

Risk Management Supply Chain Act




What can be done today to be prepared for the future

Supply Chain Act: Be prepared with more transparency for your Risk Management!

The German „Act on Corporate Due Diligence Obligations in Supply Chains“* serves the improvement of international human rights along supply chains. To this end, nine human rights and environmental protection-related due diligence obligations are defined.

Overview over corporate due diligence obligations:

Companies in Germany are obliged by law to introduce processes for risk assessment and risk management.

-  **Establishing a risk management system (section 4 (1))**
 - Designating a responsible person or persons within the enterprise (section 4 (3))
-  **Performing regular risk analyses (section 5)**
 - Issuing a policy statement (section 6 (2))
 - Laying down preventive measures in its own area of business (section 6 (1) and (3)) and vis-à-vis direct suppliers (section 6 (4))
 - Taking remedial action (section 7 (1) to (3))
 - Establishing a complaints procedure (section 8)
 - Implementing due diligence obligations with regard to risks at indirect suppliers (section 9)
-  **Documenting (section 10 (1)) and reporting (section 10 (2))**



The highlighted obligations are those that our offering primarily addresses.

Who will be affected and when:

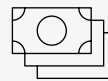


From 2023
Enterprises with
at least 3.000
employees



From 2024
Enterprises with
at least 1.000
employees

What consequences result from violations:



**Financial penalty and
administrative fine**
up to 800.000 € or
2% of the average
annual turnover



**Exclusion from the award
of public contracts**
up to three years

Our services:

We support your way to a transparent supply chain and an appropriate reporting.

The main questions to answer:

- How can your company comply with the legal obligations?
- How can responsibilities for the legal directives be implemented in your company?
- What risks emerge from your businesses for human rights and the environment?
- How can these risks be addressed by a risk management?
- How can the necessary processes be implemented efficiently and on time?

*Lieferkettensorgfaltspflichtengesetz (LkSG)

Our digital solution:

We automate your risk management processes with high transparency, to create a solid foundation for the requested reports. Our solution to analyze and assess your supply chain due diligence is:

- Data-driven
- Build as an online dashboard
- Up-to-date
- Reproducible

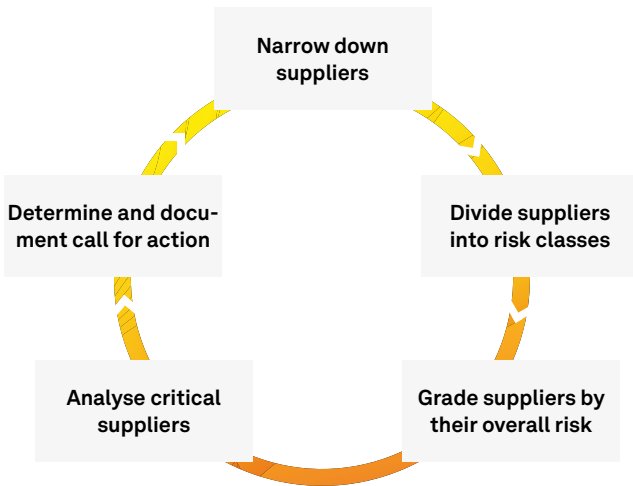
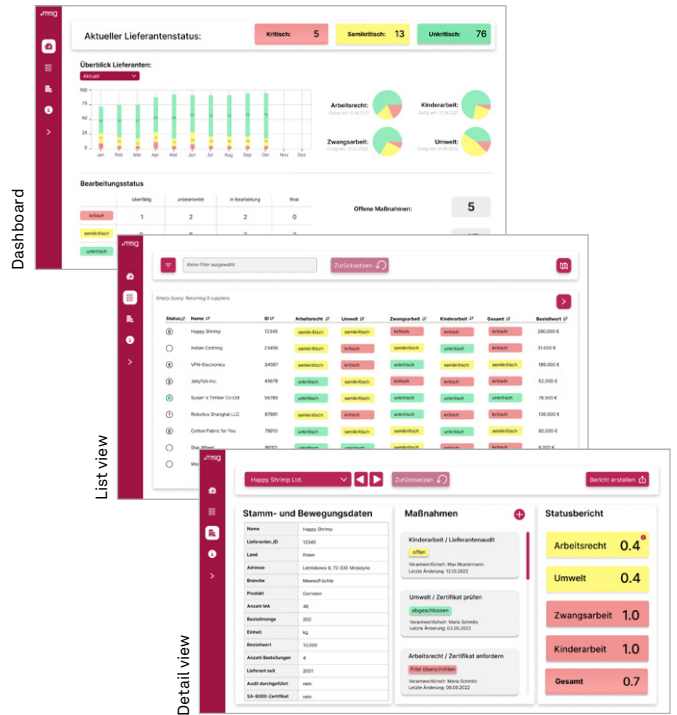
How to review your suppliers and their risk:

We use established indicators, market information and supplier locations to get a first risk assessment. We enrich this with your master data and results from our analysis, which allows to specify the risk even further.

If this leads to an indication of a human rights or environmental violation, our tool defines, manages, and documents counter measures.

Our dashboard allows the use of multiple KPIs and indices, that can be used to assess a supplier from different perspectives. You may individually change the relevance of topics based on your needs.

Our Tool “LieSA” LieferkettenSorgfaltspflichtenApplikation:



Your advantages:

We developed a scalable and adaptable solution to meet the transparency and reporting obligations defined by law. This solution can be extended and customized to your needs, based on:

- The data available at your company
- The integration to your supply and risk management
- The benefit for your company
- Your budget

Let us assist you, giving you more time for your customers. Contact us!

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