

## CHEMIE<sup>3</sup> INDUSTRY STANDARD FOR SUSTAINABLE VALUE CREATION – OBJECTIVES, MEASURES, TOOLS FOR SUSTAINABILITY IN SUPPLY CHAINS

### MODULE III: PREVENTIVE AND REMEDIAL MEASURES EXECUTIVE SUMMARY

Companies not only need to know the risks in their supply relationships, they also need to know how they can prevent, avoid or minimise human rights violations and risks. This includes eliminating risks in their own business operations as well as reducing human rights or environmental risks in their value chain. With the help of this module of the Chemie<sup>3</sup> industry standard, companies can develop effective preventive and remedial measures if they have identified human rights or environmental risks or violations. The measures are aimed at reducing these risks. At the same time, they also reduce the associated reputational and liability risks for the company.

Both experienced and less experienced companies are supported in identifying the most suitable preventive and remedial measures and applying them - together with business partners. This module also includes a model Code of Conduct for Suppliers, which companies can use individually and adapt to their needs. The selection and implementation of the measures are just as important for their success as the review of their effectiveness. The module supports the effective implementation of these success criteria. The effectiveness review in particular helps the company to gain new insights from previous experience and to utilise them efficiently.

#### **About the Chemie<sup>3</sup> Industry Standard**

The industry standard describes a framework for action and objectives for human rights due diligence, broken down to the specific requirements of companies in the chemical industry. Especially for small and medium-sized companies it offers practical tools and assistance, such as sample and decision templates.

This offer from Chemie<sup>3</sup> is free of charge for companies. The Chemie<sup>3</sup> industry standard is based on the Act on Corporate Due Diligence Obligations in Supply Chains and the United Nations Guiding Principles on Business and Human Rights. It is advisable for companies to address the issue at an early stage. They can do this on their own or with external help. The Chemie<sup>3</sup> industry standard provides support in both cases.

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