

# Supply chain risk management (SCRM)

## Make risk-informed decisions before you buy

### The risk

#### 1. Supplier attack

A supplier chain breach could result in financial loss, intelligence leaks, stolen intellectual property (IP) and reputational harm.

#### 2. Supplier resiliency

An organization could be unable to recover from disaster, resulting in supply chain disruptions and operational degradation.

### The imperative

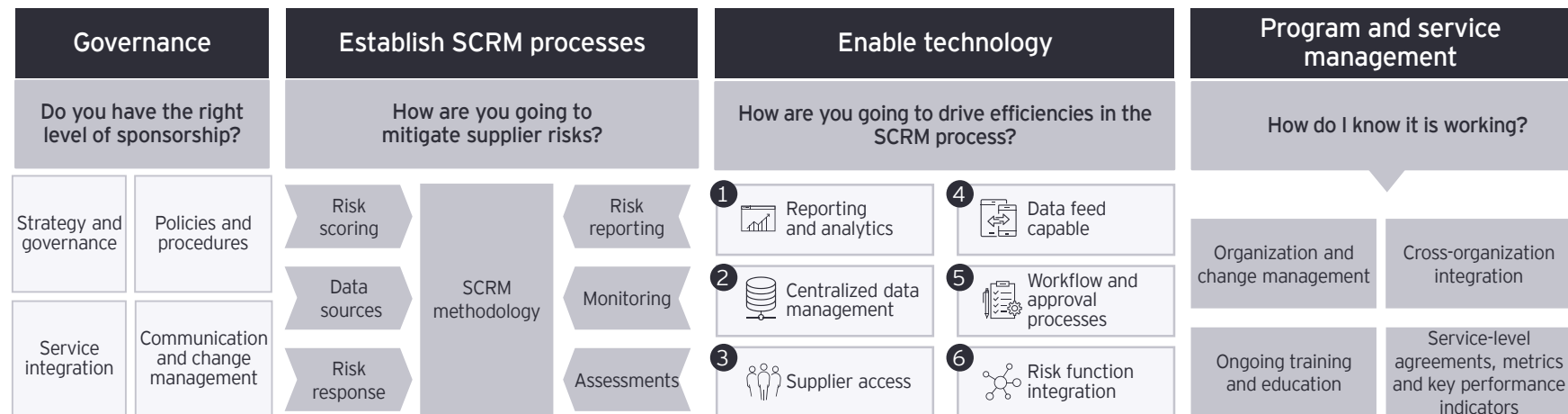
#### Multiple SCRM regulations

- 2018 Federal Acquisition Supply Chain Security Act of 2018
- 2019 Executive Order 13873 (*Securing the Information and Communications Technology and Services Supply Chain*)
- 2019 National Defense Authorization Act
- 2020 FISMA compliance with updated NIST 800-53 r5
- 2020 SCRM Government Accountability Office audit

### The opportunity

- 1  Make risk-informed decisions
- 2  Reduce supplier risk
- 3  Meet federal requirements

## Establish an SCRM foundation with a programmatic approach to establishing an SCRM program

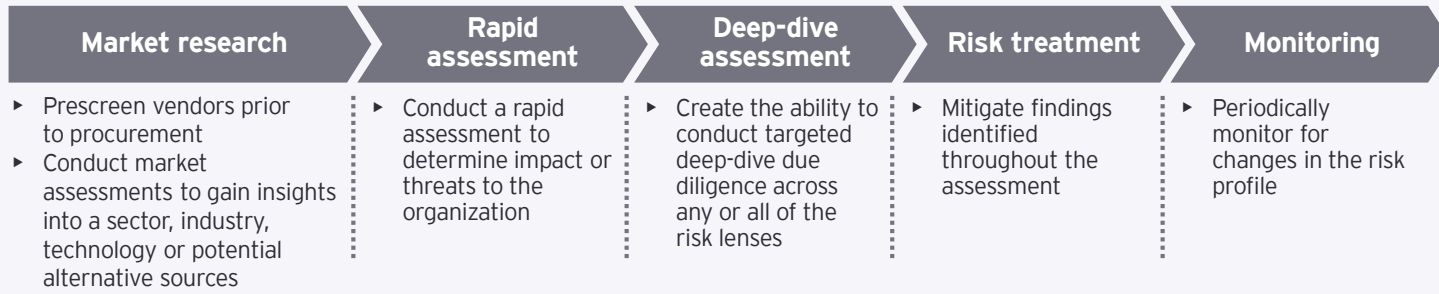


Understanding how to assess the risks suppliers introduce to your organization

# SCRM: make risk-informed decisions before you buy

## Operate supplier risk management

What risks are your suppliers bringing to your organizations?



## Risk lenses



## Enabling capabilities

### Business Relationship and Economic Threat Analysis (BRETA)

- Risk scoring using curated publicly available and commercially available data sets
- Due diligence that provides context and actionable insights for risk mitigation
- Create custom portfolios and watch lists

### EY Business Intelligence and EY Hawkeye

- Vendor profiles on compliance, mergers and acquisitions, fraud suspects, conflicts of interest, legal disputes and financial distress, and asset tracing
- Detailed vendor assessments on anti-bribery, corruption and sanctions

### Governance, risk and compliance (GRC)

- Drives efficient risk management by centralizing risk information (hub)
- Integrates risk management functions, promotes transparency and enables better decision-making

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