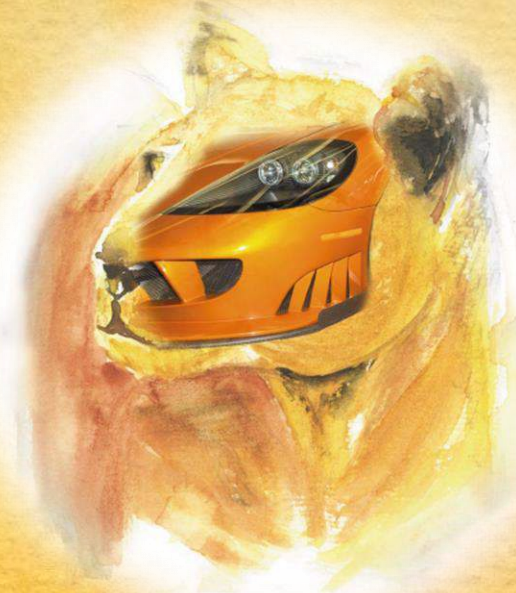




Company profile

- Full-Service-Company for Product Environmental Compliance
- Experience and IMDS-Knowhow since 1999
- More than 20,000 training participants
- Authorized partner for trainings of DXC Technology
- Public and exclusive trainings
- Service and consulting for customers around the world
- Cooperation with DXC Technology regarding IT solutions





Act of Corporate Due Diligence Obligations in Supply Chains

-
LkSG



A brief view of the new supply chain act



Topic overview:

Overview of global
regulations

Who is affected?

What to do?

Human and environmental
due diligence



Overview of global regulations



Dodd-Frank Act 2010



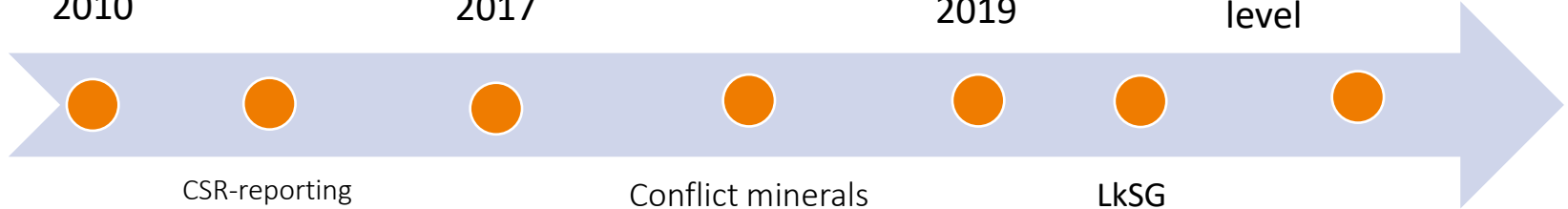
Loi de Vigilance 2017



POP 2019



Planned implementation at EU level



CSR-reporting requirements 2014

Conflict minerals 2017

LkSG 2021 *



+Additions (EMRT)

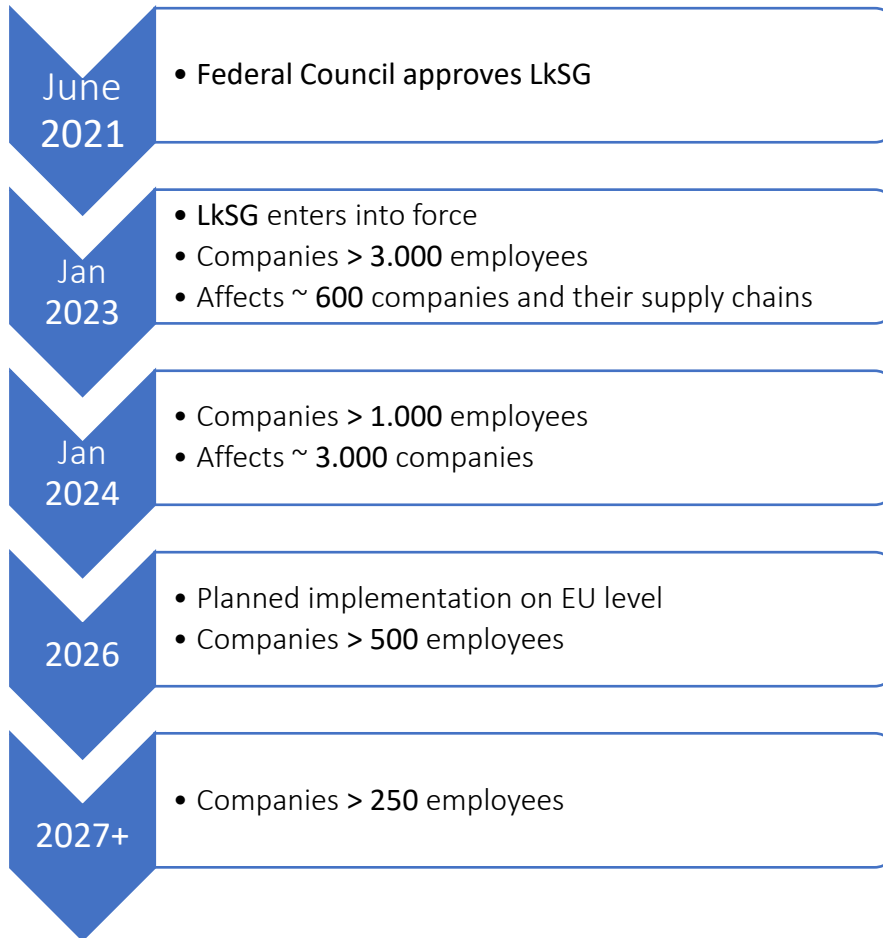


* starts in January 2023

Corporate Social Responsibility (CSR)

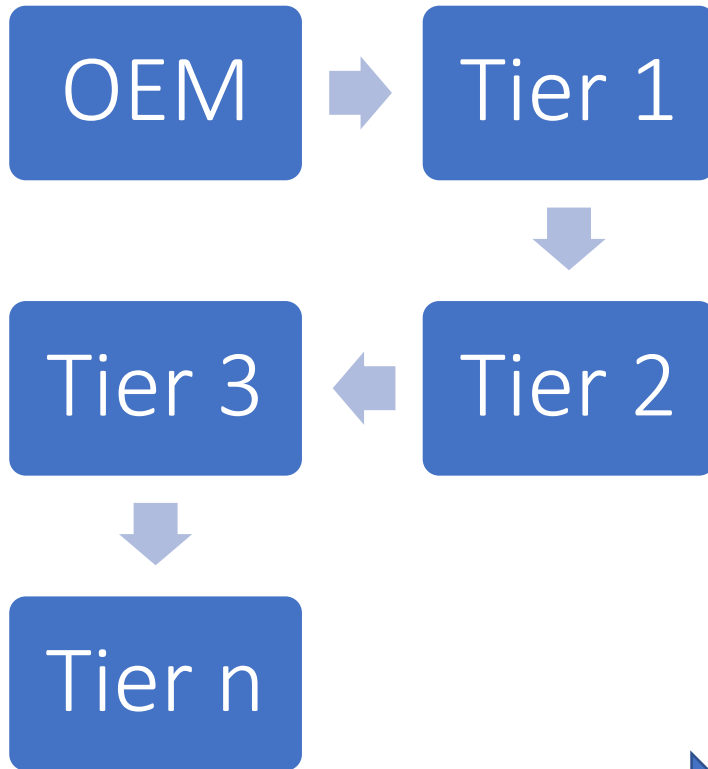


Who is affected?





Supply chain example



- OEM is forced to establish a process and release a report to show that he fullfills the LkSG requirements

- Tier 1 receives the request to show evidence of being compliant to LkSG from OEM *

- Tier 1 must ask **all** of his sub-suppliers (Tier 2) if they fullfill LkSG, for beeing able to report back to the OEM

- This goes down all the way to "Tier n" and in the end back to the OEM

** If the Tier 1 or any other supplier within this chain has reached the employees threshold, they also are forced by law to do the establishment and reporting*

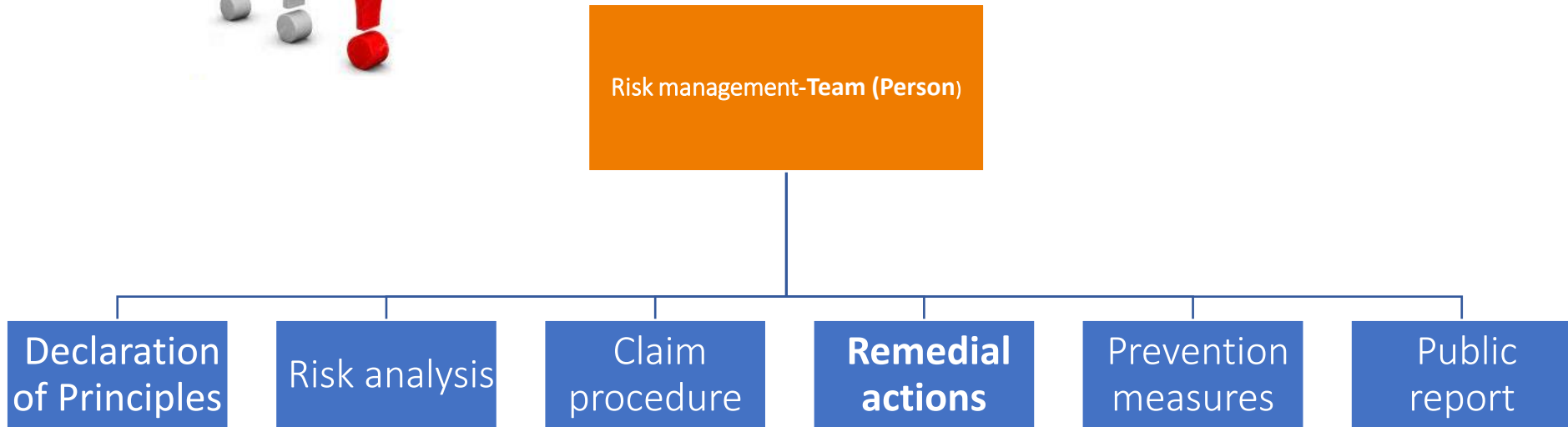
Conclusion →

All suppliers within the supply chain are directly or indirectly affected



What to do?

Task: Assign responsibilities





What to do in the field of due diligence

1. Adoption of a **declaration of principles** by the company management on the human rights strategy (Gem. §6 Abs. 2 S.2)
2. Establishment of **risk management** in all relevant business processes (§4). At least annual **risk analyses** to identify risks in the company's own business area and with direct suppliers (§5)
3. Establishment of a **complaints procedure**
4. Occurrence-based risk analysis, preventive measures and **remedial actions** at indirect suppliers (§9)
5. Implementation of **prevention measures** (§6). Take corrective **action to prevent**, stop, or minimize violations of law (§7)
6. Preparation and **publication of a report** on the fulfillment of due diligence obligations (§10)

Source: <https://www.bafa.de/DE/Lieferketten/Ueberblick/> and <https://www.csr-in-deutschland.de/DE/Wirtschaft-Menschenrechte/wirtschaft-menschenrechte.html>



Human risk and our duty of care

Child Labour

Lack of work
safety

Forced Labor &
Slavery

Discrimination

Pollution of
water, soil, air

Disregard for
freedom of
association

Withholding a
fair wage

Illegal
deprivation of
land

Abusive use of
private or public
security forces



Environmental risk and duty of care

Use of mercury according to
Minamata Convention

Use of persistent organic
pollutants according to POP
Regulation

Lack of waste regulation and
final disposal

Pollution of water, soil, air



Relevance of conflict minerals increases

			
Koltan (Mineralgruppe ColumbitTantalit)	Kassiterit (Zinnstein)	silberreiches Freigold z.B. („Goldstein“)	Wolframit (aus den Mineralien Ferberit, Hübnerit, Scheelit)
Niob, Tantal-Erze	Zinn-Erze	Erze mit Gold	Wolfram-Erze



Kinderarbeit beim Mica-Abbau in Jharkhand (Indien) (Foto: terre des hommes)

But not only that of the known four ores increases!

- In October 2021, Mica was included in an expansion of the RMI and has since been queried outside of the familiar CMRT in the supply chain.
- The template is called EMRT (Extended Minerals Reporting Template).
- A study by the aid organization Terre des Hommes says that up to **22,000 children** are mining mica in Indian mines.
- The mineral mica, also known as micaceous earth, is used in dentistry, beauty products, is also used in the automotive industry, for example, in paints, varnishes.
- Mica insulates heat and electricity and is used as a filler.
- Some OEMs have since become members of the "Responsible Mica Initiative".



Thank you for your attention!

