

OSAPIENS CASE STUDY - MANUFACTURER

Classen Group: Supply chain transparency in the forestry and timber industry



osapiens HUB for Due Diligence (LkSG) and EUDR

About Classen Group/Company Overview

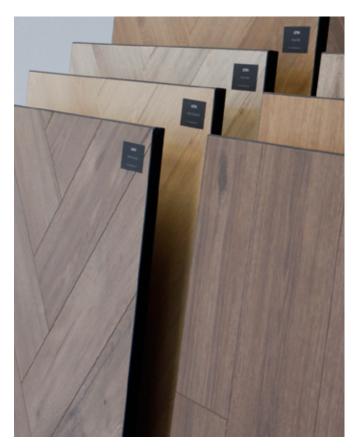
The Classen Group is one of the world's leading manufacturers of laminate flooring as well as design and vinyl flooring and wall tiles. Headquartered in Kaisersesch, Rhineland-Palatinate, Germany, the family-run company supplies customers in more than 60 countries worldwide. With the in-house produced material CERAMIN®, the

Classen Group is a pioneer in sustainability. The PVC-free material is 100% recyclable, lighter than conventional floor coverings and supports the circular economy. As a family-owned company, a sustainable and responsible approach to the environment is a central decision-making criterion for the entire Classen Group in all investments and business policy decisions.

Sustainable Sourcing and Compliance in Classen's Operations

With a very broad product portfolio consisting of various products made from different raw materials such as wood or ceramics, Classen is characterized by complex operating processes consisting of different production stages. The company sources most of the wood for its laminate products from regional forests within a radius of up to 150 kilometers. In this way, Classen ensures that raw materials come from the immediate vicinity and that safe working conditions can be guaranteed.

As habitats, $\rm CO_2$ reservoirs and climate regulators, forests are essential to the ecosystem, which is why sustainability is crucial in the forestry and timber sector. To protect the environment and human rights, the German Supply Chain Act (LkSG) obliges companies in Germany to implement defined due diligence obligations. This includes maintaining supplier data, profiling suppliers as well as defining and evaluating risks. Soon, companies also have to meet numerous requirements under the new EU Regulation on Deforestation-Free Supply Chains (EUDR) for the protection of forests. This includes collecting geolocation data as well as analyzing the risk of deforestation.



Meeting Regulatory Challenges with Efficient Supply Chain Transparency

To comply with extensive regulatory requirements, companies must ensure greater transparency within their supply chains. The Classen Group faces the challenge of being subject to multiple regulations, such as the above-mentioned LkSG and EUDR, which require the collection, verification and risk assessment of supplier data. However, with more than 2,000 suppliers, manually verifying this informationwould be a daunting task, prone to error, time-consuming and cost-intensive. Providing these resources would be both burdensome and inefficient for the Classen Group.



"(...) It was very important for us to find the most efficient solution possible that covered our needs."

Julie Quervel

Head of Accounting and Financial Reporting, Sustainability Officer, Classen Group

Risk analysis of suppliers and raw material sources is a central component of the EUDR. While Classen considers its own supply chain to be largely risk-free in the context of the EUDR, the company is proactively implementing processes to ensure full compliance. This is because in practical implementation, the risk analysis involves several stages. In the first step, a risk scoring system with appropriate parameters has to be defined. This scoring is then used to classify and evaluate the suppliers in the next step. Additionally, operational processes must be considered, adding to the complexity.



"Overall, the EUDR is highly complex (...) and challenging, but we feel we are in good hands with osapiens."

Guido Stallknecht

Managing Director, Akzenta Paneele + Profile GmbH, Head of Central Procurement, Classen Group)

Seamless Integration of osapiens Solutions for Streamlined Supply Chain Management

For the Classen Group, a high level of user-friendliness is a prerequisite for the implementation of software. Furthermore, the system should be easy for suppliers to operate, so that no costintensive resources have to be raised.

The Classen Group has already experienced good results with the implementation of the osapiens HUB for Due Diligence. Partnering with osapiens has enabled them to efficiently manage their complex supply chain, ensure sustainability, and meet the requirements of the LkSG. osapiens' innovative solutions have proven to be essential in maintaining the company's commitment to sustainability and environmental responsibility. With the implementation of the osapiens HUB for EUDR, they expect the same efficiency and ease of implementation.

Key Benefits of osapiens

The osapiens software provides a user-friendly interface and as Julie Quervel notes "(...) the application is really very easy to use". Classen Group's onboarding of to the osapiens for EUDR solution

has already been underway since March 2024 and there have been no difficulties in learning how to use the software, the company states. Another key benefit for the Classen Group is the software's effective news monitoring feature, which would be difficult to manage manually. Instead of assigning individual risk scores to over 2,000 suppliers manually, the osapiens software automates this process, significantly streamlining Classen's operations.

osapiens: Driving Impact and Sustainable Success

In conclusion, the osapiens solutions empower the Classen Group to not only meet regulatory requirements but also cater to its specific needs, further strengthening its commitment to sustainability. With the osapiens HUB, the company can position itself as a pioneer of innovative ESG solutions in the industry, offering its customers a top-tier service.

Why osapiens?

- User-friendly interface
- Easy to use
- Fast onboarding
- Effective news monitoring



OSAPIENS CASE STUDY About osapiens



osapiens supports global companies from various industries in establishing sustainability within their organizations and positioning themselves for the future. To achieve this, osapiens develops holistic software-as-a-service solutions that create transparency and sustainable growth along the entire value chain, fulfill legal ESG requirements, and automate manual processes. osapiens aims to not only strengthen companies economically but also promote human rights and ecologically sustainable and responsible corporate governance as the global standard.

The company utilises its cloud-based technology platform, the 'osapiens HUB', and innovative technologies such as artificial intelligence to support companies in seamlessly implementing and automating compliance with international and national ESG laws and guidelines, including CSRD, EUDR, and CSDDD. The osapiens HUB facilitates responsible sustainability reporting. It is constantly evolving and expanding to incorporate new solutions for changing ESG regulations, as well as solutions for improved transparency and efficiency.

osapiens was founded in Germany in 2018 and currently serves over 1,100 customers worldwide. The company is headquartered in Mannheim and has offices in Berlin, Cologne, Munich, Madrid, Paris, Amsterdam, London, and Maine (USA). osapiens employs over 250 people from 60 countries. In 2022, osapiens was honoured with the German Founder Award in the 'Rising Star' category.

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The ESG platform to make an impact





1300 + Customers

65 + Countries

300 + Employees

45 + Nationalities