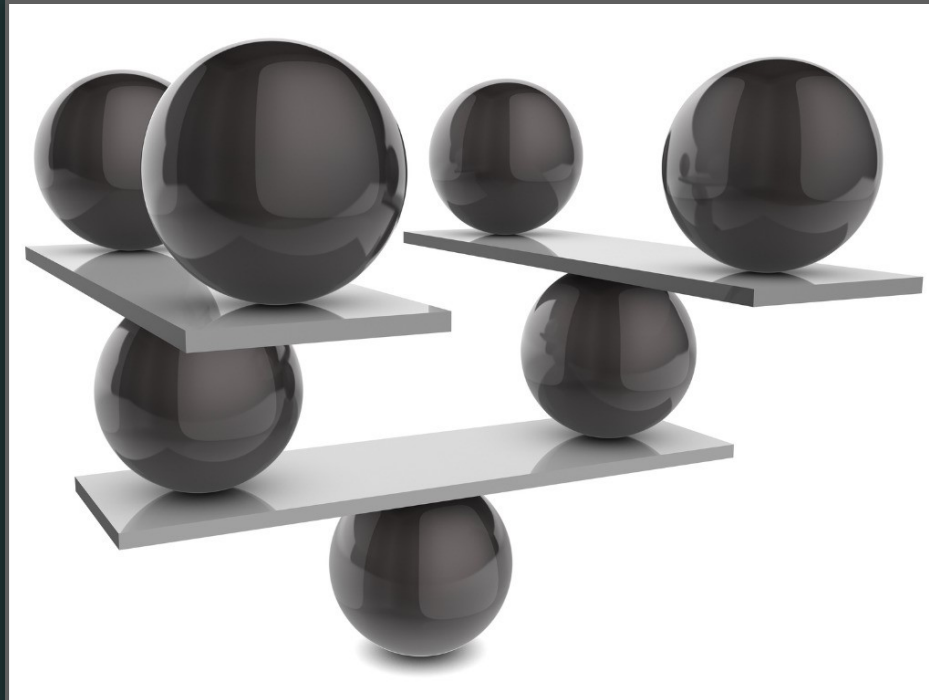


Strategic Impact Partners

Own the Future.



Supply Chain ESG

The New Pathway to Strategic Competitive Advantage

Managing Uncertainty - Building Resilience - Capturing New Growth Opportunities

BringChangeNow.com

The SIP Team



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We help you improve the management of uncertainty and eliminate risks to your most important revenue-impacting relationships.



Say what you do,
Do what you say,
Do it effectively,
Be ready and able to prove it.

Whether you're a major sourcing company, one of its preferred suppliers or aspire to be, complying with the rigorous standards of supply chain operations is daunting. Everyone faces a significant undertaking to fully grasp the myriad of concerns involved: From human resources (e.g., equal opportunity, worker rights); environment, health and occupational safety; and advertising standards to consumer rights and protections; product safety and labeling; and business development (sales).

C-suite leaders, supply chain executives and their functional managers are increasingly expected to operationalize policies to meet changing expectations of stakeholders that now more than ever must prioritize the financial markets, capital investors and shareholders. Board directors are feeling new pressures around issues of corporate integrity while management teams are grappling with uncertainty, perpetual volatility and fleeting control. These demands must be responded to while also delivering top- and bottom-line growth.

Suppliers are expected to take ownership of their relationships with the facilities that produce the products that their sourcing customers buy from them, which results in a cascading of corporate values throughout the supply chain. Management of end-to-end supply chain operations has become a way for sourcing companies to limit risks to their products and services while controlling brand reputation with customers and the markets.

REGAIN CONTROL AND IMPROVE PREDICTABILITY

Think for a moment about the tremendous resource drain on your organization in time, money and people when you have to endure the stress of preparing for an audit. What if all of your efforts still result in a major finding, or you even fail the audit?

Let us step in, remove the threat, and help you gain control and predictability.

STRATEGIC IMPACT PARTNERS has developed a unique method and system for sourcing companies and supplier organizations in which to build a more secure competitive advantage in a landscape shaped by hyper-scrutiny, radical accountability and unrelenting customer expectations. Our ESG solutions suite and platform comprise advanced capabilities that have never been available in this integrated design before.

The solutions we offer carry forward previous experience by our team members conducting more than 20 such engagements as well as process improvement programs in over 200 facilities for a range of global sourcing and supplier organizations. It synthesizes our uncommon blend of multidisciplinary client-side and consulting experience involving enterprise risk and reputation management, sustainability, manufacturing and supply chain, values marketing, human capital, organizational culture and governance, and C-suite executive leadership.

As a result, we are uniquely equipped to help you seize the advantage from the inevitable scrutiny that comes with a modern supply chain and maintaining responsible sourcing practices. By embedding the right practices and management system, we help you reduce uncertainty while improving the throughput of your growth strategy. That leads to the discovery of previously hidden business opportunities.

KNOWLEDGE MANAGEMENT



Regain Control and Reduce Uncertainty

Our tools, systems and methods are as effective at the enterprise or facility level as they are in departments and work stations within the facility. We create a plan with a customized management system that responds to the expectations of external oversight bodies, a range of corporate stakeholders as well as auditors and what the audit itself will require. Our SIP colleagues have years of experience supporting leaders and functional teams in navigating mission-critical situations. We don't flinch easily.

Aided by our highly-collaborative approach, you'll become self-certifying as a routine, learning to work on the upside of risk. Conformance to ESG requirements becomes seamlessly embedded with your people in the processes they already execute on the job every day. Conformity becomes an opportunity to strengthen the competitiveness of your business.

THE MOST ADVANCED, SPECIALIZED DIGITAL SOLUTION

SIP has partnered with an ESG/sustainability SaaS technology developer to deliver the backbone to our embedded management system. Found in the Amazon Web Service (AWS), a benchmark for high availability and security, our cloud-based solution produces all the information and data relationships you need to efficiently manage your Supply Chain ESG program.*

Our initial on-site visit and consultation will determine the best approach for gathering and importing your data onto the SIP platform as well as designing the model to configure, and optimize use of, the data in a management system that fits your context.

With the help of your designated team leader, we guide the identification, vetting and importing of the information that the platform requires – configuring the system aligned with your organization model.

We use CBT (Competency-Based Training) and other facilitation methods to help your various unit teams easily assimilate any functions or procedures that may be needed to work with the information before and after it is loaded onto the SIP platform.

*Nothing succeeds more than preparation:
We help you come out ahead in the
audit process by "feeding the auditors"
and exceeding their appetite for information.*

1. Our SaaS backbone uses a variety of tools to ensure a secure environment, as well as a Web Application Firewall (WAF) by Cloudflare, which protects against SQL injection attacks, cross-site scripting, and spoofing requests. The application also identifies and traps DDoS attacks. All requests are encrypted with a TLS 1.3 SSL Certificate as required by PCI 3.2. For security reasons, the database is not exposed to the Internet, with exclusive access to the application machines.
2. Our supplier organization client remains the sole owner of its data and custom configuration on our platform. Strategic Impact Partners holds no ownership of the client's data or the customized model we create to optimize it in our management system. Maintaining a client's data and the proper function of the data on the platform is the responsibility of our SaaS partner who works directly with our supplier organization client.

A New Level of Operational Visibility and Integration

We're delivering critical ESG capabilities that have never been available in this integrated configuration before; uniquely enhancing coordination between internal functional managers (and their alignment with external risk management standards) and the internal financial auditors (with their control of financial risk management systems).



Once the import is completed and the model implemented, you the sourcing company or supplier organization subscribe directly with our platform partner to access, utilize and update the data. Our program uses a conformity standard that is recognized in 180+ countries and has continual improvement built in. At your request, we may enter an engagement to manage the integrity of the data in our system, including:

- Performing routine e-audits to ensure standards for data entry and utilization are consistently maintained
- Tracking the positive movement of any maturity score across key areas
- Issuing a corrective action when a score dips in any given area and collaborating with your team to resolve it

Working with you in this ongoing manner is a particular advantage for your team as SIP project managers can support hundreds of facilities at once. Most of the work, especially the conformance documentation, can be performed by us remotely. We keep your program updated and on track while you save time and travel expenses.

The SIP team may provide an independent auditor, or any other oversight or conformance entity, with restricted access to the platform and your information to help plan a more accurate conformance process, disclosure response or audit. We can effectively and appropriately respond whether you're a sourcing company needing to verify your own, or a supplier's, performance – or you are a preferred supplier organization needing to demonstrate alignment with your sourcing customer's compliance system.

Most importantly, our training and facilitation support helps ensure that your people have fully assimilated the conforming procedures that, if found to need corrective action from an audit, amount to an amendable minor fault. This prevents auditors from identifying a more serious breach and issuing a 'finding', which exposes your company to potentially significant punitive actions.





How We Work:

Our ESG Guidance and Implementation Capabilities

Without an intelligent management system, an E-audit capability and solid training, your unit managers can quickly become overwhelmed and unintentionally less prepared. Not being in full conformity can expose a liability as much as providing too much information can trigger unnecessary inquiry.

With our system fully implemented, you can anticipate that any potential audit will be shorter and easier to pass. You'll also acquire a new level of confidence in being prepared for any scrutiny coming from an oversight entity, the markets, capital investors, shareholder activism, license-to-operate challenges or programs such as a Walmart Strike.

Working with us will also make you more effective in your everyday sourcing and/or supplier customer relationships by returning you to the driver's seat with improved visibility, accountability and traceability.

OUR TYPICAL ENGAGEMENT SEQUENCE:

On-Site Visit (2-3 Days):

Situational Context Determination and Opportunity Discovery
Determination and Assessment of Engagement Requirements
Key Leader Intakes; Executive Briefing
Engagement Plan

Analysis:

External Operating Environment and Context
Internal Context

Uncertainty Assessment:

Opportunities and Threats
VUCA (Volatility, Uncertainty, Complexity and Ambiguity)

Resolution Strategy:

Resolution Initiatives to Offset or Disempower Threats
New Business Opportunities Validation

Implementation

Custom Configuration of Management System
On-Site Defense During Audit

Assimilation:

Competency-Based Employee Training
Leadership Team and Cultural Alignment

Development of ESG Codes of Conduct:

Alignment of the Facility Code with the Corporate Code
Supplier Behavior with the Customer-Issued Supplier Code

Next-Gen Disclosure and Reporting Program

'Preferred Supplier' Marketing Strategy
Responsible Sourcing Strategy

Our customizable suite includes:

- Assessment of your external and internal context to identify specific ESG opportunities and threats
- Discovery and validation of ways to exploit the opportunities to offset threats and business uncertainty
- Creation of your own ESG Code of Conduct that aligns with what your customers are requesting and the markets are expecting
- Competency-Based Training (CBT) for employees and leadership teams to take ownership of the program
- Implementation of new operational priorities, such as a Next-Gen Disclosure and Reporting program, a Preferred Supplier Marketing Strategy, or a Responsible Sourcing Strategy

*Working at the upside of risk:
We close the gaps that created your
uncertainty as a pathway to
discovering new competitive
business opportunities.*

New technology is enabling sourcing companies to better track, monitor and forecast their risks – leveraging hundreds of thousands of data points across their supplier universe cradle to grave.



Everyone Beware:

Why You Need to Know Your Sourcing Customer



While sourcing leaders like Walmart prefer to work with suppliers to help improve their supply chain practices, they will readily impose consequences for failing to meet their expectations, including contract termination. They are actively acquiring hundreds of thousands of data points across the supplier universe, cradle to grave.

Aided by new technologies, many sourcing companies are developing a Code Audit Data System, then auditing to a particular Code and what their external partners require. By applying statistical analysis to supplier behavior, they can use that data to enforce closure actions on non-conformities – and working with procurement, quality control and licensing teams, also plan the audit and accountability protocols.

Sourcing companies may also be looking at suppliers' corporate structure, including the owners and whether they have any connection to sanctions issues or politically exposed persons. This new visibility extends to unstructured data, such as social media platforms and mobile apps. Whatever the nature of trouble for a sourcing organization's brand or reputation, the potential impact upon suppliers can be game-changing.

NEW ESG CAPABILITIES THAT DRIVE COMPETITIVE GROWTH

Building an E-audit capability into your Supply Chain ESG program as part of the core of your business will produce measurable cost savings and new economic opportunities.

As your management needs evolve, the SIP team can integrate other conformance programs involving quality, environmental management, and health and safety that may be required. We have a menu of some 30 different programs that can be added over time.

Our solution suite can also create a portfolio for your sales force as a competitive tool in your marketing to new customers. In addition to developing a Preferred Supplier Marketing Strategy or a Responsible Sourcing Strategy that can differentiate your ESG leadership for competitive advantage, our management system can support your field sales teams with various disclosures and conformity statements on request.

With the right resources, internal commitment and expert guidance, crafting your Supply Chain ESG program can become your organization's transformation strategy to the next level of competitive resilience and strategic leadership.

ESG Conformity is different, and easier, than Compliance. But you cannot be airtight compliant without first achieving full conformance. Knowing and leveraging the difference changes everything.



Results:

What We Deliver



- ✓ Identification of **any gaps or shortfalls** in your operational systems, processes and infrastructure that are non-conformant.
- ✓ Significant improvement in your **predictive and responsive capabilities** for managing uncertainty.
- ✓ A new level of **operational visibility across multiple facilities**, not previously possible, with 24-7, 360-degree embedded control.
- ✓ **Enhanced coordination** between your internal functional managers (and their alignment with external risk management standards) and your internal financial auditors (with their control of financial risk management systems).
- ✓ A powerful digital integration of the top global standards and frameworks that are **preferred by the financial markets** as well as corporate investors.
- ✓ Improved conformance with ISO 14001:2014 and OHSAS 18001 (now ISO 45001:2018); major factors in ESG compliance for all large sourcing companies and standards they are expected to be in conformance with by their **investors and the financial markets**.
- ✓ Development of a customized management system to embed quality assurance and accountability in the very areas of your operations **most susceptible to scrutiny** and potential exposure.
- ✓ Optimization of your two governance systems – corporate and facility – by **aligning the facility Code of Conduct with your corporate code** to more confidently comply with any external partner or supplier codes.
- ✓ Ensuring that all your codes are not only up to date with any corresponding codes but structured to **accommodate the expanding areas of scrutiny** by external parties.
- ✓ On-site support, and **defense, of the audit preparation material** for your teams during the actual audit visit.
- ✓ Conformity with, and tracking of, all local, state, federal and other **requirements for employers** and their employees.
- ✓ A new **internal communication standard** as well as improved alignment of your organization culture.

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Supply Chain ESG

Read Our Blog:

What
Matters
M!ST
*Talk is cheap.
Solutions are priceless.*



"Rather than profits being the center of the universe of business, in fact, it's value creation. Companies that have really distinguished themselves on creating great loyalty – and by the way great value and great profits through time – tend to focus their learning measurement systems and culture on delivering outstanding customer value."

- Frederick F. Reichheld, Bain & Co. and author of [The Loyalty Effect](#) (Harvard Business School Press)

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Own The Future

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