

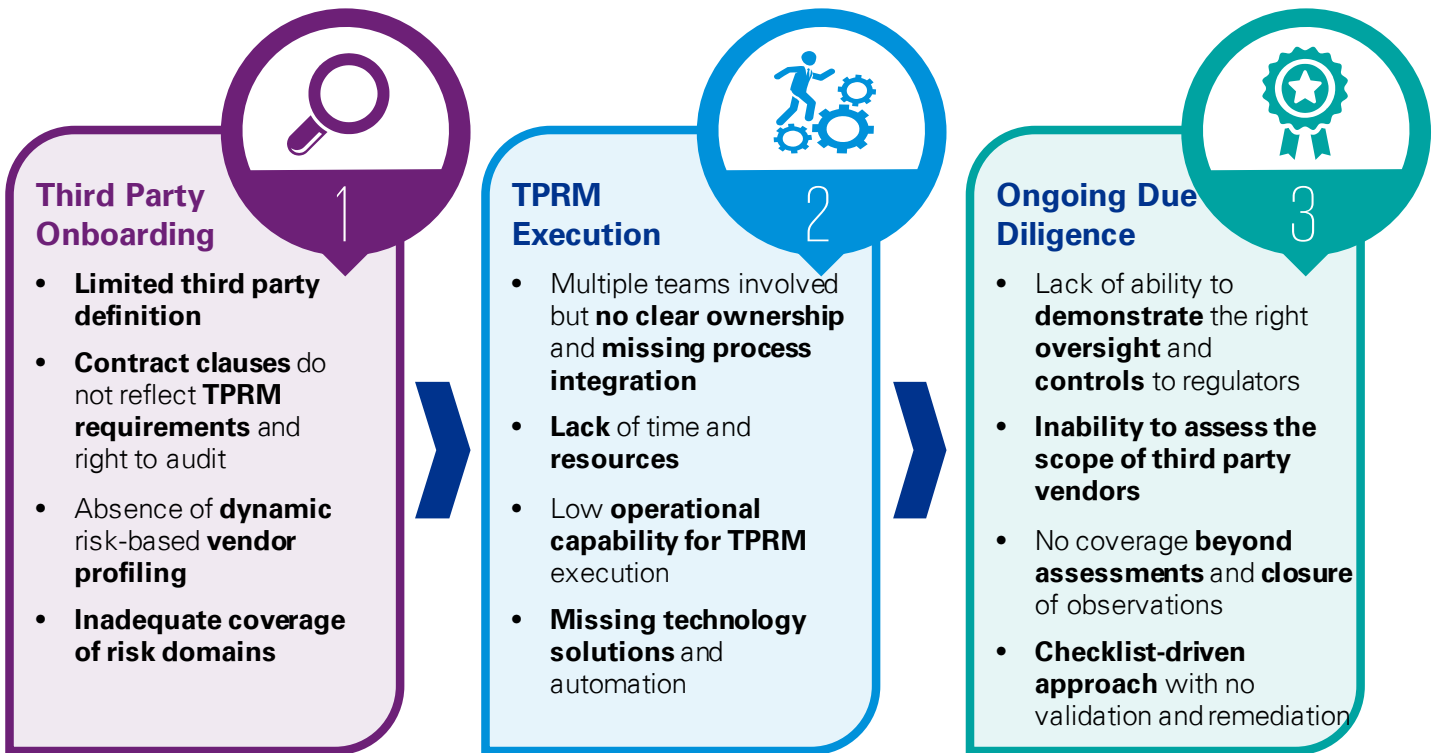
Elevating Third-Party Risk Management (TPRM) to protect your business



Across industries businesses are increasing their reliance on third parties as part of their delivery value chain. This includes a range of service and outsourcing providers, sales and alliance partners, data firms, cloud providers, counterparties, marketing agencies, sub-contractors and vendors / suppliers. Firms will, however, remain primarily responsible to their customers and regulators for the operational success of the value chain that includes these third parties. Numerous instances of service delivery failure and breaches attributable to third parties along with increased scrutiny from regulators are driving firms to reassess the effectiveness and sufficiency of their Third Party Risk Management (TPRM) programmes.

Key challenges in handling third parties

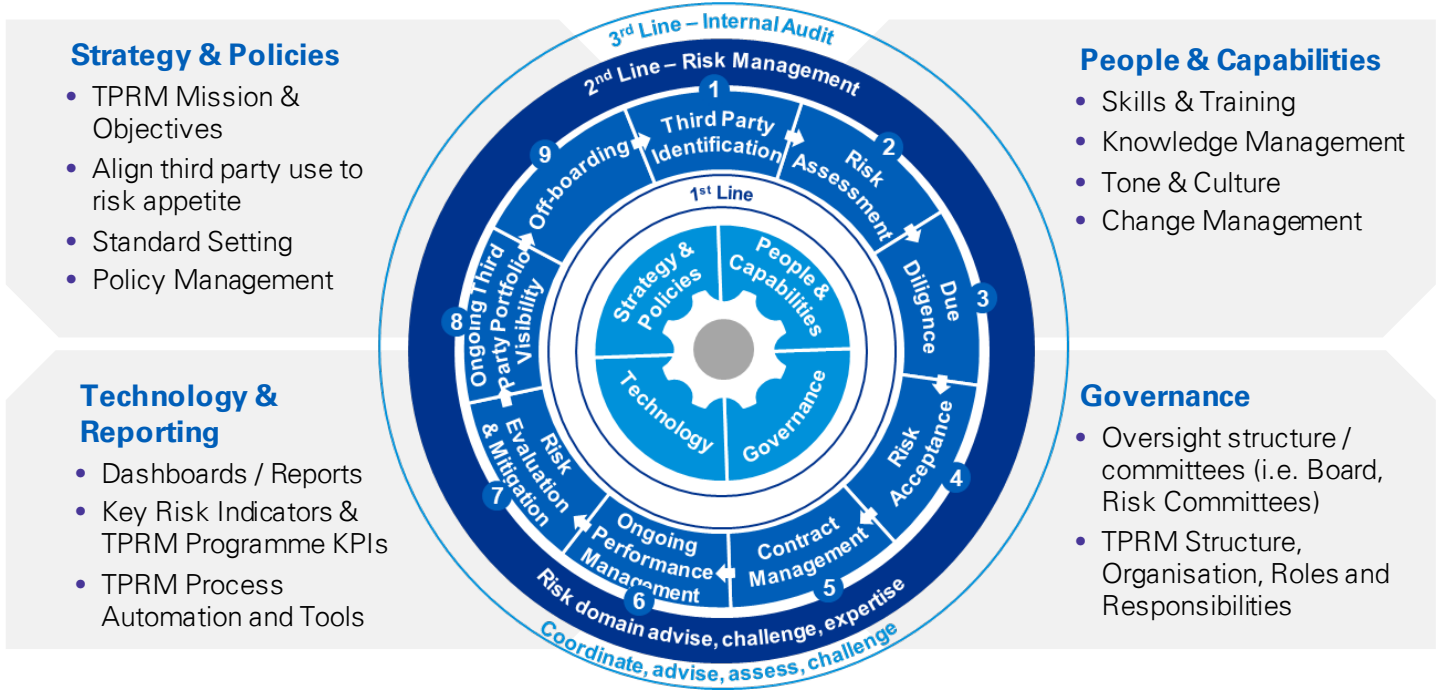
While most companies have recognised the importance of managing third-party risk and have started to evolve their capabilities, these are often complex and clunky. We typically observe the following key challenges and gaps:



KPMG's TPRM Framework

A Third-Party Management Framework built along three lines of defence promotes agility and identifies risks. KPMG's TPRM Framework brings together the key components of an effective Third-Party Management Programme, while considering their sequencing and interconnectivity:





- 1. Programme Oversight:** Are TPRM strategy, policies, governance structures, capabilities and supporting technology suitable to address and manage potential third-party risks and provide sufficient oversight?
- 2. Process Oversight:** How efficient and integrated are the TPRM processes within an organisation in order to mitigate potential risks at all stages of the third party's lifecycle?



How KPMG can help


KPMG works with clients to help them move through the journey of evolving their TPRM programme in each phase – whether that is helping to develop a programme from the foundation, assisting with evolution to maturity with the required technology and focus on innovation, or by providing TPRM services as a managed service.

KPMG has full coverage and extensive expertise across all TPRM capabilities to form a fully integrated partnership for success. Our Subject Matter Experts (e.g. Sustainability, Cyber Security, etc.) and global network of member firms will support and supplement the Core Delivery Team as required.

 <h3>TPRM Framework Design</h3> <p>Helping you assess, design or re-engineer your TPRM Strategy, Governance and Processes</p>	 <h3>Framework Implementation</h3> <p>Piloting and rolling out the new TPRM programme in your organisation</p>	 <h3>Technology Enablement</h3> <p>Implementing market-leading TPRM tools or bespoke digital solutions</p>	 <h3>Managed Service</h3> <p>Operationalising and conducting ongoing TPRM for your entire third party base at a lower cost and with enhanced risk coverage</p>
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With companies continuing to face complex risks in dynamic business environments and increasing demands from regulators, it will remain critical for them to maintain a sustainable TPRM approach. We can help you to drive efficiency, reduce TPRM programme costs and deliver high quality outcomes without making compromises on third party experience.

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