

KNOW YOUR VENDORS

**BUILDING TRUSTED
PARTNERSHIPS AND PROTECTING
YOUR ORGANIZATION**

**RICH SHIVELY
WILLIAMS DISTRIBUTING**

WHY IT MATTERS TO LEADERSHIP



**VENDORS DIRECTLY IMPACT
COMPLIANCE, SECURITY,
AND REPUTATION**



**INCREASING REGULATORY
AND STAKEHOLDER
EXPECTATIONS**



**THIRD-PARTY FAILURES =
MAJOR BUSINESS RISK**



**VIABLE OPTIONS AVAILABLE
FOR RISK MITIGATION**

WHAT IS VENDOR VERIFICATION?



**Risk-based process to
validate vendor identity
and integrity**



**Covers onboarding and
ongoing relationships**



**Scaled by vendor
criticality and exposure**

KEY VENDOR RISKS



Regulatory and legal non-compliance



Cybersecurity and data privacy breaches



Financial instability or service disruption



Reputational and ESG risks

RISK-BASED VENDOR SEGMENTATION

- !!! – Critical / high-risk vendors
- !! – Moderate-risk vendors
- ! – Low-risk vendors
- [👁️] – Enhanced scrutiny for vendors with data, systems, or customer impact

Pre-onboarding
due diligence

Contractual controls
and approvals

Ongoing monitoring
and reassessment

Controlled
offboarding

VENDOR VERIFICATION LIFECYCLE

GOVERNANCE & ACCOUNTABILITY



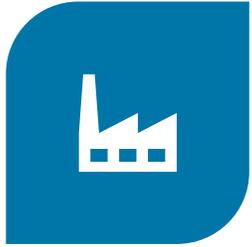
**Clear ownership
across Procurement,
Risk, Legal, IT**



**Business owners
accountable for
vendor performance**



**Executive oversight
of high-risk vendors**



**CENTRALIZED
VENDOR
INVENTORY**



**RISK RATINGS AND
KEY METRICS**



**ESCALATION OF
HIGH-RISK ISSUES**



**AUDIT AND
REGULATORY
READINESS**

OVERSIGHT & REPORTING

KEY TAKEAWAYS



Vendor risk is enterprise risk



Verification must be continuous and risk-based



Strong governance protects the organization



Executive oversight is critical to success

QUESTIONS

