



Supplier training in accordance with the German Supply Chain Due Diligence Act

18 June, 2024

Content

- Overview of the Supply Chain Due Diligence Act
- Expectations on Amcor's suppliers
- Cooperation between Amcor and our suppliers

Overview of the Supply Chain Due Diligence Act

Since when?

Since **1 January 2023**, the Supply Chain Due Diligence Act applies to companies with 3,000 (since 1 January 2024 from 1,000) employees → Amcor

Objective?

Protection of human rights and certain environmental legal assets through transparent supply chains

Who is protected?

Those affected by human rights and environmental violations (children, workers and those at risk of harm to their health)

How?

Companies must ensure respect for human rights along the entire supply chain

Among other things, they must set up complaints mechanisms and report on their activities

Overview of the Supply Chain Due Diligence Act

Background of the Supply Chain Due Diligence Act

Child labour, exploitation, discrimination and lack of labour rights: Fundamental human rights are repeatedly violated in trade and production along global supply chains. Since 2023, the law on corporate due diligence in supply chains has obliged German companies to better fulfil their global responsibility.

At the same time, the Supply Chain Due Diligence Act ensures legal certainty and reduces competitive disadvantages for companies that have already voluntarily invested in sustainable supply chain management.

Overview of the Supply Chain Due Diligence Act

What the Supply Chain Due Diligence Act regulates

The responsibility of companies extends to the entire supply chain, graded according to their ability to exert influence. They must fulfil their obligations in their own business area and towards their direct suppliers. Indirect suppliers are included as soon as the company becomes aware of human rights violations at this level.

The Supply Chain Due Diligence Act specifies the form in which companies must fulfil their human rights due diligence obligations. This includes analysing human rights risks, taking preventative and remedial measures, setting up complaints mechanisms and reporting on their activities.

Overview of the Supply Chain Due Diligence Act

Protection against health and environmental hazards

The law also covers environmental protection insofar as environmental risks can lead to human rights violations. Environmental degradation, such as illegal deforestation, pesticide emissions, water and air pollution, is thus taken into account. It also establishes environmental obligations arising from two international agreements related to the protection against the health and environmental risks posed by mercury and persistent organic pollutants.

Overview of the Supply Chain Due Diligence Act

Which Amcor suppliers are affected?

Suppliers with **more than 1,000 employees** in Germany



Direct application of the Act



Suppliers must implement the Act themselves

Suppliers with **fewer than 1,000 employees** in Germany / **foreign suppliers**



Indirect application of the Act



They come into indirect contact with the Act because they supply products or services to Amcor as direct suppliers

Expectations on Amcor's suppliers

Amcor attaches great importance to the responsible organisation of its supply chain and respects internationally recognised human rights and regulations for the protection of the environment.

→ Amcor requires its suppliers to fulfil its own human rights and environmental expectations:

1. Suppliers should share the same values as Amcor
2. Suppliers should comply with human rights and environmental regulations in their own business area
3. Suppliers should pass on the obligation to respect human rights and environmental protection to their business partners and suppliers
4. Suppliers should cooperate and provide information so that Amcor can fulfil its due diligence obligations

Cooperation between Amcor and our suppliers

Suppliers must do the following in their own business area:

1. Suppliers must design their own business operations risk-free, avoid risks, minimise existing risks and end violations of legal rights
2. Suppliers must sensitise their own employees to human rights and environmental issues
3. Suppliers to whom the Act is directly applicable must carry out their own risk analysis and offer their own internal training courses
4. Suppliers pass on the human rights and environmental expectations along their supply chain to their subcontractors and suppliers

Cooperation between Amcor and our suppliers

Amcor relies on the following cooperation and information from its suppliers:

1. Suppliers contractually guarantee the compliance with Amcor's expectations by signing the Code of Conduct for Suppliers
2. To carry out Amcor's own risk analysis, the supplier provides Amcor with information on request (e.g. completion of questionnaires, self-assessments, etc.)
3. Suppliers must allow auditing and control measures in their own business area (e.g. by granting access to the company premises and operational information (where appropriate)).
4. In the event of a breach, the supplier may be required to participate in remedial action by Amcor