

Overview:

When a manufacturing company faced growing regulatory pressures on ethical sourcing, as a GRC officer, I was tasked with finding the right GRC platform to ensure compliance. With conflict minerals reporting and modern slavery laws at stake, I focused on selecting a solution that provided end-to-end supply chain visibility, streamlined supplier risk assessments, and strengthened ethical sourcing practices. The result was a more transparent, compliant, and socially responsible supply chain—protecting both the company's reputation and its commitment to global sustainability standards. The guidelines I followed can be seen below:

Objectives Breakdown

1. Select a GRC Platform:

○ Key Features to Consider:

- **End-to-End Visibility and Traceability:** The platform should provide comprehensive tracking of materials, components, and services throughout the supply chain, from raw material sourcing to final product distribution.
- **Supply Chain Mapping:** It should allow for mapping and monitoring of the entire supply chain, enabling visibility into every tier, including sub-suppliers.
- **Compliance Management:** The platform should support compliance with regulations related to conflict minerals, modern slavery, and other ethical sourcing requirements.
- **Reporting and Analytics:** Robust reporting tools are essential for tracking compliance, generating reports for regulatory bodies, and analysing supply chain data to identify risks.

○ Potential GRC Platforms:

- **SAP Ariba:** Known for its strong capabilities in procurement and supply chain management, with tools for risk assessment and supplier collaboration.
- **EcoVadis:** Specializes in sustainability and ethical sourcing, offering comprehensive assessment tools for supplier compliance with social responsibility standards.
- **Assent Compliance:** Focuses on compliance with conflict minerals and modern slavery regulations, providing detailed tracking and reporting features.

2. Implement Supplier Risk Assessment and Due Diligence:

○ Conflict Minerals Due Diligence:

- Implement processes to trace the origin of raw materials, particularly minerals, to ensure they are sourced from conflict-free regions. The GRC

platform should support the collection and verification of supplier data to comply with conflict minerals reporting requirements.

- **Modern Slavery Risk Assessment:**

- Conduct thorough assessments of suppliers to identify any risks related to modern slavery, forced labour, or human trafficking. The platform should provide tools for regular audits, assessments, and monitoring of supplier practices.

- **Mitigation Strategies:**

- Develop and implement risk mitigation strategies for suppliers who fail to meet ethical sourcing standards. This could include corrective action plans, supplier re-evaluations, or even disengagement from non-compliant suppliers.

3. Enhance Supplier Engagement and Collaboration:

- **Supplier Training and Awareness:**

- Use the GRC platform to provide training and resources to suppliers, helping them understand and comply with ethical sourcing and social responsibility standards.

- **Collaborative Platforms:**

- Establish a collaborative environment within the GRC platform where the company and its suppliers can communicate, share best practices, and work together to improve compliance and sustainability efforts.

- **Performance Monitoring:**

- Regularly monitor and evaluate supplier performance against ethical sourcing criteria. The GRC platform should facilitate the collection of feedback, performance metrics, and continuous improvement initiatives.

Action Plan

1. Research and Select a GRC Platform:

- Compared potential GRC platforms based on the key features outlined above.
- Conducted demonstrations with platform vendors to assess how well their solutions meet the specific needs of the company.
- Selected the most suitable platform and develop a deployment plan that includes integration with existing supply chain systems.

2. Implement Supplier Risk Assessment and Due Diligence Processes:

- Worked with procurement and supply chain teams to establish comprehensive due diligence processes for conflict minerals and modern slavery risks.

- Configured the selected GRC platform to automate and streamline these processes, ensuring that they are embedded within the supplier onboarding and evaluation workflows.
- Trained relevant teams on using the platform to conduct assessments and manage supplier data.

3. Enhance Supplier Engagement and Collaboration:

- Organized workshops and training sessions for suppliers to educate them on the company's ethical sourcing requirements and how to use the GRC platform for compliance.
- Set up regular supplier meetings or forums within the platform to discuss challenges, share updates, and collaborate on compliance initiatives.
- Continuously monitored supplier performance and engagement through the GRC platform, adjusting as necessary to ensure ongoing compliance and improvement.

Expected Outcomes

- **Improved Supply Chain Transparency:** The company achieved greater visibility and control over its supply chain, enabling proactive management of compliance risks related to conflict minerals and modern slavery.
- **Enhanced Ethical Sourcing:** By implementing rigorous supplier risk assessments and due diligence processes, the company ensured that its sourcing practices align with its ethical and social responsibility goals.
- **Stronger Supplier Relationships:** Enhanced collaboration and engagement with suppliers fostered a more ethical and sustainable supply chain, benefiting both the company and its partners.

This strategic approach positioned the company as a leader in ethical sourcing, ensuring compliance with regulatory requirements while promoting social responsibility throughout its supply chain.