

Best Practices for Tracking Third Party Risk

Changes in data, technology and automation have turned third party risk management on its head. Emerging threats such as cyber security, geopolitical challenges, and ever more opaque webs of related entities make the need for a holistic risk profile greater than ever before. Today, advanced technologies streamline data across multiple sources and systems, providing a clear and comprehensive view of risks inherent in global third party networks with deeper, more accurate risk profiles. This illustration explores the benefits of today's best practice approach of integrated, ongoing due diligence.

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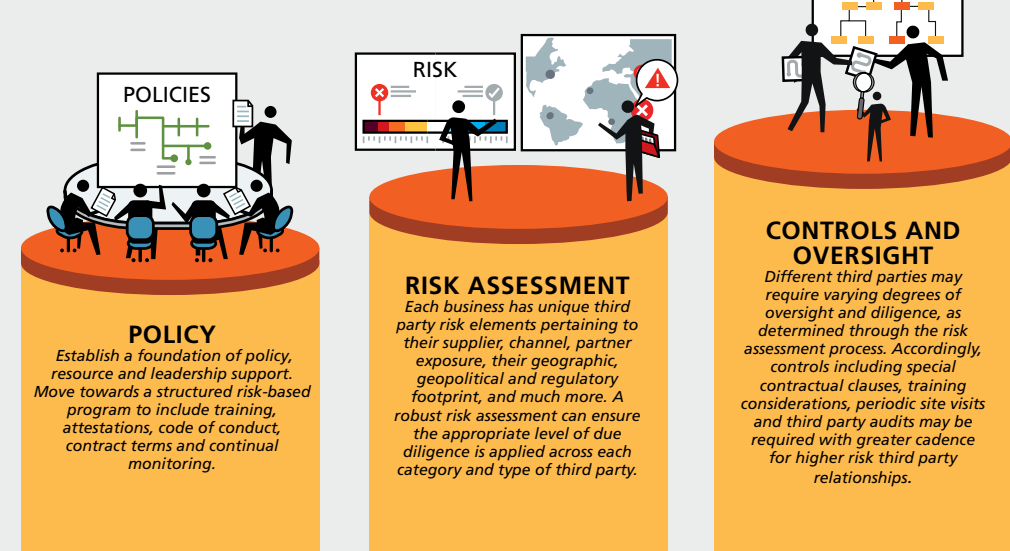


WITH CONTRIBUTIONS FROM



START WITH EFFECTIVE GOVERNANCE

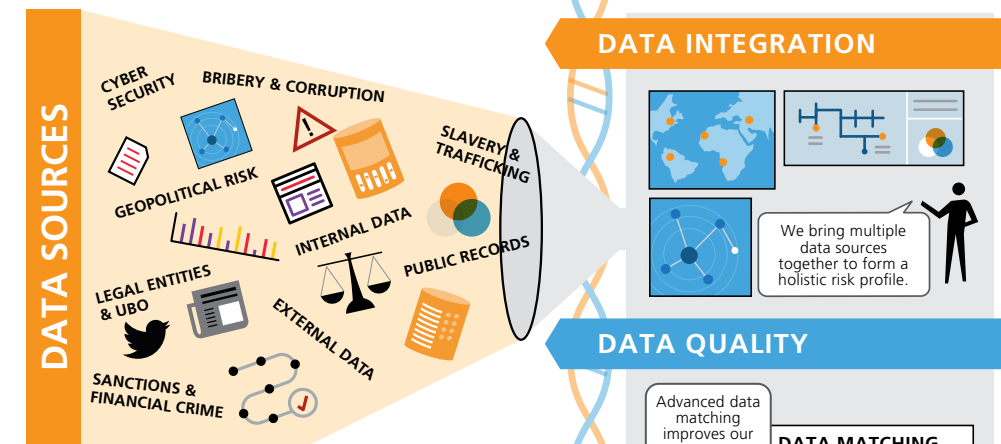
The building blocks of a robust third party risk management program rest on a strong foundation of effective governance. This demands the right 'tone from the top' translated into effective policies, performance of business and third party risk assessments, establishment of contractual expectations and monitoring of all third parties.



INTEGRATE, AUTOMATE & STREAMLINE

Cutting edge due diligence programs incorporate an array of internal and external data sources. These are mapped, integrated, and consumed in a technology powered workflow, enabling:

- Evaluation of a broad, holistic risk profile
- Deeper data mining and improved data hygiene
- Visibility of previously unseen connections and changes
- Ongoing monitoring with timely reports
- Streamlined workflow with less manual effort

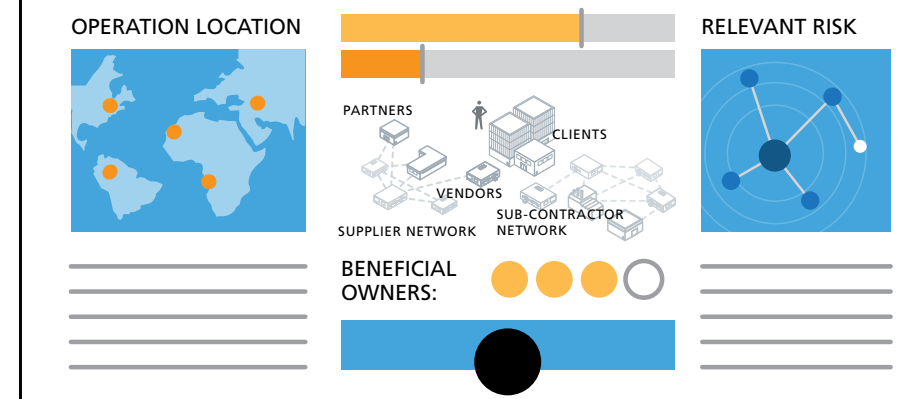


GO BEYOND BASIC DUE DILIGENCE

Organizations often rely on the use of independent data sources to screen and validate self-reported information from third party questionnaires collected through the on-boarding process. This helps them establish a foundational workflow that takes in third-party data and screens it against various separate sanctions and watch lists, country risk databases and other public records. This provides greater confidence in their risk mitigation program. However there are limitations to what this linear and siloed screening workflow can accomplish. It is now possible, and essential, to develop a more holistic, integrated approach to due diligence.



3RD PARTY RISK PROFILE



BENEFITS:

- + fewer false positives
- + enhanced risk profiles
- + advanced data hygiene and quality
- + rapid identification of changes
- + seamless integration of multiple data systems
- + automation & saved resources