

How to proactively manage supplier risk with business information

Today, supply chains are more complex and extensive than ever – and critical to the stability and growth of the businesses connected to them.

A good supplier is a valuable asset; a strategic partner for any organisation that depends on them.

But if just one link in a supply chain goes wrong, the effects can be devastating. And so – against a backdrop of market volatility, labour disruptions, political and conflict upheaval and environmental challenges – resilience-minded companies are prioritising the management of supplier risk.

A supplier's financial instability, operational inefficiencies or geopolitical changes can all impact your business's ability to maintain consistent operations. That's where Urba360 from Coface comes into play.

This powerful platform allows businesses like yours to mitigate and manage supplier risks. It does this by providing comprehensive insights and continuous monitoring, helping you make better decisions, faster.

Understanding supplier risk in the modern world

Many of today's companies – large and small – rely on wide networks of suppliers, spanning different regions, industries and financial ecosystems. As such, supplier risk management is not just about ensuring that your business has sufficient raw materials or products to continue operating.

It's about securing every link in the supply chain to ensure resilience and adaptability. Supplier risk is a multifaceted challenge, driven by multiple risk factors.

There are three major factors to be considered as part of a robust supplier-risk management strategy.



Firstly, there's **financial instability**.

Suppliers with poor financial health can quickly become liabilities, leading to delayed deliveries, subpar product quality, or even complete shutdowns.



Secondly: **geopolitical and environmental disruptions**.

Unforeseen events such as natural disasters, trade wars or political upheaval can derail supply chains without warning.



Thirdly: **operational inefficiencies**. Even a financially sound supplier can struggle with inefficiencies, whether due to outdated technology, labor issues or logistics bottlenecks.

These issues will ultimately impact *your* business, too.

To combat these risks, Urba360 provides businesses with the accurate and unique insights they need to make informed decisions and secure their supply chains.

Urba360: a comprehensive supplier-risk management solution

At the heart of Urba360 is its ability to offer detailed, actionable insights about your suppliers. This platform doesn't simply present you with raw data; it analyses and contextualises that data to give your businesses a full picture of its supply-chain risk landscape.

Urba360 gives you a thorough evaluation of a supplier's financial health and operational stability. It allows you to track that supplier's financial performance in real time, alerting you to any changes that might indicate potential risk.

This constant monitoring helps you identify long-term financial trends among your suppliers. In doing so, you can take proactive steps to avoid potential problems – either by working with a supplier to resolve issues or by seeking alternative partners around the world.



Urba360 also offers strategic insights by sector and by country. For businesses with a global footprint, understanding the broader economic and geopolitical environment in which their suppliers operate is crucial.

By offering these insights, Urba360 allows your company to make well-informed decisions when selecting suppliers in emerging or volatile markets. And it supports decision-making for agile and flexible procurement strategies.

This aspect of the platform also helps your business evaluate its existing suppliers based on the current and projected health of their operating environments. In doing so, you can adjust your risk-management strategies as needed.



Insights you can rely on

Coface is a global leader in trade-credit risk management. We offer a new way to assess risk: predictively.

Coface complements its own rich trade credit-insurance data – built up over 75 years – with data from multiple sources. These include public data, alternative data, and our partnerships with leading information providers. We leverage extensive payment-behaviour data on critical suppliers – including the payment behaviours of our insurance policyholders' customers.

Every day, our 700+ risk experts – working across 60 information centres – are selecting, assembling and enriching data. They're aided by the latest technologies, allowing them to deliver exclusive insights on 200 markets worldwide.

Our teams actively monitor potential degradation in supplier performance on a daily basis, providing crucial early warnings for your business. And we cover the entire world through a unique API and global risk scores, offering a standardised way to assess and monitor risk across all regions.

Right now, Coface is managing up to €700 billion in risk exposure. We rely on our unique insights to guide our decision-making. This includes deep visibility into the second and third layers of suppliers in the value chain, where insured parties allow us to identify upstream weaknesses, and forecast the risks that may ripple down the supply chain.



We also maintain a privileged position in observing downstream credit risks, ensuring a holistic view of potential vulnerabilities. Meanwhile, our global dimension – particularly our insight into cross-border trade – gives us a unique perspective on international transactions.

As a business built around risk assessment, it's vital for us to understand as much as possible about a company's supply chain before underwriting its transactions. Using our unparalleled knowledge and insights, you can confidently make informed decisions, just as we do. Your risk is our risk.

A clearer view of supplier relationships

Urba360 features portfolio-management tools, allowing you an overview of all your supplier relationships.

By centralizing all information on your suppliers, the platform allows you to closely compare them; to identify risks across multiple partners; and to optimize your supplier portfolio for greater efficiency and lower risk exposure.

This oversight helps you anticipate and address potential disruptions, long before they escalate. You can receive instant risk alerts, sent directly to your inbox. And by identifying risks early, Urba360 can ensure business continuity.

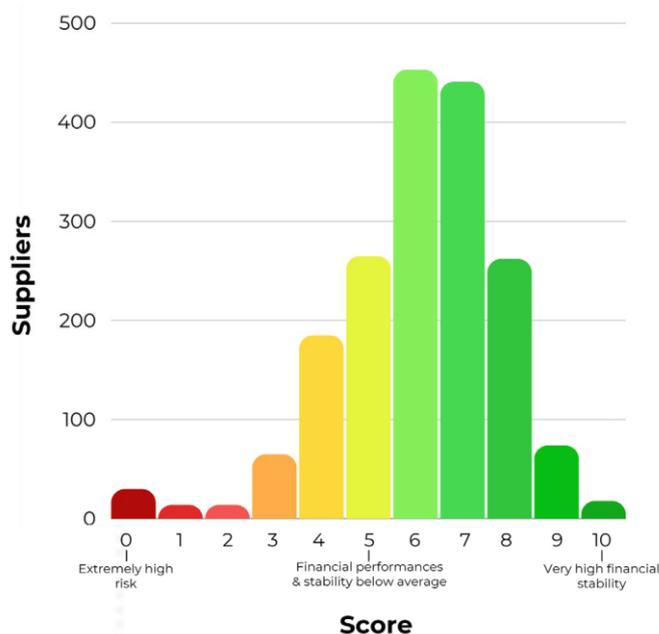
You can proactively identify alternative options by qualifying alternative suppliers aligned to your procurement strategies.

Urba360 gives you all the tools needed to proactively address issues before they impact your operations, whether through production or service delivery.

Standard data can't help you assess supplier risk. But insights gained from Urba360 can.

And there's more: Coface experts can also provide you with a supplier-risk 'health check' analysis. It will reveal to you the risk levels and exposure you have within your supplier portfolio.

In the graph below you can see a supplier portfolio risk analysis, with 17% of suppliers of high risk representing €50m of procurement spend at risk.



0-10 range: Scores reflect the risk of default, with 0 being the highest risk and 10 the lowest.

Global standardization: A singular scale for consistent risk assessment across all countries.

To learn more about the supplier risk health check and know what Coface could do for your business specifically, **please get in touch with your sales representative.**