



# Mastercard® Systemic Risk Assessment

powered by  **interos**

An interactive dashboard that provides a holistic view of business relationship risks

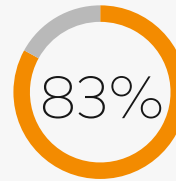


## The global supplier risk landscape and its impact

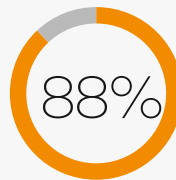
To manage operational risk, it's critical that organizations know the who, where and how of their suppliers' operations. But many organizations lack the visibility to mitigate these risks.



is the average annual revenue loss companies face from their business relationships<sup>1\*</sup>



of organizations suffered reputational damage because of business relationship problems<sup>1</sup>



of boards say visibility of global relationship risk is more critical now than two years ago and discuss it weekly or monthly<sup>1</sup>

### Three industry case studies

Discover how three organizations across three industry sectors limited their supplier risk and improved their cyber monitoring, helping them automate processes, minimize risk and improve their operational resilience.



AIRLINE



FINANCIAL



GOVERNMENT

1. Interos proprietary customer research: IT procurement, U.S. and Europe. \*For companies earning greater than \$1B in revenue, 2022.



## CASE STUDY: AIRLINE INDUSTRY

How a major U.S. airline transformed supplier onboarding to minimize their risk of data breaches



The return of global travel post-pandemic has put the supply chain complexities in the airline industry into sharp focus. Demand is far outpacing supply, leading to flight cancellations in the thousands as airlines strive to keep up with this spike in travel. Adding to the complexity are other major risk factors faced by the industry – such as cyberattacks, geopolitical shifts and financial collapse.

**\$5.65M** is the average cost of a data breach at organizations with high level compliance failures<sup>1</sup>



### The Challenge

With a lack of visibility into third-party flight operations, the airline had no way of being alerted when critical supply chain issues came up – a major concern when several third-party suppliers declared bankruptcy due to the global pandemic.

A reliance on manual systems to onboard and survey new suppliers led to delays and various gaps in their onboarding processes.



### The Outcome

With a holistic dashboard view the airline was able to:

- Enable quick detection of risks such as data breaches
- Automate processes that allowed for quick review and risk assessment of new vendors
- Significantly reduce supplier onboarding time.

## SUCCESS STORY SPOTLIGHT

### A TOP 5 AIRLINE



### Context and Challenge

A top five airline experienced a vulnerability within their business network.

### Approach

Within 9 hours **54 connections** exposed to SolarWinds were identified and risks from the connections were mitigated.

### Results

The airline now monitors **18,000+ entities** in their business network.

1. Ponemon Institute, cost of a data breach, 2021.

# CASE STUDY: FINANCIAL INDUSTRY

How a large UK bank improved their risk reporting to better limit risk from their suppliers



Banks the world over face this core challenge – balancing the need for effective risk detection and management with the goal of consistent growth in an extremely competitive and rapidly evolving environment. Magnifying this challenge are strict compliance regulations that demand constant monitoring and reporting of supplier relationship risk on a quarterly and ad-hoc basis.

**\$5.4B** global financial sector fines for noncompliance with AML, KYC and data privacy regulations in 2021<sup>1</sup>



## The Challenge

The financial landscape is constantly in flux, making real-time insights key to informing the right decisions. Yet this bank still relied on a manual system to complete their internal and external compliance reporting. Without real-time monitoring of geographical, financial and cyber events, proactive planning and identifying and understanding the potential risks associated with sub-tier suppliers was impossible.

It was critical that this bank address this challenge as it required insights into the impact external risks could have on their supply chain. With this information, they could efficiently evaluate vendors and ensure business continuity.

1. Nergo: global enforcement actions report, 2021.



## The Outcome

With a holistic dashboard view the bank was able to:

- Reduce the internal and external compliance reporting process from hours to minutes
- Deliver concentration risk reporting to internal and external regulators
- Provide full sub-tier visibility throughout their supplier ecosystem
- Enable real-time alerting and risk scoring capability
- Dramatically improve risk reporting times from a process taking weeks to months to just hours or minutes.

## SUCCESS STORY SPOTLIGHT

**A TOP 5  
INSURANCE  
COMPANY**



### Context and Challenge

A top five insurance company experienced digital supply chain challenges.

### Approach

**60 vendor connections** with data loss vulnerabilities were identified.

### Results

Insurance company **avoided violations and associated reputational risk** and now monitors **21,000 entities** in its business network.

# CASE STUDY: GOVERNMENT

A U.S. federal agency automates their supplier assessment processes, saving them critical time



Assessing potential risks while, at the same time, attempting to onboard potential suppliers can be a difficult balancing act. Failure to identify hidden risks can result in dangerous exposure to any number of often unforeseen world events and greatly impact the supply chain.

**74%** of organizations still use manual methods for business relationship risk management<sup>1</sup>



## The Challenge

Much thought and effort goes into vetting new suppliers for federal government programs, including assessing potential risk of cyberattacks, solvency and regulatory compliance on the part of the supplier. This due diligence becomes even more complicated and prolonged when conducted manually.

With inefficient manual processes in place, this federal agency was hampered in its ability to make timely procurement decisions, as analysts were left to rely on manual open-source searches to evaluate potential suppliers.



## The Outcome

With a holistic dashboard view the federal agency was able to:

- Automate the agency's processes, enabling a single point of access to actionable supply chain insights through a real-time view of supply chain risk across multiple factors
- Allow quick investigation of Section 889 compliance at all levels of the vendor ecosystem
- Save critical time by eliminating open-source searches by analysts.

## SUCCESS STORY SPOTLIGHT

### A MAJOR GOVERNMENT



### Context and Challenge

A government experienced cyber risk coming from China.

### Approach

It identified **26 critical suppliers** prohibited under Section 889 from supplying certain telecommunications and video surveillance equipment, as well as **70 critical suppliers** exposed to SolarWinds.

### Results

At-risk suppliers were mitigated within **9 hours** and the government now monitors **60,000 entities** in their business network.

1. Interos proprietary customer research: IT procurement, U.S. and Europe, 2022.

# How can we help?

Mastercard Systemic Risk Assessment, powered by Interos, is a dashboard designed to help organizations improve their operational resilience by monitoring and identifying complex risks from a network of over 350 million connected businesses across six risk dimensions



To learn more about Mastercard Systemic Risk Assessment powered by Interos, contact your Mastercard account representative today.

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