy and fuel costs.

As a result, our products must satisfy ever greater requirements. Specifically, this means complying with increasingly stringent legal regulations, dealing with technical changes (in engines, for example), and improving the capacity of our products to withstand physical stresses and provide chemical resistance. Innovation is crucial to our ability to continually adapt and develop our products, which in turn is the key to using resources efficiently and meeting our customers' growing demands.

#### Exceptional Product Quality Forms the Foundation

The exceptional quality of all NORMA Group products is the key to our financial success. This is because our products, while typically only a small part of the end product, are often critical components. Maintaining exceptionally high quality is thus essential. At NORMA Group, it is our conviction that there is a direct connection between the high levels of innovation and quality that distinguish our company's product solutions and our contribution to sustainable development.

### PRODUCTS

#### A Focus on Sustainable Product Solutions

Increasing environmental awareness, resource scarcity, and growing costs play a large role in just about every branch of industry today. Lawmakers are also enacting binding regulations that must be adhered to. In the automobile and commercial vehicle industries, these take the form of stricter emissions controls or material requirements. NORMA Group therefore places a great emphasis in its product portfolio on value-adding solutions that help its customers to reduce emissions, leakage, weight, space, and assembly time.

NORMA Group products contribute to greater sustainability in various ways. By preventing leakage, for example, they help to conserve resources and increase efficiency. Use of our products also helps reduce emissions that have negative climate impacts. In addition, they support efficient use of water resources. Seen against the backdrop of global megatrends, in particular, NORMA Group products make a substantial contribution to sustainable development.

GRI [G4-EN27]

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### Global Megatrends

The German Scientific Advisory Council on Global Change (Wissenschaftlicher Beirat der Bundesregierung Globale Umweltveränderungen, WBGU) is one of many institutions examining global megatrends. It was set up by the German government as an independent advisory body in 1992 in the run-up to the United Nations Conference on Environment and Development. The WBGU found that mankind is increasingly testing the planet's limits and in so doing is threatening the very basis of human existence. These threats include growing climate change and the destruction of biodiversity.

Companies are among the key players driving the necessary transformation to a sustainable society. For NORMA Group, the crucial megatrends are climate change – caused by the emission of greenhouse gases – and the increasing scarcity of resources. They make it necessary to use natural resources such as water efficiently and sparingly.

At an international level, comparable initiatives have been developed by the World Business Council on Sustainable Development (WBCSD), which established the "Action 2020" platform, and the United Nations (UN), with its programme of Sustainable Development Goals (SDGs).

More information can be found online at the following websites:

WBGU: <http://www.wbgu.de/en>

SDGs: <https://sustainabledevelopment.un.org/sdgs>

WBCSD: <http://www.wbcsd.org>

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## Sustainability across the Entire Value Chain

### (1) Procurement of Raw Materials

NORMA Group takes care to procure manufacturing materials with the lowest feasible environmental footprint. At the same time, the products we manufacture must meet the high quality standards of our customers. (→ Sustainable Supply Chain Management, p. 21)

### (2) Use of a Comprehensive Environmental Management System at the Group Level

Internal production processes are continually being optimised. We have also introduced a fully integrated environmental management system for the entire Group. (→ Environment, p. 42)

### (3) Recycling Manufacturing Waste

Metal waste in particular is almost entirely recycled. (→ Waste and Recycling, p. 48)

### (4) Functionality of NORMA Group Components in End Products

NORMA Group product solutions in the categories clamps, fastening elements, and fluid systems are used in the construction of various end products. The primary purpose of our products is to ensure the efficient transport or use of fluid or gaseous materials. The functionality of these joining solutions focuses above all on the aspects of emissions, leakage, weight, and space.

Many of our products are used in emissions reductions. For example, our products can be used to reduce nitrogen oxides in emissions from internal combustion engines.

Joining technology produced by NORMA Group prevents leakage of liquids and gases, and thus contributes to the proper functioning of drinking water, sewage, and drainage systems.

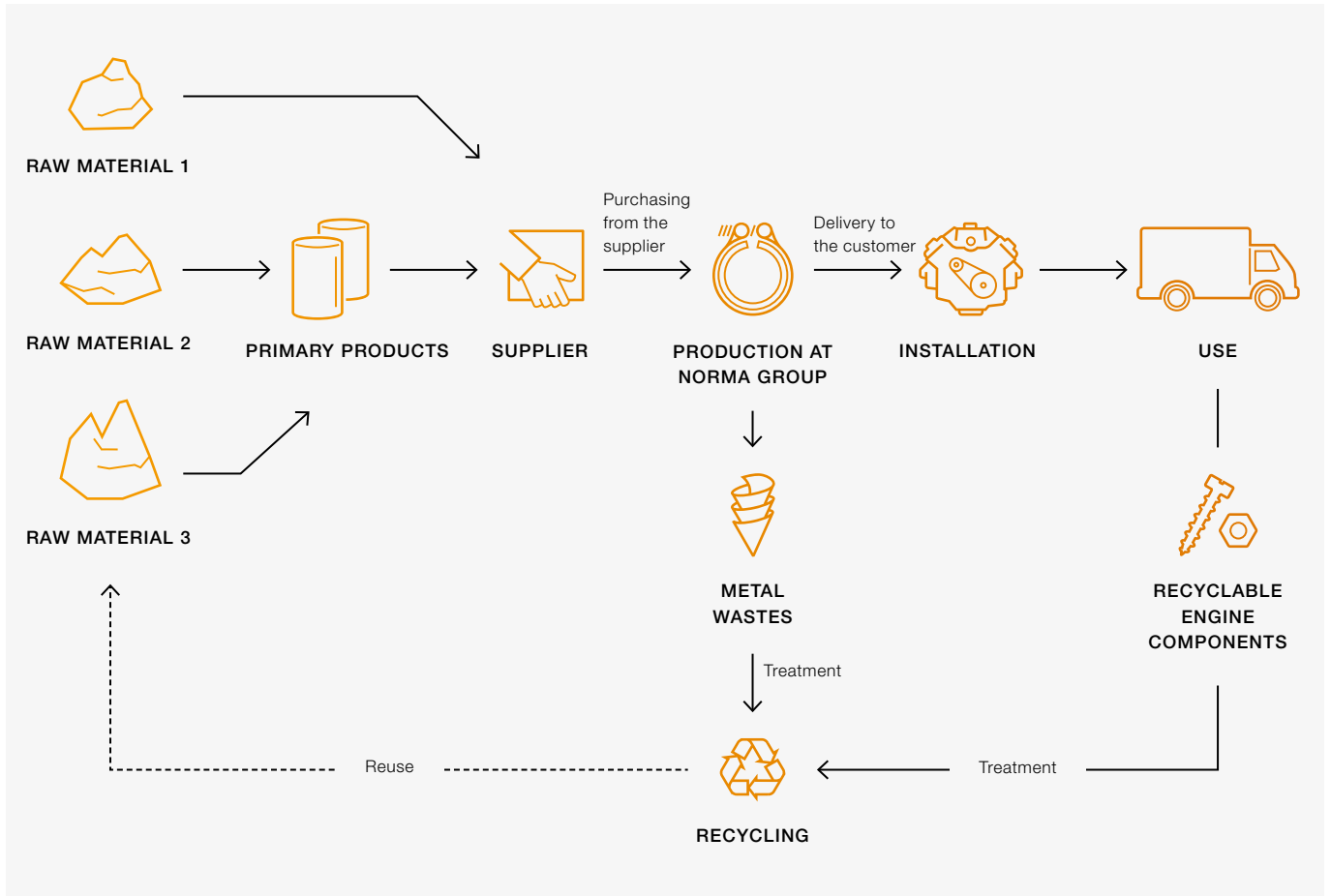
Alongside the actual functionality of our product solutions – joining and sealing – their physical weight is playing an ever greater role in environmental sustainability today. Our most recently developed products are therefore often lighter and contribute to a reduction in the weight of end products such as cars or airplanes. Significantly less CO<sub>2</sub> is released as a result.

As a rule, our customers are involved in the development of our products and are therefore thoroughly familiar with their use. If this happens not to be the case, NORMA Group provides the purchasers with detailed instructions on the product's possible applications and conditions of use. Consequently, there have been no instances in which NORMA Group has been accused of failing to comply with regulations concerning product identification, of labelling products in a way which is incorrect, incomplete or misleading, of violating product-related regulations, or of disregarding non-binding codes of conduct. GRI [G4-EN7, G4-PR2, G4-PR3, G4-PR4]

### (5) Recycling NORMA Group Products

NORMA Group products are integrated in end products in such a way that it is virtually impossible to remove and return individual components. For this reason, we are generally not involved in the recycling of our own products. (→ Waste and Recycling, p. 48) However, many of our components are developed and integrated in such a way that the end products themselves can be recycled. In the automotive industry and other technical sectors, in particular, we support the requirements of regulatory agencies as well as additional expectations that may extend further. The objectives of the return systems are to ensure that waste is processed properly with respect to the environment and to recover and recycle raw materials. GRI [G4-12]

PRODUCT LIFE CYCLE



**Resource-Efficient Products in All Segments**

Among the resource-efficient products of NORMA Group are its Urea Transport Systems (UTS). UTS systems are pipes for transporting liquid urea. They help to reduce nitrogen oxides and lower emissions of harmful exhaust gases, thus making a valuable contribution in the fight against climate change. Legal regulations encourage the use of this solution – both European requirements such as the Euro 6 standard regulating exhaust emissions in the EU automotive industry as well as standards in other countries, including China, Brazil, and the US.

Energy must be conserved to protect the climate. There are two ways to support this objective in automotive manufacturing, either by reducing weight or by decreasing installation space. With this mind, we redesigned the PS3 connection system for cooling water systems. These efforts have resulted in a very compact connection system that can be used even in tight installation spaces. More gen-

erally, optimisation of our auto manufacturing products is not restricted to reduced weight and installation space; the assembly process has also been simplified and recyclability improved.

Another example can be found in the NORMA Group water meters used in Vietnam. After all, water is a valuable resource and must be protected. The more we reduce unnecessary water consumption, the better it is for the environment – and that is exactly what our products help to accomplish. Drinking water pipelines in Ho Chi Minh City are currently undergoing a complete overhaul and expansion. NORMA Group water meters are our contribution to this extensive project.

**Water Resources Increasingly Relevant for Business Activities**

A sign of how very important water resources are for NORMA Group can be seen in our acquisition of the US water management com-

pany National Diversified Sales (NDS) toward the end of 2014. This has allowed us to significantly increase our water management activities and advance the diversification of our business. Because of the increasing scarcity of water – a phenomenon that can be seen in many areas around the world – and the resulting need to use this important resource responsibly, water management continues to gain in significance. We aim to systematically pursue the resulting business opportunities.

### Conserving Water in California

Households and companies in many different regions around the world – for example, in California – are being called on to convert to newer technologies and reduce their water consumption.

At the same time, innovation is being promoted and economic growth accelerated in these markets. With its efficient solutions for water supply and infrastructure, NORMA Group is meeting these needs. In California, the use of drip irrigation systems has proven very successful. NORMA products such as irrigation and drainage systems as well as product solutions for rainwater treatment can make a significant contribution to water conservation, especially considering the increase in extreme weather conditions around the globe.

## QUALITY

### Maintaining High Quality Standards

Quality is essential for NORMA Group. The exceptional quality of NORMA Group products is a significant factor in their success, enabling them to respond to global megatrends and meet growing requirements. It is crucial to increasing end-product longevity and can contribute significantly to boosting efficiency and conserving resources.

To ensure that high quality standards are being fully maintained, we continually optimise and improve our processes. Group-wide compliance with the quality standards ISO 9001 and TS 16949 guarantees standardised quality levels at NORMA Group sites around the world (with the exception of NDS, the company acquired in 2014). In addition, two sites that supply the aviation industry have EN 9100 certification, and a variety of product groups have been specially certified for the shipping and construction industries. The site which does not yet participate in our quality management system will initially receive ISO 14011 und OHSAS 18001 certification.

### Group-Wide Use of Quality Management Systems

NORMA Group employees play a decisive role in quality management. All NORMA sites have a quality department with a staff of two to forty experts. Our system of “process audits” ensures ongoing dialog among those responsible for quality. This involves the targeted

use of quality management systems such as the 5S methodology, poka-yoke, the Six Sigma methodology, and, since 2013, Gemba Walk. Regional standards and customer-specific requirements are always observed in production. Know-how is distributed and transferred throughout the entire group via close cooperation among the different sites and the gradual introduction of quality management software (CAQ). We use a variant of the Kaizen approach for the company’s suggestion system which encourages the departments of production or administrative units to compete for the best ideas. GRI [G4-PR1]

### Focus on Prevention of Quality-Related Complaints

NORMA Group has been very successful in the implementation of its process-oriented quality-management system and employee suggestion plan. These systems help to rule out production defects to a great extent, as can be seen from the key indicator “quality-related complaints per million parts”. With this figure, successes in quality management can be reliably recorded, and specific efforts to improve quality can be evaluated. For several years now, this number has therefore been included in annual reports. In 2015, the number of defective parts returned by customers (per million) was 21, slightly higher than the previous year (2014: 17). The average number of quality-related complaints per month was eight, as in the previous year.

Defect rate  
in production

21 ppm

Moreover, awards from customers reflect the high level of satisfaction with the quality of NORMA Group products. In 2015, NORMA Group received the Platinum Supplier Status from General Motors for the St. Clair plant in the US, as well as the 50 PPM Award from the truck manufacturer PACCAR for the sites in Auburn Hills, US, and Juarez, Mexico.

### VAVE

A specific example of the implementation of improvements at NORMA Group is the “Value Analysis and Value Engineering” assessment (VAVE). In the course of this analysis, interdisciplinary teams are used to identify potential for improvements in all the regions in which we operate.

Subsequently, the insights from the VAVE analysis are compared with customer requirements with regard to parameters such as weight, density, or heat resistance, for example. Our objective is to improve existing processes. VAVE thus helps us to reduce our production costs.

### Continuous Review of Customer Satisfaction

The satisfaction of our over 11,000 customers in more than 100 countries is the standard against which all of our activities are measured. We are therefore very pleased that our customers likewise generally confirm the high quality of our products and the reliability of NORMA Group as a business partner.

## THE FOUR DIMENSIONS OF QUALITY MANAGEMENT



We work closely with our customers and maintain an ongoing dialog with them as part of our efforts to optimise and adjust NORMA Group products. To better understand customer requirements, we have traditionally conducted an annual Customer Satisfaction Survey (CSS). Starting in 2016, this survey will take place every two years. We carry out additional customer surveys on a quarterly basis. Based on the potential for improvement revealed by these measures, we create action plans to quickly tackle any necessary optimisations and to systematically monitor their implementation.

The result of our efforts is measured using a Net Promoter Score (NPS) – a gauge of how willing customers are to recommend the company, its products, or its services, and an indirect indicator of customer satisfaction. The NPS rose to 28 percent in 2013 from eleven percent the previous year. In 2014, it was 25 percent. In preparation for the 2016 survey, a “customer radar” was introduced in several countries in order to measure trends in customer satisfaction. GRI [G4-PR5]

## INNOVATION

### Establishing a Deep Culture of Innovation

For NORMA Group – an innovation- and technology-based company – innovation is the key to success. Research and development

(R&D) consequently plays a decisive role. Through innovation, NORMA Group products evolve and adapt in response to changing circumstances. We also use innovation to introduce improvements in energy and resource efficiency.

In 2014 and 2015, we instituted internal, structural changes in the company to strengthen and expand innovation at NORMA Group. Our objective is to establish a deep culture of innovation, which NORMA Group defines as an environment that uses efficient methods for raising potential in the company and actively shaping the future. Classic instruments such as suggestion systems and innovation awards, as well as a clear, management-driven innovation strategy are being employed to that end. In addition, we are appointing innovation scouts at all sites, and global, cross-functional innovation platforms are being used to share technology and to transfer knowledge.

Extensive restructuring in the Engineering and Product Development divisions was completed in 2015. Over the course of this process, responsibilities for the R&D division were redefined. In the future, they will include a stronger focus on the development and evaluation of new technologies, in particular with respect to new processes, methods, materials, and additional functionalities. The R&D division will also take on the task of identifying potential arising from new fields of application and markets.

**Extensive Research and Development at NORMA Group**

NORMA Group constantly invests in research and development to further strengthen its market position and continually improve and develop its products. R&D expenses in Engineered Joining Technology (EJT) totalled EUR 25.4 million in 2015 (EUR 25.7 million in 2014). As a share of EJT turnover, this amounts to an R&D rate of 4.7 percent. In 2015, 271 people worked in product development and R&D at NORMA Group (250 in 2014).

**25.4**  
million EUR in  
R&D investment

Our commitment to innovation at NORMA Group is reflected in the number of our patents, patent families, and new patent registrations. As of 31 December 2015, the Company held 727 patents and registered designs (850 in 2014) in 179 patent families (154 in 2014). In 2015, we registered 74 new items of intellectual property (95 in 2014) in 23 different patent families (17 in 2014).

**Innovation Partnerships with Customers and Research Institutes**

We are planning to organise more events with our customers in the future, with the aim of identifying potential for innovation and developing innovations together. In the EJT division, we are already working closely with end-customers, as well as with R&D institutes, suppliers, and other external partners. This enables us to pick up on global trends directly and to seamlessly implement them in new technologies and product ideas. This in turn makes it possible to bring product innovations to market quickly.

**NORMA Group Values Suggestions for Improvements**

In addition to supporting our employees and helping them to develop their potential, NORMA Group also encourages them to contribute suggestions and ideas for improvements based on their great wealth of experience. To that end, the company has developed a plan for an internal employee suggestion system.

We benefit from the suggestions of our employees particularly when it comes to the optimisation of our processes (→ Environment, p. 42) and improvements to our products. (→ Business Solutions, p. 24) In 2015, our employees submitted 2,394 ideas and suggestions for improvements.

**CEO Award**

To recognise the achievements of individual persons or groups who advance the interests of NORMA Group through process optimisations, contributions to higher earnings, better product quality, competitive advantages, or more environmentally friendly outcomes, for example, we have created the CEO Award. Each year, the Management Board selects the best ideas submitted by employees.

In 2015, David Schoumacher and his team from NORMA France took first place in the CEO Award for their achievements. His innovation in the production process of FREEFLEX fluid lines makes it possible to greatly increase the productivity of the process, lower costs, and ultimately avoid supply bottlenecks.

**BUILDING BLOCKS OF THE INNOVATION CULTURE**



### Cooperation with Universities Ensures Long-Term Innovative Strength

Our innovation culture also includes the promotion of young talent – we see this as a long-term investment in our innovative capacity. NORMA Group currently supports three students from the fields of mechanical and electrical engineering at Darmstadt University by awarding them with scholarships.

In addition, we support a junior foundation professorship at the Frankfurt School of Finance & Management for an initial period of five years. The research priorities of the foundation professorship are on the areas of production, innovation, technology, entrepreneurship and intellectual property.

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#### Germany Scholarship

NORMA Group has been supporting three students from the Technical University of Darmstadt with a Germany scholarship since the winter semester 2015/2016. Moreover, the specific involvement of these students in our company is planned. This support is being given for three years and marks the beginning of cooperation between NORMA Group and the Technical University of Darmstadt.

By offering Germany Scholarships, the Federal Ministry for Education and Research has been supporting students and freshmen whose careers suggest that they will make outstanding achievements during their studies and careers since 2011. By 2017, up to two percent of students at German universities are to benefit from Germany scholarships.

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## OUTLOOK

### Expand Market Leadership Based on Innovations

NORMA Group is constantly working to develop new solutions and optimise its existing systems to meet the increasing demands of its customers.

Today, NORMA Group is already the market leader in the area of clamps. We want to expand this position in the years to come. We will identify relevant groups of products in other project areas and develop the appropriate strategies. To strengthen NORMA Group's market position in the future, we intend to submit at least 80 patent applications per year during the years 2016–2018.

# 80

patent registrations  
per year is the goal

Successfully ensuring our innovative capacity is an essential condition to continuing our growth. To this end, we will develop and pursue an Innovation Roadmap. Our testing capabilities are being expanded by installing new laboratories for relevant applications and by increasing decentralisation of these activities.

Furthermore, the indicator "NORMA is perceived as innovative" from the Customer Satisfaction Survey (CSS) is to reach at least 7.8. The proportion of defective parts in production is to fall below the value of 20 ppm. This high quality will ensure that NORMA Group has significant competitive advantages in the future as well.

In the area of purchasing, we will strive to implement supplier scoring that focuses even more strongly on sustainability and sustainability requirements for essential groups of goods. Here, our goal is to initiate value-generating, long-term partnerships and first-class business and procurement processes.





## OUR CR ROADMAP 2018 AT A GLANCE

## OUR CORE OBJECTIVE FOR 2018

NORMA Group will improve and strengthen its market position, taking sustainable business practices and relationships into account.

## OUR TARGET VALUE FOR 2018

To be the market leader in all business fields of relevance to NORMA Group by 2018.

OUR GOAL	MILESTONE	DEADLINE	STATUS
New control systems and structures on innovation management will increase the number of innovative products and processes on the market.	The number of patent applications per year to exceed 80.	Ongoing	Average 2012 – 14: 80
Our customers will recognise the quality of our innovative NORMA products so that competitive advantages will arise and organic and sustainable growth driven by innovation will be possible.	Indicator “Norma is perceived as innovative” from the Customer Satisfaction Survey (CSS) to be above 7.8.	Ongoing	Average 2012 – 14: 7.7 out of 10
	Proportion of defective parts in production to be below the value of 20 ppm.	Ongoing	Average 2012 – 14: 25
We want to procure raw materials, products and services at optimal costs – taking sustainability aspects into account...	Launch of an even more sustainability-oriented supplier scoring and of sustainability requirements for the main commodities.	2016	Initial survey in 2016
...with the aim of value-creating long-term partnerships and world-class business and procurement processes.	Share of long-term, value-creating business partnerships with potential for innovation regarding NORMA products.	By 2018	Initial survey in 2016
	Supplier scoring with at least five suppliers to be carried out continuously for three years.	By 2018	Initial survey in 2016

NORMA Group will be viewed as an employer of choice for its employees and will continue to attract, retain and inspire the most talented people to live and to share the company's values and visions.

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OUR CORE GOAL  
FOR 2018



20 out of 22

**PRODUCTION SITES**

were certified in accordance with the occupation safety management system OHSAS 18001 at the end of 2015.

6,306

**EMPLOYEES**

worked for NORMA Group at its 22 production and many different sales sites at the end of 2015.

27%

**OF OUR EMPLOYEES**

have been working for NORMA Group for at least ten years.

## **EMPLOYEES**

Our employees enable and drive our business success. NORMA Group invests in a safe and supportive working environment, as well as in health. We thus want to strengthen our position as an attractive employer even further. Sound training, performance-based pay, the promotion of diversity and reconciliation of work life and family will contribute to this for our employees.




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# Employees

Our employees' great loyalty and the consistently positive results of employee surveys reflect NORMA Group's appeal as an employer.

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## STRATEGIC APPROACH

### Employees are the Basis for Our Success

NORMA Group can only be as innovative as its employees – and so our employees are key to the success of our company. This is why we place great importance on involving them in innovation management (→ Innovation, p. 30) and on their training and development. (→ Employee Development, p. 38) Every day, our 6,306 employees at 22 production facilities and various sales sites around the world make a valuable contribution to the success of NORMA Group. (→ NORMA Group at a Glance, p. 4)

### Decentralised HR Management

In light of the international nature of NORMA Group, the company follows a decentralised approach to HR management. This enables it to meet the local needs of the production sites, in particular with respect to recruiting and HR development. All sites comply with the international standards (OHSAS 18001) to ensure a high level of occupational health and safety in particular. (→ Occupational Safety and Health, p. 40)

### Observance of Collective Agreements

Compliance with all labour laws and internationally recognised guidelines aimed at protecting employees is an intrinsic part of our corporate philosophy. Accordingly, these requirements have also been incorporated into NORMA Group's compliance policies.

NORMA Group respects its employees' rights to join labour unions and to be represented by these unions both internally and externally in accordance with the applicable national and local law in each case in line with their right of association. (→ Responsible Manage-

ment, p. 16) There are employee representative bodies at our sites in Germany, France, Sweden, Serbia, the Czech Republic, India, as well as at individual sites in Mexico and the USA. Due to the legal conditions, it is impossible to determine the percentage of employees who are organised in a union. GRI [G4-11]

### Low Fluctuation Proof of High Satisfaction

Fair and responsible treatment of its employees is fundamental to NORMA Group. The low fluctuation and high satisfaction of our employees affirms our approach. (→ Employee Satisfaction, p. 37)

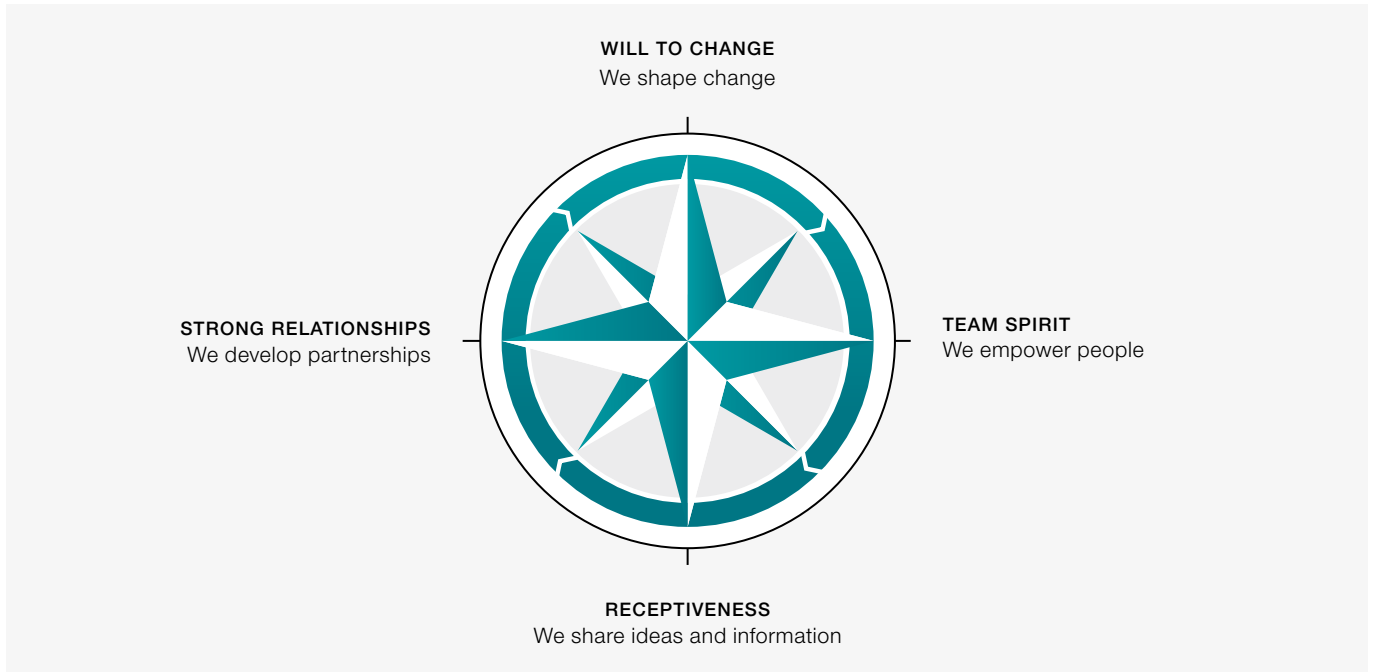
## COMPANY CULTURE

### Transparent Employee Communication as Part of the Corporate Culture

Open and transparent communication with our employees is a natural extension of our understanding of fairness at NORMA Group. We are guided by universal values such as taking responsibility and mutual respect. Structured, ongoing dialog – including between management and employees – is an important part of our corporate philosophy.

Constant, open communication with employees is essential for our company, especially given the dynamic environment and our international structure. NORMA Group uses various communication formats such as the intranet and the "Let's Connect" employee newspaper, as well as notice boards. It also regularly publishes "Business Updates" to inform employees about developments within NORMA Group. The company naturally complies with notice periods for employees and employee representative. GRI [G4-LA4]

NORMA GROUP'S CORE VALUES



We have set core values for NORMA Group that reflect our fundamental beliefs. They are the compass for our actions and the guiding principles on how we behave and work together with our business partners. Our employees live our basic values every day.

**Flexible employment**

NORMA Group currently employs 1,185 temporary workers. Here, too, it goes without saying that NORMA Group complies with the legal requirements. (→ Responsible Management, p. 16)

The very high response rate of 90 percent for the 2014 employee survey shows that NORMA Group employees are open to dialog and actively contribute suggestions for improvement. At the same time, it shows that our employees are taken seriously. The next survey is scheduled for 2017.

**90 %**  
response rate

**EMPLOYEE SATISFACTION**

**Employee Satisfaction a High Priority for NORMA Group**

Our employees value the respectful and fair working environment very highly, something that is also reflected in the results of an employee satisfaction survey. NORMA Group systematically and regularly assesses employee satisfaction with this survey. On average, the "Overall employee satisfaction" indicator in the last survey conducted in 2014 was between "very satisfied" and "quite satisfied".

**Good Ideas Recognised**

Above and beyond the employee survey, we encourage our employees to talk about potential for improvement openly and to develop potential solutions. This makes our employees part of an ongoing innovation process. The CEO Award was launched to further motivate our employees and to reward suggestions, particularly those that add value. (→ Innovation, p. 30)

NORMA Group takes measures to address any potential for improvement identified by employees in the survey. For example, an improvement to communications on the development of the company was suggested. In response, NORMA Group increased the amount of information provided to employees, in particular by putting up notices at production sites, and launched "Business Updates" as a new internal communication channel.

**Claim Backed by Figures**

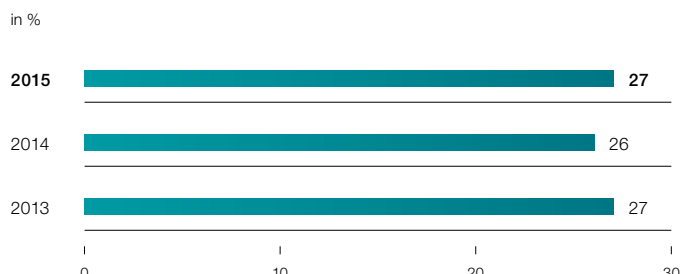
The satisfaction of our employees is reflected in the low employee turnover and low absenteeism among our many NORMA employees, for example.

These figures show that NORMA Group systematically pursues its goal of being an attractive employer for both its existing and future employees. GRI [G4-LA1]

**AVERAGE LENGTH OF SERVICE**



**PERCENTAGE OF EMPLOYEES WHO HAVE WORKED FOR NORMA GROUP FOR MORE THAN TEN YEARS**



**EMPLOYEE DEVELOPMENT**

**Education and Advanced Training as an Investment in the Future**

NORMA Group sees itself as a “learning organisation” that is constantly evolving. Supporting and developing our employees is crucially important for our innovation-driven business model. At the same time, this forms the basis for our employees’ sustained motivation and for NORMA Group’s constant advancement and innovative capacity. Education and advanced training are therefore not just part of our social responsibility but rather a core factor in the success of our business operations.

**Targeted Education and Competence**

NORMA Group recognised the great importance of its employees’ systematic and professional development early on and deliberately promoted it. Our company takes a decentralised approach here as well: regional guidelines for continuing education and staff development create the necessary framework for this. GRI [G4-LA10]

We have set thirty hours of continuing education per employee as our yearly goal. We almost reached it in 2015, with 29.12 continuing education hours per employee. In 2014 and 2015, over 90 percent of our entire workforce participated in at least one further education program. GRI [G4-LA9]

**45**  
apprentices  
in Germany

Moreover, NORMA Group offers apprenticeship positions to young people. In late 2015, we employed 45 apprentices at our company in Germany. Additionally, there were 90 internships worldwide in 2015 (2014: 89).

**Mandatory Annual Employee Assessments**

We have designed a Performance Management Process to ensure annual employee and staff development conversations. This process includes requiring managers to engage in annual assessment and qualification conversations with each employee. If possible under collective bargaining contracts, additional individual target agreements between managers and employees are made within this framework. GRI [G4-LA11]

**Support for Talent and Cultural Exchange between Sites**

Talented people are specifically supported by NORMA Group. Our talent programs give them leadership and conflict resolution skills. At the same time, we support international exchange through assignment programmes connected to a point system. Our sites accumulate what are called Talent Mobility Points whenever their employees participate in one of the two variants.

NORMA Group offers the following exchange programmes:

- Bubble assignments (up to three months)
- Assignments (more than three months)

A bubble assignment is intended to foster an exchange of knowledge between locations and encourage the development of synergy effects. The objective is to strengthen intercultural understanding and collaboration within NORMA Group. In turn, the workers involved benefit from the new experiences and networks as well as the opportunity to learn from one another.

An assignment within a country is one point, an exchange within a region is two points, and exchange between regions is three points. A total of 202 Talent Mobility Points were awarded in 2015 (compared with 72 points in 2014).

The number of bubble assignments in 2015 came to 38 (2014: 38). GRI [G4-LA2]

**+ 63,37 %**  
increase in Talent Mobility Points

**Change Agents**

The introduction of systematic project management at NORMA Group also meant the start of what was known as change agent training, which selected employees were able to participate in. The programme teaches participants how to deal with changes in the company landscape so that they can actively accompany and support the transition.

## EMPLOYEE DEVELOPMENT MEASURES



Training and further education



Annual employee appraisals mandatory



Targeted training and qualification



Talent development and cultural exchange between sites

This approach was developed in 2013 in response to the change processes that NORMA Group is constantly confronted with. In this context, change agents from various sites in Germany are being trained to support NORMA Group in developing a strong and qualified change culture worldwide. This is intended to improve conflict resolution and integrate relevant stakeholders. A total of 45 change agents were trained in 2015 and are now active at international sites.

aware of the value of diversity and to support their varied abilities and talents. Since 2014, NORMA Group has celebrated Diversity Day every year. In 2015, our employees around the world were a beacon of respect and equal opportunity in the workplace under the motto "Borderless Togetherness".

Our Diversity Mission Statement reads: "NORMA Group embraces diversity of thoughts by respecting the unique characteristics, experiences, and ideas of our employees. We are committed to creating an environment of communication, networking, exchange, and dialog where talent is recognised, developed, and united. We – all together – are the pacesetter in our industry".

## DIVERSITY AND EQUAL OPPORTUNITY

### Support for Diversity and Equal Opportunity

As an internationally active company, NORMA Group is very diverse. We decidedly reject any form of discrimination. (→ Human Rights and Prevention of Discrimination, p. 20) Instead, we regard cultural diversity within NORMA Group as a valuable resource and a potential for the continued growth of our company. Intercultural competency is increasingly important in light of NORMA Group's growth and internationalisation and is accompanied by internal knowledge transfer.

NORMA Group's extensive measures are evidence of its commitment to diversity and an open workplace environment in which our employees can network and discuss their ideas. (→ Employee Development, p. 38) It was in this context that NORMA Group signed the Diversity Charter (Charta der Vielfalt), drafted a diversity strategy, and named diversity officers in three regions in 2013. GRI [G4-15]

### Diversity Day

NORMA Group's company-wide Diversity Day has been setting an example since 2014. We implemented this day of action in all three regions of the Americas, EMEA, and the Asia-Pacific for the first time on 3 June 2014. That marked the beginning of the new diversity strategy that NORMA Group wants to use to make its employees even more

### Equal Treatment of Men and Women

Men and woman have equal opportunities at NORMA Group, also when it comes to filling management positions. We actively oppose discrimination. The proportion of women is determined by the ratio of interested females who are on the job market and have the necessary qualifications. It varies accordingly among our sites around the world. The proportion of women in the entire NORMA Group worldwide at the end of 2015 was 34.80 percent and women occupied 21.01 percent of management positions. There is also a woman on NORMA Group SE's Supervisory Board. Moreover, we take it for granted that women and men are paid equally for the same work and qualifications. GRI [G4-LA12, G4-LA13]

### An Overview of Work-Life Balance

For us, diversity also means keeping a wide range of life plans in mind. The desires for workplace conditions are very different internationally. Our employees, with their specific desires for an equitable relationship between their jobs and their private lives, are at the heart of our approach to work-life balance. NORMA Group supports this through a variety of measures, such as mobile work.

The specific form is determined in consultations with the supervisors and depending on the requirements of the workplace. In 2016, we will intensify our efforts in the area of work-life balance throughout NORMA Group even further. GRI [G4-LA2]

**OCCUPATIONAL SAFETY AND HEALTH**

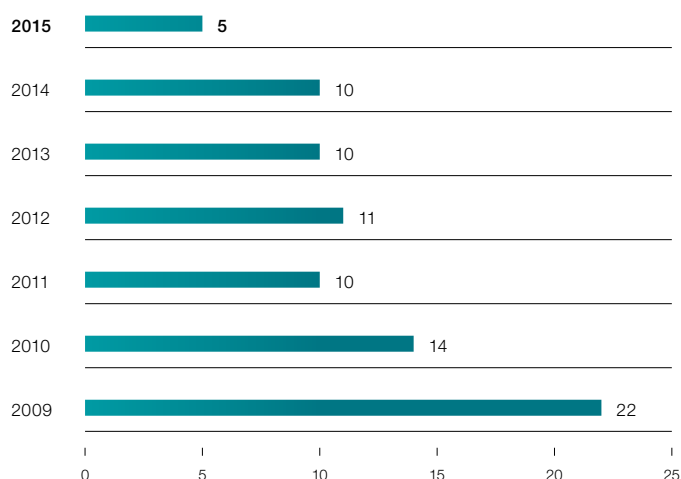
**Safety and Health are Top Priorities**

The health of our more than 6,300 employees worldwide is the number one priority for NORMA Group. As a responsible company, NORMA Group invests comprehensively and systematically in the health of its employees and strives for continuous improvement of its healthcare. We want to fulfil our responsibility and duty to care for our employees as best we can.

We consider compliance with applicable laws in the area of health and safety as only a minimum requirement. (→ Responsible Management, p. 16) Our measures and efforts go far beyond this: With complementary programmes, we ensure that all jobs at NORMA Group provide maximum safety and that accidents are avoided. For this purpose, we use technical means as well as training on preventing accidents at work, in particular. The current low number of only five accidents per 1,000 employees confirms the effectiveness of our commitment in the area of occupational safety. GRI [G4-LA6]

**ACCIDENT RATE**

Accidents /1,000 employees



**OHSAS Certification of All Sites the Objective**

The certification of our sites according to OHSAS 18001 is a key component of occupational safety at NORMA Group. The OSH management system helps us to handle security issues in a uniform manner at all our sites. Compliance with this standard is verified and confirmed externally.

At the end of 2015, we had 22 certified production sites and distribution centres. Two newly added plants will also be certified by the end of 2016.

**Various Measures for the Prevention of Accidents at Work**

Basically, only a low health risk exists for our employees at the workplaces at NORMA Group because hardly any harmful substances are used in the production processes. Nevertheless, we take the prevention of accidents at work very seriously and have employed safety committees and safety officers, among other measures. Safety committees under the direction of at least one safety officer existed at 100 percent of NORMA Group's production sites at the end of 2015. GRI [G4-LA5, G4-LA7]

In addition, our employees are trained regularly on occupational safety to prevent such accidents. The Management Board is also informed about accidents at three-month intervals. If it is clear that action needs to be taken, NORMA Group can selectively tighten its prevention and protection measures. GRI [G4-LA2]

**Occupational Safety also Part of the Supplier Code of Conduct**

By having a Supplier Code of Conduct, we also commit our suppliers to comply with and respect work safety and health. NORMA Group's objective is to take responsibility not only for its employees, but also for all other persons within the value chain. (→ Sustainable Supply Chain Management, p. 21)

**OUTLOOK**

**Protect Employee Interests**

Going forward, we want to be an attractive employer. We have set ourselves, among other objectives, the goal of developing and implementing national strategies on work-life balance. We will start with this in 2016. We also plan to introduce the international standard SA8000 at all of NORMA Group's sites. This is based on conventions of the International Labour Organisation (ILO) and the United Nations (UN). The goal of SA8000 is to improve the working conditions of workers. Compliance with this standard is certified by the independent non-governmental organisation Social Accountability International (SAI).

Other aims of NORMA Group are to reduce the accident rate per 1,000 employees to zero and to increase the number of interns and students to 100 per year. The sites are also being asked to increase the number of Talent Mobility Points by ten percent compared to 2015 by 2018.





## OUR CR ROADMAP 2018 AT A GLANCE

## OUR CORE OBJECTIVE FOR 2018

NORMA Group will be viewed as an employer of choice for its employees and will continue to attract, retain and inspire the most talented people to live and to share the company's values and visions.

## OUR TARGET VALUE FOR 2018

The employee turnover rate in the first nine months is to reach 0 percent by 2018.

OUR GOAL	MILESTONE	DATE	STATUS
As a responsible company, we will invest in a safe and efficient working environment and working conditions that protect the health of our employees and maintain their well-being.	The targeted accident rate (lost-time accidents) per 1,000 employees is to be 0.	Annually	2013: 10 2014: 10
	All sites are to be certified according to OHSAS 18001.	By 2018	2014: 76 percent
We will successfully position our company as an attractive employer for students.	Increase in the number of trainees and working students to 100 per year.	By 2018	2014: 89
We will promote diversity in the company and create an open working environment in which employees can network and share their thoughts and ideas.	All sites to participate in the Diversity Day.	Ongoing	2015: 27/27 Sites
	Increase in the number of Talent Mobility Points for the sites by ten percent compared to 2015.	By 2018	2014: 72
As a "learning organisation", we will ensure our continuous development.	An average of 30 training hours per year per employee.	By 2018	2013: 27.4 h
We will support an appropriate balance between private life and work life.	All companies to develop appropriate national strategies on "work-life balance".	By 2018	Starting in 2016



21

**PRODUCTION SITES**

were certified in accordance with the internationally valid ISO 14001 standard at the end of 2015

1.9  
million

**KWH OF ELECTRICITY**

are to be saved at NORMA Germany GmbH by the end of 2017 by using systematic energy management

NORMA Group will continuously and systematically reduce the environmental impact of its production processes.

**OUR CORE GOAL  
FOR 2018**

100%

**OF THE PRODUCTION SITES**

at NORMA Group have an environmental management officer who is responsible for implementing the environmental strategy.

An aerial photograph of a river winding through a lush green forest. The river is dark blue, and the surrounding land is a vibrant green. The image is used as a background for the text.

## **ENVIRONMENT**

Responsibility means that we take our dependence on our environment into consideration. For this reason, we will improve the efficiency of our energy and raw material consumption. We help our customers to meet environmental standards today and in the future with our joining technology. We will focus even more closely on climate protection in the years to come.




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# Environment

We manage our measures on reducing our environmental impact globally based on the management system ISO 14001.

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## STRATEGIC APPROACH

### **NORMA Group Makes an Active Contribution to Environmental and Climate Protection**

NORMA Group is aware of its environmental responsibilities. We recognise the growing importance of environmental issues for our customers, for society as well as for the sustainability of our own company. We consider it our duty to meet current needs without burdening future generations.

NORMA Group makes a key contribution to environmental protection with its weight and thus emission-reducing products (→ Business Solutions, p. 24). For NORMA Group, designing production processes to be as environmentally friendly as possible is also part of holistic environmental sustainability. Compliance with applicable environmental legislation and the relevant standards and requirements is a matter of course for NORMA Group and forms the basis of our environmental commitment. (→ Responsible Management, p. 16)

Moreover, as a responsible company, NORMA Group must take environmental aspects into consideration in all phases of its business. We strive to continuously reduce energy and resource consumption in our internal processes – such as production, logistics and administrative processes. To reduce the use of resources consistently, we have initiated a Group-wide environmental and climate protection strategy. The priorities of environmental management of NORMA Group are on the areas

- (1) Energy/CO<sub>2</sub> Footprint
- (2) Water
- (3) Wastes/Recycling

### **Energy and Water as the Main Focuses of the Environmental and Climate Protection Strategy**

We see the greatest potential to improve our sustainability in the areas of energy and water, in particular. This materiality assessment was confirmed by internal and external CR experts in a stakeholder dialog and has accordingly been incorporated into our CR Roadmap 2018. (→ CR Roadmap 2018, p. 13)

Other environmental issues such as biodiversity or the handling of hazardous waste were assessed to be less relevant for NORMA Group and are therefore not the focus of our CR measures. NORMA Group does not operate any production sites in conservation areas or in their vicinity. Rather, we operate our sites mainly in designated industrial or commercial areas. NORMA Group's activities therefore have no discernible impact on biodiversity. GRI [G4-EN11, G4-EN12, G4-EN26]

### **Use of Environmental Management Systems to Achieve Specific Environmental Objectives**

Consistent and proactive implementation of our environmental and climate protection strategy is only possible if concrete objectives are set. To achieve these goals, NORMA Group relies on a uniform Group-wide environmental management system that is certified in accordance with the international standard ISO 14001.

21 NORMA Group sites were certified according to the ISO 14001 standard at the end of 2015. Three other sites are to be certified by the end of 2016.

## THE ENVIRONMENTAL AND CLIMATE PROTECTION STRATEGY OF NORMA GROUP

**Group-Wide Reporting of Environmental Indicators**

Furthermore, a Group-wide reporting tool was introduced in 2013 that allows for resource consumption as well as emissions and waste volumes to be detected and tracked. Key environmental indicators are thus collected and reported to the Management Board on a monthly basis.

This instrument can detect trends early on and corrective action can be taken in a timely manner, if necessary. In addition, an Environmental Management Officer has been appointed at 100 percent of all of NORMA Group's production sites, who is responsible for reporting on the indicators and for implementing the environmental strategy.

**Training of Employees in the Area of Environmental Protection**

NORMA Group's holistic approach on protecting the environment also integrates its employees so that they can carry out the respective measures. Our employees are trained regularly on how to reduce energy and water consumption and thereby participate in NORMA Group's environmental and climate protection strategy. GRI [G4-EN27]

**CO<sub>2</sub> EMISSIONS****Reduction in the CO<sub>2</sub> Footprint an Important Environmental and Climate Protection Goal**

Reducing our CO<sub>2</sub> emissions is an overall goal of NORMA Group with respect to environmental and climate protection. NORMA Group consumes mainly gas and electricity during its business operations. The greenhouse gases that are released are composed almost entirely of CO<sub>2</sub>.

Our aim is to significantly reduce electricity and gas consumption by implementing efficient production processes. NORMA Group

measures its CO<sub>2</sub> footprint for Scope 1 and Scope 2. This means that both the direct and indirect CO<sub>2</sub> emissions that are produced by generating energy are recorded.

With respect to CO<sub>2</sub> emissions, NORMA Group set itself the goal of reducing energy consumption in relation to production costs by five percent for the years 2013 and 2014. This annual target was achieved in both years. Energy consumption was also reduced by 4.3 percent in 2015 to 141.1 kWh per EUR thousand in manufacturing costs by initiating several individual measures. CO<sub>2</sub> emissions declined accordingly by 4.7 percent to 73.5 kilograms per EUR thousand in manufacturing costs compared to the previous year.

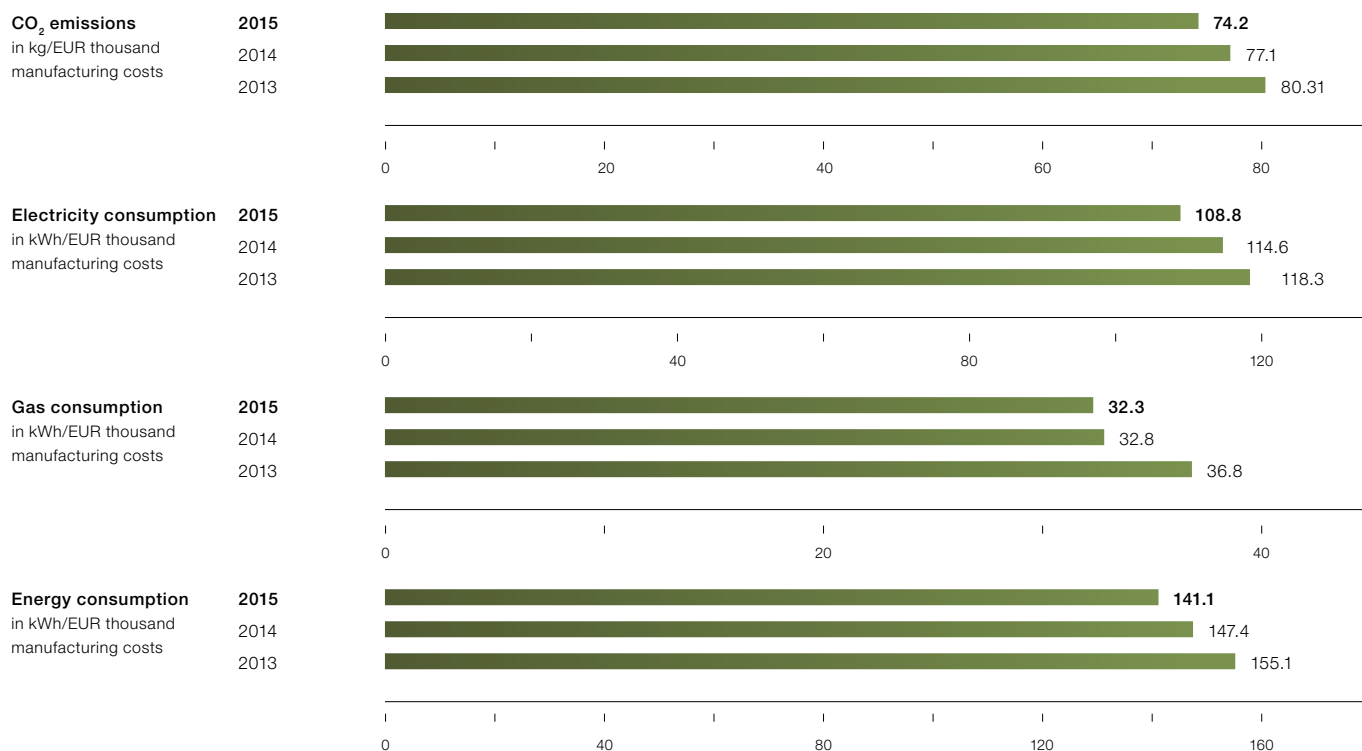
The key figures on the next page (→ Reduction of CO<sub>2</sub> emissions and use of resources, p. 41) also show NORMA Group's success in reducing CO<sub>2</sub> and the use of resources. The environmental indicators are presented as relative values in relation to production costs.

The environmental indicators allow for a proper comparison between the years because they are based on the production costs. Newly-acquired plants, companies and NORMA Group's entire product portfolio are taken into consideration. GRI [G4-EN3, G4-EN5, G4-EN15, G4-EN16, G4-EN18]

The systematic energy management strategy of NORMA Germany GmbH has also been certified in accordance with the DIN EN ISO 50001 standard since October 2015. This supports the achievement of the energy targets that the company has set for itself: around 1.9 million kWh of electricity and thus around 670 tonnes of carbon dioxide are to be saved by the end of 2017. This will reduce operating costs by more than EUR 220,000.

**670 t**  
of CO<sub>2</sub> emissions  
to be saved by 2017

REDUCTION OF CO<sub>2</sub> EMISSIONS AND USE OF RESOURCES



Ökoprofit Award

NORMA Germany GmbH received the 2015 Ökoprofit Award for its energy saving concept. By employing a systematic energy management system, NORMA Group makes an important contribution towards a green Rhine-Main region. Ökoprofit Frankfurt is a collaboration between the City of Frankfurt and businesses in the Rhine-Main region that is aimed at reducing energy consumption by half by the year 2050.

CO<sub>2</sub> Emission Savings by Optimising Logistics and Taking Sustainable Transport Routes

The local procurement of goods and services is a top priority for NORMA Group. Exceptions are made solely with respect to opportunities to purchase at significantly more favourable terms or if the goods are not available locally.

NORMA Group also uses several ways to lower its emissions in the area of logistics. For instance, we are constantly working to make our transport routes and our supply chain as efficient as possible and to produce close to our customers.

Trucks and ships are primarily used to transport our products. In addition, NORMA Group organised its package shipping in Germany

to be climate-neutral in 2011. This means that resulting emissions are compensated for by financing climate protection projects. Between April 2014 and March 2015, a total of 15.67 tonnes of CO<sub>2</sub> were thus compensated for. GRI [G4-EN30]

Local Measures Contribute to Overall Success

A variety of measures at the international production sites contribute toward reducing CO<sub>2</sub> locally as the following examples illustrate:

Modern Compressors at the Maintal Site

Renewing the ventilation system in a production hall at the site in Maintal resulted in up to 90 percent heat recovery starting in the spring of 2016. This results in a savings of approximately 180,000 kg of CO<sub>2</sub> per year. In addition, the pollutants and targeted ozonation of the exhaust air in the air are reduced significantly by using ion generators.

Saving Energy by Optimising the Compressed Air Supply

The way in which the compressed air supply is handled at NORMA Germany GmbH is yet another example of how production processes have been optimised. When the machine is stopped, the compressed air supply is automatically switched off. Thus, NORMA Germany saves approximately 200,000 m<sup>3</sup> of compressed air per month, 25,000 kWh of electricity and 14,000 kg of CO<sub>2</sub>. GRI [G4-EN19]

**LED Lighting Introduced in North American Production**

The lighting in production at the three North American sites Monterrey, Saltsburg and St. Clair was replaced by LED lights last year. This will significantly reduce power consumption on the one hand and, secondly, significantly improve the luminous efficiency. Moreover, these lights require no maintenance for 15 years. The savings in power consumption amount to 2,100 USD per month at the site in Monterrey and 1,740 USD per month at the site in Saltsburg.

GRI [G4-EN6]

**WATER**

**Continuous Reduction of Water Consumption**

We see it as part of our responsibility to conserve the precious resource water and secure the drinking water supply for future generations. NORMA Group lives up to this responsibility at three levels:

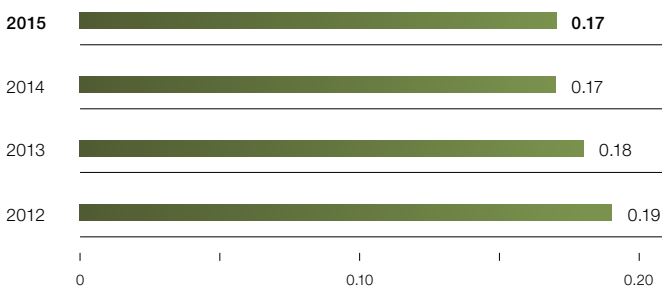
1. Numerous NORMA products support careful handling of water and thus help to conserve the precious resource. (→ Business Solutions, p. 24)
2. NORMA Group raises awareness of conscious use of water and supports social projects with this focus through various measures. (→ Community, p. 50)
3. NORMA Group has set itself the goal of continuously reducing the use of water in its production processes.

NORMA Group acquires its water from public supply networks and from its own wells. We have succeeded in continuously reducing the use of water in relation to production costs through targeted water management in our production processes in recent years and in keeping it at a very low level of about 0.17 tonnes per EUR thousand in manufacturing costs. We record our water purchases precisely and identify potential for optimisation by comparing our annual consumption and the various sites with each other.

GRI [G4-EN8, G4-EN9]

**WATER CONSUMPTION**

in tonnes/EUR thousand in manufacturing costs



**Acquisition of NDS in the US**

On 8 October 2014, NORMA Group acquired National Diversified Sales, Inc. (NDS), a leading US provider of storm water management, landscape irrigation and connection components for infrastructure in the water sector. We have thus continued our expansion in the field of water management.

Given the global scarcity of water, the demand for efficient solutions for water supply and infrastructure is on the rise. We pay tribute to this trend through our acquisition of NDS and expand our product portfolio and geographic presence accordingly. The technologically sophisticated products of NDS include water management systems for trapping and treating rainwater, irrigation and drainage solutions and joining products for applications in water management.

**Successful Water Management at Various Sites**

Conservation of the valuable resource water is promoted locally and individually within NORMA Group at its sites as the following examples show:

**Water Circulation System at the Site in Pilica (Poland)**

The water vapour formed during heating processes in production at our Polish plant in Pilica is partially recycled and reused. The surplus that cannot be recycled is fed to the toilets after it has cooled off. In addition, a software solution has been introduced that notifies the respective employees if excessive water consumption is detected in production.

Through these measures, our water requirement was reduced by almost 80 percent from approximately 12,000 cubic metres to around 2,500 cubic metres between 2012 and 2015.

**Intelligent Control System for Water**

Due to the ever increasing droughts in parts of the US, the issue of water management is becoming increasingly important there. According to the California Environmental Protection Agency, up to 80 percent of the water consumption of households is caused by landscape irrigation. NORMA Group contributes to reducing water consumption by supporting its customers in converting from conventional to modern, efficient irrigation systems and informing them of ways to save water.

In addition, the drainage systems help to collect storm water and other urban waste water and return it to the water supply. By installing an intelligent control system, NORMA Group also managed to reduce water consumption at its US production site in Auburn Hills.

**Measures Include Responsible Use of Waste Water**

Responsible use of water resources also includes waste water. In this context, NORMA Group complies with the statutory requirements at all its sites. In addition, the handling of waste water is an aspect that is reviewed regularly as part of the ISO 14001 certification. Monitoring is performed to ensure that no unauthorised water contamination takes place. GRI [G4-EN26]

**WASTE AND RECYCLING**

**Continuously Reducing Waste**

Besides lowering CO<sub>2</sub> emissions and using water efficiently, reducing waste and recycling play an important role in NORMA Group's environmental and climate protection strategy. We consistently work on reducing waste to a minimum. Through continuous process opti-

misation and by using innovative techniques, we have managed to continuously reduce the amount of waste in relation to production costs in recent years and have maintained it at a constant low level.

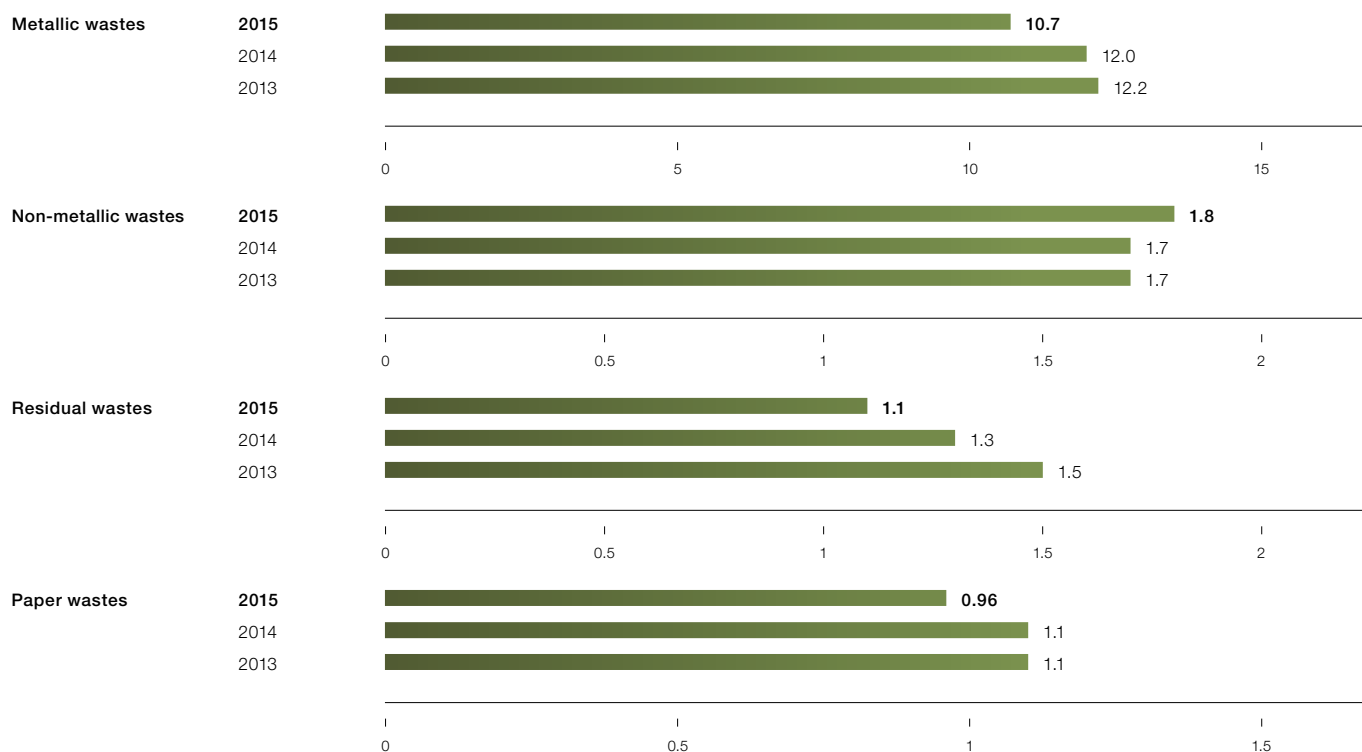
In relation to production costs, the volume of metallic waste declined by 10.8 percent last year, residual waste by 15.4 percent and paper waste by 12.7 percent compared to the previous year. The slight increase in non-metallic waste is due to a change in the production mix and increased use of the injection moulding process. This leads to a greater amount of plastic waste.

**Recycling Processes**

In the area of metallic wastes, almost 100 percent of the waste generated is subjected to external recycling. We use different methods depending on the type of waste: metallic waste is collected during the production processes and used for recycling. Waste plastics, on the other hand, are re-fed into the production process to the extent

**WASTE** GRI [G4-EN23, G4-EN25]

in kg/EUR thousand in manufacturing costs





possible to save resources. Here, a certain share of the waste plastics generated by NORMA Group is reground. NORMA Group cannot recycle its own products, however, because they are built into final products such as engines, for example. GRI [G4-EN27]

Recycling of  
**100 %**  
of metal waste

Contractual arrangement requirements on material and recycling are met, of course. NORMA Group also ensures compliance with statutory labelling requirements. (→ Responsible Management, p. 16) Our company thus meets statutory regulations such as the End-of-Life Vehicle Directive and RoHS (Restriction of Hazardous Substances) Directive of the electrical industry.

It is thus ensured that no harmful substances are released during the disposal or recycling of our products. Furthermore, recyclable materials are used to the extent possible, such as the NORMAQUICK PS3 connectors that are used in the cooling water systems of vehicles.

**OUTLOOK**

**Environmental and Climate Protection Remains the Focus**

We will continue to pursue our efforts and actions on environmental and climate protection in the coming years. The main focus of NORMA Group is therefore on continuously and systematically reducing the environmental impact of its manufacturing processes. In this context, we have set ourselves the target of having 100 percent of our production sites worldwide certified in accordance with ISO 14001 by 2018 at the latest and then continuously recertified.

Despite the very low level we have already achieved, we will seek to reduce the CO<sub>2</sub> footprint of our production worldwide even further. We have set ourselves the target of reducing CO<sub>2</sub> emissions in relation to production costs by another nine percent by 2018 compared to 2015. In addition, we intend to reduce our water consumption in relation to production costs by another six percent by 2018 compared to 2015.



**OUR CR ROADMAP 2018 AT A GLANCE**

**OUR CORE OBJECTIVE FOR 2018**

NORMA Group will continuously and systematically reduce the environmental impact of its production processes.

**OUR TARGET VALUE FOR 2018**

100 percent of NORMA Group's global production sites are to be certified according to ISO 14001 by no later than 2018 and then continuously.

OUR GOAL	MILSTONE	DATE	STATUS
We will continuously reduce the CO <sub>2</sub> footprint of our production worldwide.	Nine percent lower CO <sub>2</sub> emissions in relation to production costs compared to 2015.	By 2018	2013: 80.3 kg/EUR thousand
We will lower our consumption of water as a resource in production.	Six percent lower water consumption in relation to production costs compared to 2015.	By 2018	2013: 0.17 tonnes/EUR thousand

NORMA Group will position  
itself as a responsible partner  
in the community.

OUR CORE OBJECTIVE  
FOR 2018

15,000

PUPILS AND TEACHERS  
are benefitting from the measures that  
make up NORMA Clean Water.

32

CHARITABLE PROJECTS  
were supported as part of the  
first international NORMA Help Day.

Around 800

EMPLOYEES  
took part in charitable projects  
on NORMA Help Day 2015.

50

SCHOOLS IN THE  
DISTRICT OF PUNE  
are to receive access to clean drinking  
water and functioning sanitation by  
2017 as part of NORMA Clean Water.



## **COMMUNITY**

For NORMA Group, vibrant and livable environments near our sites are of great importance. We want to strengthen and have a positive impact on the sites we operate at through our social commitment (Corporate Citizenship).




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## Community

We measure the success of our social commitment based on the positive reviews we receive in stakeholder surveys.

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### STRATEGIC APPROACH

#### NORMA Group Assumes Responsibility

It is a matter of importance to NORMA Group to act as a socially committed company and an active member of society. We make a decisive contribution to society and to the environment with our low-emission and resource-saving products (→ Business Solutions, p. 24) and through the continuous reduction of our own energy and water use. (→ Environment, p. 42)

We consider the fair treatment of our employees with all of their diversity and combating all forms of discrimination to be part of our social responsibility. (→ Employees, p. 34) Compliance with and respect for human rights obviously applies for NORMA employees. We also demand this for all people who are involved in our value chain. (→ Responsible Management, p. 16 and Sustainable Supply Chain Management, p. 21)

#### The Focus Lies on Our Own Sites

Furthermore, we have set ourselves the goal of initiating additional activities that positively affect the development of society. The focus of our actions always lies on the regions in which we operate. We want to strengthen this in a targeted manner. We have identified considerable potential to effectively assume social responsibility in two areas in particular:

1. Exemplary measures by which we show how global challenges – especially the shortage of water resources – can be met. (→ NORMA Clean Water, p. 52)
2. Strengthening civil society at the sites of NORMA Group – mainly through the promotion of voluntary commitment of our employees. (→ Corporate Volunteering, p. 54)

NORMA Group also takes a decentralised approach as part of its social commitment. We have established the necessary framework for donations and sponsorship, which, in turn, is filled with life by the site managers and coordinators. Their involvement adds to the effect of our international corporate volunteering programme for civil society in the region. (→ Activities at the Sites, p. 55)

### NORMA CLEAN WATER

#### The Resource Water is Extremely Important for People

As part of global megatrends, the vital resource water is becoming increasingly scarce in many places of the world. Access to both drinking water and sanitation is a major problem, especially for poor people in emerging and developing countries. According to the World Health Organization (WHO), about 2.4 billion people worldwide have no access to sanitary facilities. (@ <http://www.who.int/mediacentre/factsheets/fs392/en/>)

With our products, we contribute to a functioning and resource-efficient water supply in many regions of the world (Products, p. 26). We have therefore decided to begin our first global commitment by focussing on water. Many people in India are particularly affected by the lack of access to clean water and sanitation. In addition, the precarious situation of the sanitary facilities in schools here often means that girls do not go to school. NORMA Group is represented here with its production site in Pune in the western Indian state of Maharashtra. NORMA Group has therefore decided to get involved in providing a functioning water supply to schools in the rural environment of Pune.

### **NORMA Clean Water Project Launched in India**

In 2013, the CR management committee introduced the non-profit project NORMA Clean Water together with their colleagues at NORMA in Pune. The non-profit organisation PLAN International was convinced to act as a project partner. It has far-reaching experience in the implementation of so-called WASH projects (WASH: Water – Sanitation – Hygiene) and has already built up a network of local partners for project implementation in India.

Together with the project partners on site, we have formulated the goal of enabling the 15,000 pupils and teachers at 50 schools near Pune to have access to safe drinking water and functioning sanitary facilities from 2014 to 2017. We have thus set up a complex programme which initially includes numerous structural measures. In addition, we want to achieve changes in people's behaviour and establish structures so that positive effects can be stabilised.

### **Successes Confirm the Project Plan**

In order to achieve these goals of NORMA Clean Water, the needs of the project schools were first determined accurately. Since then, specific construction measures have been carried out here, depending on the needs. These can be divided into three project phases: installation of doors for the toilets to complete construction of sanitary facilities and installation of functioning fresh water pipes. Especially for many of the girls here, the improved structural situation and the construction of incinerators for sanitary products have already improved their experience of attending school.

Moreover, it is important to raise awareness of hygiene issues in a targeted manner. As part of the education effort, posters were designed and hung up near the sanitary facilities. Furthermore, NORMA Clean Water established clubs for the pupils at 46 of the 50 schools. Its members contribute their knowledge about hygiene to other pupils, but also to their families. Moreover, they assume responsibility for maintaining the newly built sanitary facilities.

student clubs  
at all

50

schools

Activity days were also held at the Indian schools to accompany the project. In these writing and painting competitions, the children got to deal intensively with the importance of water in their environment and were sensitized specifically and trained on this important topic.

4,800 pupils in 16 schools had already benefitted from the construction of sanitation and drinking water systems by the end of 2015.

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### **Interim balance on NORMA Clean Water**

"We as NORMA Group wanted to find a partner for this challenging project who is familiar with development programmes in India and who brings along experience on implementing water and infrastructure projects."

**Marion Mitchell, Group CR Officer, NORMA Group**

"Water, hygiene and sanitation are critical components of our aid projects in India. For this reason, we are very grateful to NORMA Group for its support in the Pune district."

**Bhagyashri Dengle, Executive Director, Plan India**

"We set ourselves the goal of improving the learning conditions in schools from the very beginning through our commitment. But we also want to turn the children into ambassadors in their families and their environment – on the conscious use of water as a natural resource and how important it is for people."

**Daphne Recker, Group CR Officer, NORMA Group**

"We girls had a problem with hygiene. But this has now been solved by installing an incinerator. We don't miss school anymore and don't have to shy away from the sanitary facilities any longer. Before we had to decide whether we would go to school or not when we were menstruating."

**A pupil from Pune**

"Thanks to the NORMA Clean Water project, sanitary facilities have been set up at our school and the toilets and drinking water facilities have been renovated. The health of our children has thus greatly improved."

**Ashok Sarode, Headmaster of  
Hirabi Gopalrao Gaikwad High School, Kasari**

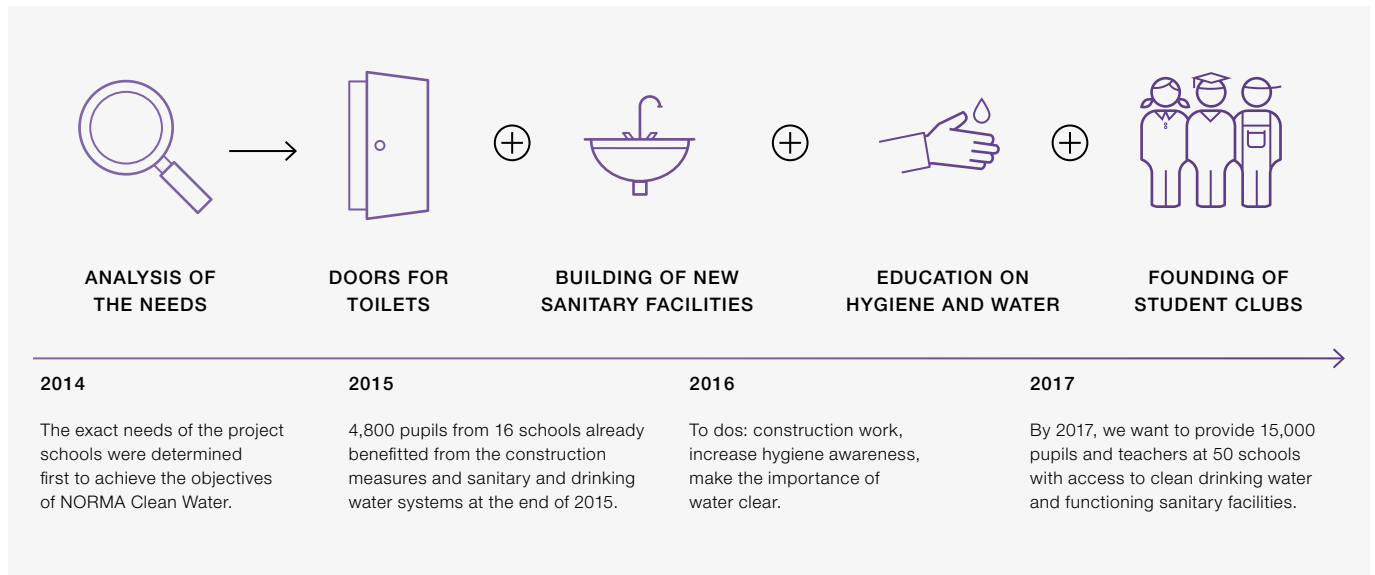
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### **NORMA Clean Water with a Positive Outlook**

The interim results at the end of 2015 show that we are on track to achieving the objectives of this comprehensive project. Long-term changes in behaviour and structures are the main focus of the final project phase of NORMA Clean Water, which will continue until 2017. Here, it is particularly important to involve the administration, the heads of the schools, parent representatives and student clubs in these activities.

We will continue to accompany NORMA Clean Water in India even after these measures are successfully completed in 2017. The success of NORMA Clean Water reinforces our intention to work for selected development programmes that are related to the strategic topics that NORMA Group focusses on. We pay particular attention to having a role model function and to the replicability of the measures we take. GRI [G4-SO1]

## PROGRESS MADE WITH THE NORMA CLEAN WATER PROGRAMME



## CORPORATE VOLUNTEERING

### Promotion of Civic Involvement among Our Employees

Civic commitment is of great importance to functioning together in society. NORMA Group has set itself the goal of playing an active role in society. Besides promoting social projects, we encourage our employees to assume social responsibility by volunteering.

NORMA employees worldwide are already involved in this in many ways in their spare time. Their community work ranges from youth work in sports clubs and caring for the elderly in the parish to participating in the volunteer fire department and helping young people from disadvantaged families who are preparing for their first job.

### Corporate Volunteering Programme Initiated

Through our corporate volunteering programme, we want to systematically support civic engagement. For this reason, we launched NORMA Help Day at our site in Maintal in 2014. On this voluntary day, our employees have the opportunity to experience volunteering in various social projects and to test their skills in performing new tasks. In this way, we want to strengthen social life at our sites and give something back to the region we operate in as a company.

A total of 35 employees participated in NORMA Help Day already in 2014 and supported three non-profit institutions in the Maintal region. These activities ranged from assisting in building an adventure playground to designing a play area at a day care centre to accompanying seniors in wheelchairs on a trip.

### NORMA Help Day 2015 Expanded Internationally

Following the positive responses from the project partners and the employees who participated in NORMA Help Day 2014, this activity was held internationally for the first time in 2015. NORMA employees in 24 countries in which NORMA Group has production sites or distribution centres were invited to participate in charitable projects.

This local commitment is strongly supported by the company headquarters in Maintal. NORMA Group provides a "Tool Box" with all the necessary information, for example, that includes checklists and templates for letters or posters that can be hung up. In addition, NORMA employees were recruited to serve as local coordinators at all of the sites. They took over organisational tasks, coordination with the site managers and were responsible for the contact with the local project partners.

The first international NORMA Help Day in 2015 was a great success. A total of around 800 NORMA employees in 24 countries participated in it.

## INTERNATIONALISATION OF NORMA HELP DAY



The projects that were worked on as part of NORMA Help Day 2015 included, among others:

- Landscape clean-up (garbage collection) in the Fushan mountains in Loashan district by 24 employees of NORMA China Qingdao
- Collection campaign for winter clothing in Atibaia by eight employees of NORMA Brazil
- Planting of trees in Istanbul by seven employees of NORMA Turkey
- Painting the walls in a retirement home by 16 employees of NORMA Sweden

### Positive Response to This International Project

The subsequent evaluation by the participants and project partners of this charitable project last year yielded very positive results:

- Almost 100 percent of the employees who participated agree that NORMA Help Day was a very successful event.
- 96 percent would recommend participating in the next NORMA Help Day to their colleagues.
- Nearly 80 percent said that the most important motivation to participate was that the employees “just wanted to contribute to a good cause”.

32 projects worldwide were supported as part of NORMA Help Day 2015. The high level of acceptance among both its participants and project partners confirms NORMA Group in its plans to continue to encourage volunteer commitment from its employees. We will therefore continue to hold international NORMA Help Day in June 2016 and in subsequent years. GRI [G4-SO1]

### PARTICIPATION AT THE SITES

#### Local Commitment – Being a Good Neighbour

NORMA Group is committed to creating a vibrant and liveable environment at its sites in many different ways. For instance, we have been supporting various social and charitable projects in the vicinity of our sites for quite some time. Our goal is to give something back to the regions in which we operate through our social commitment (Corporate Citizenship). We strengthen these sites, improve the local quality of life and thus promote our involvement in the region – with the self-image of being a good and responsible neighbour.

The effect of our commitment benefits from our decentralised approach because the conditions are very different, depending on the region. Here, the respective local contacts know best how funds should be used to suit the various cultural particularities. They therefore have the authority to make such decisions locally.

#### Corporate Citizenship Guideline Focuses on Commitment

The Management Board adopted a Corporate Citizenship Guideline (CCG) in October 2013 to sharpen the profile of NORMA Group as a responsible partner. This Guideline applies for all NORMA sites. It describes the important topics, target audiences and forms of our commitment. The contacts responsible at our plants thus receive an important guide on designing their site-related donations and sponsorship activities. The approval processes and reporting on regional activities are also linked to NORMA Group’s internationally valid Compliance Management. (→ Responsible Management, p. 16)

NORMA Group also places great importance on transparency with respect to its local involvement. On the one hand, there is no obligation, however the sites are free to choose their own activities. After it was first introduced in 2014, the data collected for the CCG was gradually implemented at NORMA sites over the course of 2015. Starting in 2016, the money spent on donations and for sponsorship was recorded internationally in a uniform manner in accordance with the CCG.

#### **Local Support for Individual Projects at the Sites**

In principle, NORMA Group helps fund organisations and institutions based near its sites that strive to sustainably strengthen their respective communities through charitable programmes and initiatives. The CCG defines the main areas as being social, sports and education. Various examples illustrate how this local commitment is practiced:

##### **Regular Participation in Girls' Day**

Education initiatives for children and young people are a special concern to us because education is the key to positive social and personal development. For this reason, we participated in nationwide Girls' Day in April 2015 for the seventh time. 14 girls took advantage of the annual orientation day to learn more about technical and commercial careers at NORMA Group in our training workshop.

##### **German Courses and Orientation Internships for Refugees**

To contribute to society in the context of acutely necessary aid to refugees, we have been supporting German courses for refugees in Maintal since the end of 2015. Up to 25 refugees thus have the opportunity to learn the German language through January 2017. In addition, NORMA Group offers young migrants 4-week internships for career orientation. We consider both measures to be important support on successfully integrating the refugees into society.

#### **Support for Children with Cancer in Australia**

In Australia, on the other hand, we support a completely different type of project. Great Cycle Challenge is a relief operation, which was launched in the Australian state of Victoria in 2013. Donations for cancer research to help children are raised for the Children's Medical Research Institute by riding bicycle. As part of this project, one employee of NORMA Australia's distribution site rode nearly 336 kilometres for a good cause. The donations he received were increased by our Australian Group company, NORMA Pacific.

#### **Training Programme in Mexico**

Our Mexican production site in Juarez started a training programme for employees and their families in early 2015. Participants now have the option of earning their degrees by attending elementary and middle school and can thus qualify for a more responsible position with the company. The programme is being extended to include a higher school level in 2016 due to how successful it is. 30 employees have already enrolled in it. GRI [G4-SO1]

## **OUTLOOK**

#### **Effective Social Commitment**

NORMA Group has managed to build up a profile as a committed company in recent years. We were also able to integrate our employees in various projects. With NORMA Clean Water, we successfully launched our first international aid project for the entire NORMA Group. This project will be completed in 2017 when its 3-year term expires. We want to decide on further developing this programme or starting a successor programme this year.

Furthermore, we have set ourselves the goal of having all our sites participate in our annual Help Day and thus contributing to the common good in our regional environments. The Group-wide donations and sponsorships will be posted centrally to NORMA Group's CCG account starting in 2016 and can then be recorded in a uniform manner.





## OUR CR ROADMAP 2018 AT A GLANCE

### OUR CORE OBJECTIVE FOR 2018

NORMA Group will position itself as a responsible partner in the community.

### OUR TARGET VALUE FOR 2018

Consistently good to excellent reviews on the community involvement in stakeholder surveys.

OUR GOAL	MILESTONE	DATE	STATUS
We will show that water is a scarce and valuable resource, how important an efficient water supply is and that we can improve poor conditions together with partners.	50 schools with about 15,000 pupils and teachers in the state of Maharashtra, India, are to receive a functioning water supply, intact sanitation and training on hygiene issues.	By 2017	2015: 16 schools; 4,800 pupils
The employees of NORMA Group are to engage voluntarily in charitable causes at their sites.	All sites are to participate in the annual Help Day.	Ongoing	2015: 24/27 sites
By making donations and engaging in sponsoring in the areas of environment, sports and social affairs, we will strengthen the local structures at all of our sites.	Investments are to be made in the community at NORMA Group's sites in accordance with CCG.	Ongoing	First survey in 2016

## **DATA**

Facts and figures on various aspects of how we assume responsibility are listed on the following pages that show how well we perform in the area of Corporate Responsibility in a transparent manner.

## ABOUT THIS REPORT

NORMA Group sees itself as a transparent and open company that seeks direct dialog with its stakeholders. For this reason, we publish a Corporate Responsibility (CR) report every two years. We issued our first CR report on the reporting year 2013. We have also been informing on our CR strategy and our activities in our CR action fields through our own CR website since February 2014. Key figures are updated during the year on <http://normagroup.com/cr/>. GRI [G4-29, G4-30]

Our current CR report covers the calendar years 2014 and 2015. It contains extensive information about our CR-related objectives, approaches and measures, as well as our strategic orientation. By publishing a separate CR report, we want to provide detailed information on the strategic approach to CR that NORMA Group takes and discuss examples of the measures. NORMA Group thus creates the basis for an open and trusting dialog with its stakeholders. GRI [G4-28]

The structure of this report is based on our CR-specific fields of action: Responsible Management, Business Solutions, Employees, Environment and Community. Our CR policy serves as an important sense of orientation. It shows our basic understanding and our expectations that all of NORMA Group's employees and business partners will act responsibly. For this reason, some basic information on each field of action has been integrated into the first paragraphs of the respective chapter. Moreover, the core objectives of our CR Roadmap 2018 are listed at the beginning of each chapter. These illustrate our strategic focus and NORMA Group's self-image in the respective field of action.

The other goals and activities are presented in the respective field of action in the body of the chapter. These include the specific objectives of our company from now until 2018 and the current status of the corresponding measures. (→ CR Roadmap 2018, p. 13) A selection of CR-specific data is presented on pages 58 – 68 of this report. Additional general data can be found in our 2015 Annual Report. (→ <http://investoren.normagroup.com/en/publication/financial-reports>)

To define the main content of the report, we compared the materiality review of our external stakeholders with the estimates of company representatives. You will find an explanation of our approach and the materiality matrix under (→ Stakeholders and Materiality, p. 12).

This report was prepared in accordance with the requirements of the "G4 Core" of the Global Reporting Initiative (GRI). No audit was conducted to have it confirmed externally. The report has successfully completed the Materiality Disclosure Service. The GRI Content Index can be found on pages 60 – 63. GRI [G4-32, G4-33]

The statements made and the information contained in this report apply to all subsidiaries of NORMA Group. Exceptions are explicitly stated. Investments and companies outside the scope of consolidation of NORMA Group are not the subject of this report.

# GRI G4 Content Index



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G4-20	Selection of the material aspects	13	G4-EC5	Salaries and entry level wages	7
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G4-22	Effects of restatements compared to previous reports Irrelevant because there were no restatements.		<b>Indirect Economic Impacts</b>		
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<b>STAKEHOLDER ENGAGEMENT</b>					
G4-24	List of stakeholder groups	13			
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G4-27	Report on key topics and concerns of stakeholders	13			

<b>Procurement Practices</b>		PAGE
G4-DMA	Management approach	21
G4-EC9	Business policies on spending on local suppliers	
	NORMA Group's purchasing philosophy is to purchase all goods and services locally if possible. The only exceptions are procurement opportunities at significantly lower rates or if the goods are not available locally. Since use materials are purchased largely locally, only two-thirds of production materials can be obtained from regional suppliers due to the special (quality) requirements. One-third comes from a few suppliers who supply to all NORMA Group sites.	

## ENVIRONMENTAL

### Materials

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### Energy

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G4-EN3	Energy consumption within the organisation	45
G4-EN5	Energy intensity	45
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G4-EN7	Reduction in energy requirements of products and services	27

### Water

G4-DMA	Management approach	47
G4-EN8	Total water withdrawal by source	47
G4-EN9	Water sources significantly affected by withdrawal of water	47
G4-EN10	Percentage and total volume of water recycled and used	
	NORMA Group has water purification systems at some of its sites. Besides these, NORMA Group does not operate any recovery or reprocessing facilities of its own, but rather directs used and only moderately polluted water into the sewage system. Water in closed cooling circuits is the exception.	

### Biodiversity

G4-EN11	Operational sites in or near protected areas	44
G4-EN12	Significant impacts of activities on biodiversity in protected areas	44

### Emissions

G4-DMA	Management approach	45
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	45
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	45
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	
	NORMA Group does not know how much greenhouse gas is emitted by third parties (suppliers or transporters, for example, Scope III).	
G4-EN18	Greenhouse gas (GHG) emissions intensity	45
G4-EN19	Reduction of greenhouse gas (GHG) emissions	46

<b>Effluents and Waste</b>		PAGE
G4-DMA	Management approach	48
G4-EN23	Waste by type and disposal method	48
G4-EN25	Waste deemed hazardous	48
	Hazardous waste as part of residual waste makes up only a small share of the total waste generated at NORMA Group.	
G4-EN26	Waste-water and biodiversity	44; 48

### Products and Services

G4-DMA	Management approach	26
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	26; 45; 49

### Compliance

G4-DMA	Management approach	19
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	
	During the reporting period, NORMA Group did not have to pay either penalties or fines for offenses, violations or non-compliance with laws, regulations or its environmental commitments.	

### Transport

G4-DMA	Management approach	46
G4-EN30	Environmental impacts of transporting products and other goods and materials	46

### Overall

G4-EN31	Total environmental protection expenditures and investments	
	Spending and investment for measures and purchases, which also benefit the environment, are not reported separately at NORMA Group. The production processes do not require actions that must be taken solely for environmental reasons, such as the use of special filters for exhaust systems. Modern, energy-efficient compressors, for example, are purchased first and foremost because of their higher performance. For this reason, these types of expenditures are recognised under overall investment costs.	

### Supplier Environmental Assessment

G4-EN32	Percentage of new suppliers that were screened using environmental criteria	22
	Key elements of the Supplier Code of Conduct are the topics human and labour rights, workplace safety and business integrity. In addition, the Supplier Code of Conduct also addresses environmental standards.	
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain	22
	See G4-EN32	

<b>Environmental Grievance Mechanisms</b>		PAGE
G4-DMA	Management approach	19
G4-EN34	Number of grievances about environmental impacts filed, addresses and resolved	
	NORMA Group was not aware of either any lawsuits or allegations of environmental violations during the reporting period.	

## **SOCIAL**

### **LABOUR PRACTICES AND DECENT WORK**

#### **Employment**

G4-DMA	Management approach	36
G4-LA1	New employee hires and employee turnover	37
G4-LA2	Benefits provided to full-time employees	38; 40
	The benefits listed that NORMA Group offers are intended for all members of the permanent workforce. NORMA Group makes no conscious distinction between monetary and non-monetary benefits depending on the employment contract type. Full-time and part-time employees are considered equal.	
G4-LA3	Return to work and retention rates after parental leave	
	There have been no cases in which employees have not returned to work after their leave of absence had come to an end since we first started tracking the use of family programmes in 2012.	

#### **Labour/Management Relations**

G4-DMA	Management approach	36
G4-LA4	Minimal notice periods regarding operational changes	36

#### **Occupational Health and Safety**

G4-DMA	Management approach	40
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees	40
G4-LA6	Injuries, occupational diseases, lost days, work-related fatalities	40
G4-LA7	Workers with high incidence or high risk of diseases	40
G4-LA8	Health and safety topics covered in formal agreements with trade unions	
	To make it easier for employees to return to work after accidents or illnesses, special "re-integration management" for workers has been agreed to with the works councils at some sites.	

#### **Training and Education**

G4-DMA	Management approach	38
G4-LA9	Average hours of training per year per employee by gender, and by employee category	38
G4-LA10	Programs for skills management	38
G4-LA11	Regular performance and career development reviews	38

#### **Diversity and Equal Opportunity**

G4-DMA	Management approach	39
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to indicators of diversity	39; 66

<b>Equal Remuneration for Women and Men</b>		PAGE
G4-LA13	Ratio of basic salary and remuneration of women to men	39

#### **Supplier Assessment for Labour Practices**

G4-DMA	Management approach	22
G4-LA14	Percentage of new suppliers that were screened using labour practices criteria	22
G4-LA15	Actual and potential negative impacts for labour practices in the supply chain and actions taken	22

#### **Labour Practices Grievance Mechanisms**

G4-LA16	Number of grievances about labour practices filed	
	NORMA Group was not aware of any lawsuits or allegations of violations of labour protection and labour law during the reporting period.	

## **HUMAN RIGHTS**

#### **Investment**

G4-HR2	Employee training on human rights policies	20
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#### **Non-discrimination**

G4-HR3	Incidents of discrimination	
	No incidents of discrimination at NORMA Group have become known.	

#### **Freedom of Association and Collective Bargaining**

G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk	20
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#### **Child Labour**

G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labour	20
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#### **Forced or Compulsory Labour**

G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour	20
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#### **Indigenous Rights**

G4-HR8	Total number of incidents of violation involving the rights of indigenous peoples and actions taken	20
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#### **Assessment**

G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	20
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#### **Supplier Human Rights Assessment**

G4-DMA	Management approach	22
G4-HR10	New suppliers that were screened using human rights criteria	22
G4-HR11	Actual and potential negative human rights impacts in the supply chain and actions taken	
	NORMA Group did not learn of any transactions during the reporting period, which could be related to the violation of human rights. The same applies to suppliers, where there were no abnormalities in the context of visits by staff and the usual checks.	

<b>Human Rights Grievance Mechanisms</b>		PAGE
G4-HR12	Number of grievances about human rights impacts filed, addressed and resolved	20
<b>SOCIETY</b>		
<b>Local Communities</b>		
G4-DMA	Management approach	52
G4-SO1	Operations with implemented local community engagement	53; 55; 56
G4-SO2	Operations with significant actual or potential negative impacts on local communities	
	NORMA Group strives to achieve as positive effects of its local presence as possible. The company has not been informed of any harmful effects on the environment at its operating and production sites.	
<b>Anti-corruption</b>		
G4-DMA	Management approach	19
G4-SO3	Assessment of operations for risks related to corruption	20
G4-SO4	Communication and training on anti-corruption policies and procedures	20
G4-SO5	Confirmed incidents of corruption and actions taken	
	No cases of corruption were reported at NORMA Group during the reporting period.	
<b>Public Policy</b>		
G4-SO6	Total value of political contributions by country and recipient/ beneficiary	
	Neither in the reporting period nor in the past were gratuities paid to officials, politicians, political parties or related institutions.	
<b>Anti-Competitive Behaviour</b>		
G4-DMA	Management approach	19
G4-SO7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes	
	No sanctions or fines were imposed for offenses, violations or non-compliance with laws, regulations or obligations in the area of competition in relation to NORMA Group during the reporting period.	
<b>Compliance</b>		
G4-DMA	Management approach	19
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	
	No sanctions or fines were imposed for offenses, violations or non-compliance with laws, regulations or obligations in the area of compliance in relation to NORMA Group during the reporting period.	
<b>Supplier Assessment for Impacts on Society</b>		
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	22
G4-SO10	Significant actual and potential negative impacts on society in the supply chain	22

<b>Grievance Mechanisms for Impacts on Society</b>		PAGE
G4-SO11	Number of grievances about impacts on society filed	
	NORMA Group did not learn of any lawsuits or allegations of adverse social concerns during the reporting period.	
<b>PRODUCT RESPONSIBILITY</b>		
<b>Customer Health and Safety</b>		
G4-DMA	Management approach	29
G4-PR1	Product and service categories for which health and safety impacts are assessed for improvement	29
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes	27
<b>Product and Service Labelling</b>		
G4-PR3	Product and service information required by the organisation's procedures for product and service information	27
	Product data sheets on selected products are available online.	
G4-PR4	Total number of incidents of non-compliance with regulations concerning product and service information	27
G4-PR5	Results of survey measuring customer satisfaction	30
<b>Marketing Communications</b>		
G4-PR6	Sale of banned or disputed products	21
G4-PR7	Total number of incidents of non-compliance with regulations concerning marketing communications	
	During the reporting period, NORMA Group was not aware of either lawsuits or allegations of violations of competition law or of failure to comply with regulations or voluntary codes related to marketing communications, including advertising, promotion and sponsorship.	
<b>Customer Privacy</b>		
G4-PR8	Breaches of customer privacy and losses of customer data	
	NORMA Group was not aware of either lawsuits or allegations of violation of the protection of the privacy of the customer and violation of privacy during the reporting period.	
<b>Compliance</b>		
G4-PR9	Non-compliance with laws and regulations concerning the provision and use of products and services	
	NORMA Group did not have to pay either penalties or fines for offenses, violations or non-compliance with laws, rules or obligations in relation to compliance and products during the reporting period.	

AR stands for Annual Report.

# Responsible Management

		2015	2014	2013
<b>Purchasing and Suppliers</b>				
Materials used GRI [G4-EN1]	in EUR millions	365.4	292.1	269.4
Strategically important suppliers		35	35	40 to 50
Share of strategically important suppliers in total production material sales	in %	41	41	41
Share of top 100 suppliers in the purchasing volume	in %	77	77	81
Share of top 50 suppliers in the purchasing volume	in %	61	60	65
Share of top 10 suppliers in the purchasing volume	in %	29	28	32
Share of strategically important suppliers who have signed the Supplier Code of Conduct (SCoC)	in %	100	–*	–*

\* The SCoC was published in 2014.



# Business Solutions

		2015	2014	2013
<b>Research &amp; Development</b>				
Employees in R&D		271	250	205
Number of R&D employees in relation to the consolidated core workforce	in %	5.3	5.2	5.0
R&D expenditure in the EJT area	in EUR millions	25.4	25.7	21.9
R&D ratio in terms of EJT sales	in %	4.7	5.3	4.9
Total number of patents and utility models		727	850	867
Total number of patent families		179	154	161
Total number of patent applications		74	95	68
<b>Quality</b>				
Share of production facilities certified according to ISO 9001 and ISO/TS 16949	in %	95	100	100
Average value of the indicator "NORMA is perceived as innovative" from the Customer Satisfaction Survey (CSS)		–**	7.7 (out of 10)	7.7 (out of 10)
Number of defective parts in production	in ppm	21	17	24
Number of quality related complaints per month		8	8	9

\*\* No CSS was conducted in 2015. The next CSS will be conducted in 2016.

# Employees

		2015	2014	2013
<b>Employees GRI [G4-10]</b>				
Total number of employees incl. temporary workers		6,306	5,975	4,947
Core workforce		5,121	4,828	4,134
Temporary workers		1,185	1,147	813
Apprentices		45	39	39
Share of female employees in the core workforce	in %	35	34	34
Share of female managers	in %	21	24	25
Number of employees in EMEA		2,899	2,803	2,820
Number of employees in the Americas		1,462	1,315	711
Number of employees in Asia-Pacific		760	710	603
<b>Age Structure</b>				
Share younger than 30 years	in %	25	25	18
Share 30 to 50 years	in %	54	54	61
Share older than 50 years	in %	21	21	21
Average age	in years	38.9	37.5	35.8
<b>Period of Employment</b>				
Share of employees with a period of employment over ten years	in %	27	26	27
Average period of employment in years		7.1	7.2	8.0
<b>Further Education</b>				
Average further education hours per employee	in h	29.1	35.0	27.4
Share of employees who have participated in at least one training programme	in %	90	92	97
<b>Other Employee Figures</b>				
Number of diversity officers		3	3	3
Employees who take maternity leave and parental leave GRI [LA3]		49	27	75
Participation rate in the employee survey	in %	–*	90	–*
<b>Occupational Health and Safety</b>				
Number of production facilities certified according to OHSAS 18001		20 (out of 22)	20 (out of 22)	16 (out of 21)
Accident rate	Accidents/ 1,000 employees	5	10	10
Total number of notifiable accidents		31	49	46
Total number of non-notifiable accidents		193	211	223
Rate of non-notifiable accidents	Accidents/ 1,000 employees	3.24	3.82	4.41
Number of medical treatments		252	229	228
Treatment rate	Treatments/ 1,000 employees	4.22	4.14	4.48

\* No employee survey was conducted in 2015. The next employee survey will be conducted in 2017.

# Environment

		2015	2014	2013
<b>Management Systems</b>				
Share of production facilities certified according to ISO 14001		21 (out of 22)	20 (out of 22)	18 (out of 21)
<b>Energy</b>				
Energy consumption in total	in kwh/TEUR of manufacturing costs	141.1	147.4	155.1
Electricity consumption	in kwh/TEUR of manufacturing costs	108.8	114.6	118.3
Natural gas consumption	in kwh/TEUR of manufacturing costs	32.3	32.8	36.8
Reduction in energy consumption in total	per TEUR of manufacturing costs in %	4.3	5.0	3.3
Reduction in electricity consumption	per TEUR of manufacturing costs in %	5.1	3.1	2.1
Reduction in natural gas consumption	per TEUR of manufacturing costs in %	1.5	10.9	6.7
<b>Greenhouse Gas Emissions</b>				
CO <sub>2</sub> emissions from electricity and gas consumption	in kg/TEUR of manufacturing costs	74.2	77.1	79.7
Reduction in CO <sub>2</sub> emissions	kg/k€	3.8	3.3	2.7
<b>Water</b>				
Water consumption	in mill. litres/ TEUR of manufacturing costs	0.17	0.17	0.18
<b>Waste</b>				
Metallic waste	in kg/TEUR of manufacturing costs	10.7	12.0	12.2
Non-metallic waste	in kg/TEUR of manufacturing costs	1.8	1.7	1.7
Paper waste	in kg/TEUR of manufacturing costs	1.0	1.1	1.1
Remaining/household waste	in kg/TEUR of manufacturing costs	1.1	1.3	1.5

# Community

		2015	2014	2013
<b>NORMA Clean Water</b>				
Number of schools where NORMA Clean Water has been implemented		16	—*	—*
Number of pupils and teachers benefitting from NORMA Clean Water		4,800	—**	—**
<b>NORMA Help Day</b>				
Number of production and distribution sites that participate in NORMA Help Day		24 out of 27	1 out of 22	—***
Participants in NORMA Help Day		> 800	35	—***

\* Start of implementation in 2015, target size: 15,000 pupils

\*\* Start of implementation in 2015, target size: 50 schools

\*\*\* NORMA Help Day was first held in 2014.

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# Imprint

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**Forward-looking statements**

This sustainability report contains certain future-oriented statements. Future-oriented statements include all statements which do not relate to historical facts and events and contain future-oriented expressions such as “believe”, “estimate”, “assume”, “expect”, “forecast”, “intend”, “could” or “should” or expressions of a similar kind. Such future-oriented statements are subject to risks and uncertainties since they relate to future events and are based on the company’s current assumptions, which may not in the future take place or be fulfilled as expected. The company points out that such future-oriented statements provide no guarantee for the future and that the actual events including the financial position and profitability of NORMA Group SE and developments in the economic and regulatory fundamentals may vary substantially (particularly on the down side) from those explicitly or implicitly assumed in these statements. Even if the actual assets for NORMA Group SE, including its financial position and profitability and the economic and regulatory fundamentals, are in accordance with such future-oriented statements in this sustainability report, no guarantee can be given that this will continue to be the case in the future.

**Note on the sustainability report**

This sustainability report is also available in German. If there are differences between the two, the German version takes priority.

**Note on rounding**

Please note that slight differences may arise as a result of the use of rounded amounts and percentages.

**Information on the Global Reporting Initiative**

The Global Reporting Initiative (GRI) assists all organisations with their sustainability reporting. For this reason, it has developed a comprehensive framework for reporting on sustainability that is used all over the world. This framework report, including the reporting guide, discusses the principles and indicators that organisations can use to measure their economic, ecological and social performance.

GRI is a non-profit foundation that has a number of partners and was founded by CERES and the environmental program of the United Nations (UNEP) in the USA in 1997. GRI moved its headquarters to Amsterdam in 2002. Its secretariat is currently based there. Furthermore, GRI has regional offices in Australia, Brazil, China, India and the USA and a global network of 30,000 people and members.

In addition, GRI maintains strategic partnerships with the United Nations’ Environment Program, the UN Global Compact, the Organisation for Economic Cooperation and Development, the International Organisation for Standardization and other organisations.

For this report a “Materiality Matters” check was conducted by the Global Reporting Initiative (GRI). This check confirms, that the most critical disclosures in the report based on the GRI G4 Sustainability Reporting Guidelines have been correctly located at both the GRI Content Index as well as in the final report.

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