

# GLOBAL SUPPLY CHAIN VISIBILITY IS VITAL TO BUSINESS SUSTAINABILITY

*Rein in risk exposure by really knowing who plays a role in your global supply chain*

**Businesses are expected to uniformly uphold the high levels of advanced economy ethical standards across their entire global supply chain**



Global regulatory scrutiny has increased around **bribery and corruption, human rights and environmental issues**



Protecting **business continuity, brand reputation and shareholder value** is essential for long-term success



Shareholder and consumer expectations around **corporate accountability** have escalated



Taking **ownership of core responsibilities within the global economy** strengthens corporate citizenship

**Globalization significantly increases supply chain complexity and creates multiple opportunities to introduce risk into your supply chain**

*Even the most innocuous products can test the integrity of your supply chain*



## FOUNDATIONS



### Factory:

- Where is it located?
- What geopolitical risks are inherent to country of product origin?
- Who were the players involved in the lease or purchase of the factory?



### Staffing:

- How are you sourcing your staff?
- Is there an enhanced risk of slavery or forced labor in the workforce?
- Are there indicators of child exploitation in the location or industry?



### Utilities:

- Are there government controls or influences to be aware of?
- What is the probity of the people setting up utilities?

**>50%**

**More than half** of apparel and agricultural companies were found not to meet expectations on preventing child labor in their supply chain in a recent benchmarking report.<sup>1</sup>

## RAW MATERIALS



### Suppliers:

- Do you fully know the reputational and reliability risks your suppliers represent?
- What steps do your suppliers take to manage foundational risks on your behalf?

**<1/3**

**Fewer than a third** of supply chain executives looked to address corruption and bribery issues with their suppliers in a recent survey of corporations representing major industrial countries.<sup>2</sup>

## DISTRIBUTION



### Shipping:

- Do you know the differences in compliance cultures along the route?
- Can you trust that your shipping agent shares your commitment to compliance?

**\$185**

It's estimated that **customs clearance adds about \$185 for each day delayed to the cost of a consignment.** It is for this reason that many shippers prefer to bribe customs officials in order to shortcut the process.<sup>3</sup>

## ANCILLARY



### Agents:

- Are there inappropriate payments being made in your name?



### Reputation:

- Are payments being made ethically?
- Are promotion and marketing efforts transparent?



### Associations:

- Is the line between reviews and endorsements clearly defined?
- Are payments to influencers made ethically?

**41%**

A recent survey of influencers showed that **41% of respondents only label their endorsements with the FTC-mandated hashtags when they're explicitly asked**, while 7% never label their content at all.<sup>4</sup>

**Prioritize the integrity of your global supply chain and protect your bottom line**

Supply chain issues rooted in bribery and corruption take a significant toll on the global economy, humankind and the environment. Your business must balance supply chain due diligence and compliance efforts with effective, more sustainable business operations.



**Improve corporate citizenship**



**Reinforce goodwill among customers and shareholders**



**Prevent exposure to costly fines and reputational damage**



**Minimize long-term impact on business continuity and shareholder value**

**Improve global supply chain visibility with structured risk intelligence**

Our solutions increase supply chain visibility by connecting your business to expansive international risk intelligence backed by the expertise of our team of global researchers.

Find out how our tools help reinforce your ongoing commitment to corporate responsibility—so you can remain focused on your core values and your core business.

**For more information, please call 800.658.5638 or visit [risk.lexisnexis.com/anti-bribery-and-corruption](https://risk.lexisnexis.com/anti-bribery-and-corruption)**